

Local Council Tax Support Scheme

From 01 April 2023

Provisions for working age people

Final Scheme

Approved by:



Strategic Director of Resources.

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Part 1 - Claims

Section 1 Procedure by which a person must apply for a reduction under the scheme

- A An application must be made either—
- i in writing,
 - ii by means of an electronic communication in accordance with Part 14 of this volume, or
 - iii by telephone using any number published by the authority for the purposes of making an application under this scheme.
- B
- i An application which is made in writing must be made to a designated office on a properly completed form.
 - ii The form shall be provided free of charge.
- C
- i 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 by the authority.

the authority shall, 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, refer the applicant to the manner in which application may be made electronically.
 - ii 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
- D
- i If an application made by electronic communication is defective the authority shall provide the person making the application with an opportunity to correct the defect.
 - ii An application made by electronic communication is defective if the applicant does not provide all the information or evidence the authority requires.
- E When an application is made by telephone the authority may provide the applicant with a written statement of his circumstances and determine that the application is valid only if that written statement is approved by the applicant.
- F
- i If an application made by telephone is defective the authority shall provide the person making the application with an opportunity to correct the defect.
 - ii An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

Section 2 Making an application

- A 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 apply or, in default of agreement, by such one of them as the authority determines.
- B Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act, and—

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- i 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
 - ii 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
 - 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,that deputy, judicial factor, guardian or attorney, as the case may be, may make an application on behalf of that person.
- C Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and paragraph (B) does not apply to him, the authority may, upon written application made to it 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 this scheme and to receive and deal on his behalf with any sums payable to him.
- D 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 paragraph (C).
- E Where the authority has made an appointment under paragraph (C) or treated a person as an appointee under paragraph (D)—
 - i it may at any time revoke the appointment or, as the case may be, cease to treat a person as an appointee;
 - ii the person appointed may resign his office after having given one calendar months' notice in writing to the authority of his intention to do so;
 - iii any such appointment terminates when the authority is notified of the appointment of a person mentioned in paragraph (B).
- F 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 paragraph (B) 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.
- G The authority shall—
 - i inform any person making an application of the duty imposed by section 7(A)(i) of this Part;
 - ii explain the possible consequences (including prosecution) of failing to comply with that duty; and
 - iii set out the circumstances a change in which might affect entitlement to the reduction or its amount.

Section 3 Date on which an application is made

- A Subject to paragraph (F), the date on which an application is made is—
 - i in a case where—

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- a an award of income support, an income-based jobseeker's allowance, an income-related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and
- b the application is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,

the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim;

ii in a case where—

- a an applicant or his partner is a person on income support, an income-based jobseeker's allowance, an income-related employment and support allowance or has an award of universal credit,
- b the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
- c the application is received at the designated office within one month of the start of that liability,

the date on which that liability begins;

iii in a case where—

- a 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 this scheme, and
- b the applicant makes an application for a reduction within one month of the date of the death or the separation,

the date of the death or separation;

iv In a case where a properly completed application is received within one month (or such longer period as the authority considers reasonable) of the date on which an application form was issued to an applicant following the applicant first notifying, by whatever means, the authority of an intention to make an application, the date of first notification;

v in any other case, the date on which an application is received at the designated office.

B For the purposes only of sub-paragraph (A)(i) a person who has been awarded an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit 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—

- i in the case of income-based jobseeker's allowance, paragraph 4 of Schedule 1 to the Jobseekers Act 1995 (waiting days); or
- ii in the case of income-related employment and support allowance, paragraph 2 of Schedule 2 to the Welfare Reform Act 2007 (waiting days),
- iii in the case of universal credit, Regulation 19A of the Universal Credit Regulations 2013 (waiting days)

have been entitled to that allowance

C Where the defect referred to in section 1 sub-paragraph F(i) of this Part (defective applications by telephone)-

Part 1 - Claims

- i is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last requested that the defect be corrected, the authority shall treat the application as if it had been duly made in the first instance;
 - ii is not corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last requested that the defect be corrected, the authority may 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.
- D The authority shall 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-paragraphs (E)(i), (ii) or (iii) are satisfied.
- E The conditions are that—
 - i where Section 1(C)(i)(a) of this Part (incomplete form) applies, the authority receives at its designated office the properly completed application or the information requested to complete it or the evidence within one month of the request, or such longer period as the authority may consider reasonable; or
 - ii where Section 1(C)(i)(b) of this Part (application not on approved form or further information requested by authority) applies—
 - a the approved form sent to the applicant is received at the designated office properly completed within one month of it having been sent to him; or, as the case may be,
 - b the applicant supplies whatever information or evidence was requested under Section 1(C) (i) of this Part within one month of the request,or, in either case, within such longer period as the authority may consider reasonable; or
 - iii where the authority has requested further information, the authority receives at its designated office the properly completed application or the information requested to complete it within one month of the request or within such longer period as the authority considers reasonable.
- F 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 this scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority shall treat the application as having been made on the day on which the liability for the tax arises.
- G 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 this scheme in the reduction week immediately following the date of his application but will be entitled to a reduction for a period beginning not later than the thirteenth reduction week following the date on which the application is made the application may be treated 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.
- H
 - i No reduction will be made under the provisions of this scheme unless an application has been made or has been accepted as having been made in accordance with the provisions of Section 1 and,
 - ii any defects identified under the provisions of the nature described in Section 1 have been corrected within the timescale permitted by the authority.
- I
 - i In the event that the authority decides that a person is not or, as the case may be, is no longer entitled to a reduction under the provisions of this scheme and notifies that person

of that decision, no reduction shall be made in respect of a date after the date of that notification unless the person makes a new application for a reduction under this scheme.

- ii Sub paragraph (i) shall not apply if the authority has made a decision that a person is no longer entitled to a reduction under the provisions of this scheme and is satisfied that, within 13 weeks of the date of that decision, the applicant will again become entitled to a reduction under the provisions of this scheme.

Section 4 Backdating of applications

A Where an applicant—

- i makes an application which includes (or which the applicant subsequently requests should include) a period before the claim is made; and
- ii from a day in that period, up to the date when the application or subsequent request was made, the applicant had continuous good cause for failing to make an application or subsequent request.

B the claim shall be treated as made on the latest date of

- i the first day from which the applicant first had continuous good cause;
- ii the day 1 month before the date the claim was made;
- iii the day 1 month before the date when the applicant requested that the claim should include a past period.

Section 5 Information and evidence

A Subject to paragraph (C), a person who makes an application for a reduction under this scheme must satisfy paragraph (B) in relation both to himself and to any other person in respect of whom he is making the application.

B This sub-paragraph is satisfied in relation to a person if—

- i the application is accompanied by—
 - a a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or
 - b information or evidence enabling the authority to ascertain the national insurance number that has been allocated to the person; or
- ii 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—
 - a evidence of the application for a national insurance number to be so allocated; and
 - b the information or evidence enabling it to be so allocated.

C Paragraph (B) does not apply—

- i in the case of a child or young person in respect of whom an application for a reduction is made;
- ii to a person who—
 - a is a person treated as not being in Great Britain as specified in Part 16, Section 12

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- b is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
 - c has not previously been allocated a national insurance number.
- D Subject to paragraph (E), a person who makes an application, or a person to whom a reduction under this 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 the authority in order to determine that person's entitlement to a reduction under this scheme and must do so within one month of the authority requiring him to do so or such longer period as the authority may consider reasonable.
- E A person shall not be required to furnish any certificates, documents, information or evidence relating to a payment to which paragraph (G) applies.
- F Where the authority makes a request under paragraph (D), it shall—
 - i inform the applicant or the person to whom a reduction under its scheme has been awarded of his duty under section 7 (duty to notify change of circumstances) to notify the authority of any change of circumstances; and
 - ii without prejudice to the extent of the duty owed under section 7, 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.
- G This sub-paragraph applies to any of the following payments—
 - i
 - a disregarded under paragraph 23 of Part 4B (income in kind) or paragraph 38 of Part 5A (certain payments in kind); and
 - b a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Windrush Compensation Scheme or the London Bombings Relief Charitable Fund;
 - c a Grenfell Tower support payment
 - ii a payment which is disregarded under paragraph 36 of Part 4B or paragraph 29 of Part 5A (payments made under certain trusts and certain other payments), other than a payment under the Independent Living Fund (2006);
 - iii a payment which is disregarded under Part 8, Section 4, paragraphs B or C (Amounts to be disregarded from a non-dependant's income).

Section 6 Amendment and withdrawal of application

- A 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.
- B Where the application was made by telephone in accordance with Section 1(E) of this Part, the amendment may also be made by telephone.
- C Any application amended in accordance with paragraph (A) or (B) is to be treated as if it had been amended in the first instance.
- D 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.

Part 1 - Claims

- E Where the application was made by telephone in accordance with Section 1(E) of this Part, the withdrawal may also be made by telephone.
- F Any notice of withdrawal given in accordance with paragraph (D) or (E) has effect when it is received.
- G 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.

Section 7 Duty to notify changes in circumstances

- A Subject to paragraph (C) an applicant (or any person acting on his behalf) must comply with paragraph (B) if there is a relevant change of circumstances at any time—
 - i between the making of an application and a decision being made on it, or
 - ii at any time while the applicant is in receipt of a reduction under this scheme.
- B 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 this scheme (a “relevant change of circumstances”) by giving notice to the authority—
 - i in writing; or
 - ii by telephone—
 - a where the authority has published a telephone number for that purpose or for the purposes of section 1(E) of this Part unless the authority determines that in any particular case or class of case notification may not be given by telephone; or
 - b in any case or class of case where the authority determines that notice may be given by telephone; or
 - iii by means of electronic communication in accordance with Part 14 of this scheme
 - iv by any other means which the authority agrees to accept in any particular case, within a period of 1 month beginning with the day on which the change occurs.
- C The duty imposed on a person by paragraph (A) does not extend to notifying—
 - i changes in the amount of council tax payable to this authority;
 - ii changes in the age of the applicant or that of any member of his family;
- D Notwithstanding sub-paragraph (C)(ii) an applicant is required by sub-paragraph (i) 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.
- E The duties described in paragraphs A to D extend to persons who are not entitled to a reduction during a period referred to in Section 3 (I)(ii)

Part 2- Alternative Maximum Council Tax Reduction

Section 1 Class P: Alternative Maximum Council Tax Reduction

- A On any day class P consists of any person who is not a pensioner—
- i who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
 - ii who, subject to section 4 of Part 9 (Periods of absence from a dwelling), is not absent from the dwelling throughout the day;
 - iii in respect of whom a maximum council tax reduction amount can be calculated;
 - iv 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 Act as a class of person which must not be included in this scheme;
 - v who has made an application; and
 - vi in relation to whom the condition in paragraph (B) is met.
- B The condition referred to in sub-paragraph (A)(vi) 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 incomes, of one or more residents to whom this sub-paragraph applies.
- C paragraph (B) applies to any other resident of the dwelling who—
- i is not a person who, in accordance with Schedule 1 to the Local Government Finance Act 1992, falls to be disregarded for the purposes of discount;
 - ii is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the Local Government Finance Act 1992 (spouse's or civil partner's joint and several liability for tax)
 - iii 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—
 - a in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the Local Government Finance Act 1992, falls to be disregarded for the purposes of discount; or
 - b 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 Local Government Finance Act 1992, fall to be disregarded for the purposes of discount;
 - iv is not a person who jointly with the applicant falls within the same paragraph of section 6(2)(a) to (e) of the Local Government Finance Act 1992 (persons liable to pay council tax) as applies in the case of the applicant; or
 - v 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 Local Government Finance Act 1992 where two or more of those persons are not persons who, in accordance with Schedule 1 that Act, fall to be disregarded for the purposes of discount.

Section 2 Alternative maximum council tax reduction

- A Subject to paragraphs (B) and (C), the alternative maximum council tax reduction in respect of a day where the conditions set out in section 1 (class P: alternative maximum council tax

Part 2 - Alternative Maximum Council Tax Reduction

reduction) are fulfilled, is the amount determined in accordance with section 4 (amount of alternative maximum council tax reduction).

- B Subject to paragraph (C), where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the alternative maximum council tax reduction in his case, the amount determined in accordance with section 4 shall be divided by the number of persons who are jointly and severally liable for that tax.
- C Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, solely by virtue of section 9 of the Local Government Finance Act 1992 (liability of spouses and civil partners), paragraph (B) does not apply in his case.

Section 3 Amount of Reduction: Class P

- A Where the person is within class P as defined in section 1, that amount is the amount which is the alternative maximum council tax reduction as shown in section 4 in respect of the day in the applicant's case.
- B Subject to section 7 of Part 9, the amount of the reduction to which he is entitled is whichever is the greater of—
 - i the amount of the reduction given by Part 9 section 6 paragraphs (B) or (C) (Amount of reduction classes N and O, as the case may be, and
 - ii the amount of the reduction given by Section (4) (Amount of alternative maximum council tax reduction).

Section 4 Amount of alternative maximum council tax reduction

- A Subject to paragraphs B and C, the alternative maximum council tax reduction in respect of a day for the purpose of section 2 of this Part is determined in accordance with the following table and, in this table—
 - i “second adult” means any person or persons residing with the applicant to whom section 1 applies (class P); and
 - ii “person to whom Part 6 Section 4(A) applies” includes any person to whom that paragraph would apply were they, and their partner if they had one, below the qualifying age for state pension credit.
- B In this Part “council tax due in respect of that day” means the council tax payable under section 10 of the Local Government Finance Act 1992 less—
 - i any reductions made in consequence of any enactment in, or under, the Local Government Finance Act 1992 (other than a reduction under this scheme); and
 - ii in a case to which sub-paragraph (c) in column (1) of the table below applies, the amount of any discount which may be appropriate to the dwelling under the Local Government Finance Act 1992.

	(1) Second adult	(2) Alternative maximum council tax reduction
a	Where the second adult or all second adults are in receipt of income support, an income-related employment and support allowance or state pension	a 25 per cent of the council tax due in respect of that day;

Part 2 - Alternative Maximum Council Tax Reduction

credit or are persons on an income-based jobseeker's allowance or of universal credit where the award is calculated on the basis that the person does not have any earned income;

- b where the gross income of the second adult or, where there is more than one second adult, their aggregate gross income disregarding any income of persons on income support, an income-related employment and support allowance, state pension credit or an income-based jobseeker's allowance of universal credit where the award is calculated on the basis that the person does not have any earned income —

- i is less than £212.49 per week
- ii is not less than £212.49 per week but less than £276.35 per week;

- i 15 per cent of the council tax due in respect of that day;
- ii 7.5 per cent of the council tax due in respect of that day;

- c where the dwelling would be wholly occupied by one or more persons to whom Part 6 Section 4(A) applies but for the presence of one or more second adults who are in receipt of income support, state pension credit, an income-related employment and support allowance or are persons on an income-based jobseeker's allowance or universal credit where the award is calculated on the basis that the person does not have any earned income.

- c 100 per cent of the council tax due in respect of that day.

- C In determining a second adult's gross income for the purposes of this part, the following shall be disregarded from that income —

- i any attendance allowance, or any disability living allowance or any personal independence payment under Part 4 of the Welfare Reform Act 2012 or an AFIP; and
- ii any payment to which Part 8 Section 4(B)(i) or (C) to these provisions refers (and part 8 Section 4(B)(ii) applies to this paragraph as it applies in relation to that paragraph).

- D Where there are two or more second adults residing with the applicant and any such second adult falls to be disregarded for the purposes of discount in accordance with Schedule 1 to the Local Government Finance Act 1992, his income is to be disregarded in determining the amount of any alternative maximum council tax reduction, unless that second adult is a member of a couple and his partner does not fall to be disregarded for the purposes of discount.

Part 3 – Applicants in Receipt of Universal Credit

Section 1 – Treatment of Applicants in Receipt of Universal Credit

- A Subject to Section 4 a person who has;
- i made an application for a reduction under this scheme and has been awarded Universal Credit or,
been awarded a reduction under this scheme and, after the first day of entitlement to that reduction has been awarded Universal Credit,
- Shall have his income and applicable amount calculated in accordance with Sections 2 and 3 of this part and,
- B the following provisions of this scheme will be disregarded for the purposes of calculating entitlement to a reduction under this scheme
- i Part 4 – Income, with the exception of section 2
 - ii Part 4A - Sums to be disregarded from an applicant's earnings
 - iii Part 4B - Amounts to be disregarded in the calculation of income other than earnings
 - iv Part 7 – Applicable Amounts

Section 2 – Applicable amounts – persons in receipt of Universal Credit

- A Subject to paragraph B, in determining the applicable amount for a week of an applicant
- i who is a single person, or
 - ii who (jointly with his partner or partners) has,
- an award of universal credit, the calculation or estimate of the maximum amount, shall be the applicable amount subject to the adjustment described in paragraph (C)
- B In determining the applicable amount for a week of an applicant who is a member of a polygamous marriage, the fact that two people are husband and wife is to be disregarded if—
- i one of them is a party to an earlier marriage that still subsists; and
 - ii the other party to that earlier marriage is living in the same household.
- C The adjustment referred to in paragraph (A) is to multiply the maximum amount by 12 and divide the product by 52.
- D In this section “maximum amount” means the maximum amount calculated in accordance with section 8(2) of the Welfare Reform Act 2012

Section 3 - Calculation of income: persons who have an award of universal credit

- A In determining the income of an applicant—
- i who is a single person, or
 - ii who (jointly with his partner or partners) has,

Part 3 - Applicants in Receipt of Universal Credit

an award of universal credit will, subject to the provisions of this paragraph be treated as possessing only the income on which his award of universal credit is based.

- B the amount of the income referred to in paragraph (A) shall be multiplied by 12 and the product divided by 52 to obtain the total weekly income
- C the amount of the income calculated in accordance with subparagraph (B) shall be increased by:-
 - i the amount of the award of universal credit
 - ii if a determination is made that section 2 of Part 4 (circumstances in which income and capital of a non-dependant is to be treated as applicant's) applies in the applicant's case, the amount by which the non-dependant's income exceeds the applicant's
- D The amount for the award of universal credit to be taken into account for the purposes of subparagraph (C)(i) is to be determined by multiplying the amount of the award of universal credit by 12 and dividing the product by 52.
- E section 2 of Part 4 (income and capital of non-dependant to be treated as applicant's) applies for the purpose of determining any adjustments which fall to be made to the figure for income under paragraph (C).

Section 4 - Circumstances when Part 3 shall not apply

- A The provisions of this Part shall not apply if the authority determines that:
 - i the award of universal credit was unlawfully obtained or,
 - ii the applicant has either
 - a misrepresented his situation, whether intentionally or otherwise, when claiming universal credit or,
 - b failed to report a change in his circumstances which is relevant with regard to his award of universal credit.
- B In a case to which paragraph A applies parts 4, 4A, 4B and 7 shall have effect and the award of universal credit, adjusted in accordance with section 3(D) shall be treated as if it were an income not subject to any disregards under the provisions of Part 4B until such time as;
 - i the authority is satisfied that the determination referred to in paragraph A was mistaken or,
 - ii the applicant satisfies the authority that the Department of Works and Pensions has been advised of all relevant changes in circumstances

Section 5 Calculation of income: persons who have an award of universal credit (Further Provisions)

- A When a person has their income calculated under the provisions of Section 3, the authority may use either;
 - i An average income amount calculated using previous income or,
 - ii An estimate of how much income will be received in the future.
- B When income is calculated in accordance with paragraph 1 the authority may;
 - i revise the average,

Part 3 - Applicants in Receipt of Universal Credit

- ii revise its estimate or
 - iii use the income figure calculated in accordance with Section 3
at any time.
- C When income is calculated under the provisions of paragraph 1 or, as the case may be, recalculated under the provisions of paragraph 2 (i) or (ii), the income amount shall be used for no longer than six months.

Part 4 – Income

Section 1 - Calculation of income – applicant’s family and polygamous marriages

- A The income of—
- i an applicant; and
 - ii any partner of that applicant, is to be calculated in accordance with the provisions of this Part.
- B The income of any partner of the applicant is to be treated as income of the applicant, and in this Part any reference to the applicant applies equally to any partner of the applicant.
- C Where an applicant or the partner of an applicant is married polygamously to two or more members of his household—
- i the applicant shall be treated as possessing income belonging to each such member; and
 - ii the income of that member shall be calculated in accordance with the following provisions of this Part in the same manner as for the applicant.

Section 2 - Circumstances when an applicant is treated as possessing a non-dependant’s income

- A Paragraph (B) applies where it appears to the authority that a non-dependant and an applicant have entered into arrangements in order to take advantage of this scheme and the non-dependant has more income and capital than the applicant.
- B The authority shall treat the applicant as possessing income and capital belonging to that non-dependant and, in such a case, any income and capital which the applicant does possess shall be disregarded.
- C Where an applicant is treated as possessing income and capital belonging to a non-dependant under paragraph (B) the income and capital of that non-dependant shall be calculated in accordance with the following provisions of this Part in the same manner as for the applicant and, except where the context otherwise requires, any reference to the “applicant” is to be construed for the purposes of this Part as if it were a reference to that non-dependant.

Section 3 Calculation of an Applicant’s Income

An Applicant’s income and capital is to be calculated or estimated in accordance with sections 4 to 20 of this Part

Section 4 Calculation of income on a weekly basis

- A Subject to sections 10 (calculation of weekly income) and 11 (disregard of changes in tax, contributions etc), the income of an applicant shall be calculated on a weekly basis—

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- i by estimating the amount which is likely to be his average weekly income in accordance with this Part and Parts 4A (Sums to be disregarded from an applicant's earnings) and 4B (Amounts to be disregarded in the calculation of income other than earnings).
 - ii by then deducting any relevant child care charges to which section 5 (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 (B) are met, from those earnings plus whichever credit specified in sub-paragraph (ii) 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 (C) applies in his case.
- B The conditions of this paragraph are that—
 - i the applicant's earnings which form part of his average weekly income are less than the lower of either his relevant childcare charges or whichever of the deductions specified in paragraph (C) otherwise applies in his case; and
 - ii 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.
- C The maximum deduction to which sub-paragraph (A)(ii) above refers shall be—
 - i where the applicant's family includes only one child in respect of whom relevant childcare charges are paid, £175.00 per week;
 - ii where the applicant's family includes more than one child in respect of whom relevant childcare charges are paid, £300 per week.
- D For the purposes of paragraph (A) 'income' includes capital treated as income under section 18 (capital treated as income) and income which an applicant is treated as possessing under section 19 (notional income) or section 20 (notional income (self-employed earnings)).

Section 5 - Treatment of child care charges

- A This section applies where an applicant is incurring relevant child care charges and—
 - i is a lone parent and is engaged in remunerative work;
 - ii is a member of a couple both of whom are engaged in remunerative work; or
 - iii is a member of a couple where one member is engaged in remunerative work and the other—
 - a is incapacitated;
 - b is an in-patient in hospital; or
 - c is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).
- B For the purposes of paragraph (A) and subject to paragraph (D), a person to whom paragraph (C) applies shall be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he—
 - i is paid statutory sick pay;
 - ii is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the Social Security Contributions and Benefits Act 1992;
 - iii is paid an employment and support allowance;

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- iv is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support Regulations; or
 - v is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.
- C This paragraph applies to a person who was engaged in remunerative work immediately before—
 - i the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or
 - ii the first day of the period in respect of which earnings are credited,
- D In a case to which paragraph (B)(iv) or (v) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.
- E Relevant childcare charges are those charges for care to which paragraphs (F) and (G) apply and shall be calculated on a weekly basis in accordance with paragraph (J).
- F The charges are paid by the applicant for care which is provided—
 - i in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or
 - ii in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.
- G The charges are paid for care which is provided by one or more of the care providers listed in paragraph (H) and are not paid—
 - i in respect of the child's compulsory education;
 - ii by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible in accordance with paragraph Part 16 section 7 (circumstances in which a person is treated as responsible or not responsible for another); or
 - iii in respect of care provided by a relative of a child wholly or mainly in the child's home.
- H The care to which paragraph (G) refers may be provided—
 - i out of school hours, by a school on school premises or by a local authority—
 - a for children who are not disabled in respect of the period beginning on their eighth birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or
 - b for children who are disabled in respect of the period beginning on their eighth birthday and ending on the day preceding the first Monday in September following their sixteenth birthday;
 - ii by a childcare provider approved in accordance with the Tax Credit (New Category of Child Care Provider) Regulations 1999;
 - iii by persons registered under Part 2 of the Children and Families (Wales) Measure 2010; or
 - iv by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the childcare that person provides is in a school or

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establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) Order 2010; or

v by-

a persons registered under section 59(1) of the Public Services Reform (Scotland) Act 2010; or

b local authorities registered under section 83(1) of the Public Services Reform (Scotland) Act 2010

where the care provided is child minding or day care of children within the meaning of that Act; or

vi by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act or

vii by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or

viii by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section 34(2) of that Act; or

ix by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or

x by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of “childcare” for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or

xi by a foster parent or kinship carer under the Fostering Services Regulations 2002, the Fostering Services (Wales) Regulations 2003 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering or kinship carer is looking after; or

xii by a domiciliary care worker under the Domiciliary Care Agencies Regulations 2002 or the Domiciliary Care Agencies (Wales) Regulations 2004; or

xiii by a person who is not a relative of the child wholly or mainly in the child’s home.

I In paragraph (F) and subparagraph (H)(i), “the first Monday in September” means the Monday which first occurs in the month of September in any year.

J Relevant childcare charges shall be estimated over such period, not exceeding a year, as is appropriate in order that the average weekly charge may be estimated accurately having regard to information as to the amount of that charge provided by the child minder or person providing the care.

K For the purposes of subparagraph (A)(iii) the other member of a couple is incapacitated where—

i the applicant’s applicable amount includes a disability premium on account of the other member’s incapacity or the support component or the work-related activity component on account of his having limited capability for work;

ii the applicant’s applicable amount would include a disability premium on account of the other member’s incapacity but for that other member being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the Social Security Contributions and Benefits Act 1992;

iii the other member of the couple would be a member of the support group being treated as not having limited capability for work by virtue of a determination made in accordance

with the Employment and Support Allowance Regulations 2008 or the Employment and Support Allowance Regulations 2013;

- iv the applicant (within the meaning of section 2 of Part 16) 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 Social Security Contributions and Benefits Act 1992 (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;
- v the applicant (within the meaning of section 2 of Part 16) 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 2008 or the Employment and Support Allowance Regulations 2013 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;
- vi there is payable in respect of him one or more of the following pensions or allowances: —
 - a long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the Social Security Contributions and Benefits Act 1992;
 - b attendance allowance under section 64 of the Social Security Contributions and Benefits Act 1992;
 - c severe disablement allowance under section 68 of the Social Security Contributions and Benefits Act 1992;
 - d disability living allowance under section 71 of the Social Security Contributions and Benefits Act 1992;
 - e increase of disablement pension under section 104 of the Social Security Contributions and Benefits Act 1992;
 - f a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under head (b), (d) or (e) above;
 - g main phase employment and support allowance;
 - h personal independence payment;
 - i armed forces independence payment
- vii a pension, allowance or payment to which head (b), (d), (e), (f) or (g) of sub-paragraph (vi) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this paragraph shall mean a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005
- viii sub-paragraph (iv) or (v) would apply to him if the legislative provisions referred to in those subparagraphs were provisions under any corresponding enactment having effect in Northern Ireland; or
- ix he has an invalid carriage or other vehicle provided to him by the Secretary of State under section 5(2)(a) of and Schedule 2 to the National Health Service Act 1977 or by Scottish Ministers under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern

Ireland under Article 20(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.

- L For the purposes of paragraph (K), once paragraph (K)(iii) applies to the applicant, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.
- M For the purposes of paragraph (K), once paragraph (K)(v) applies to the applicant, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter to apply to him for so long as he has, or is treated as having, limited capability for work.
- N For the purposes of sub-paragraph (F)(ii) and subparagraph (H)(i)(b), a person is disabled if he is a person—
 - i in respect of whom disability living allowance is payable, or has ceased to be payable solely because he is a patient;
 - ii who is certified as severally sight impaired or blind by a consultant ophthalmologist.
 - iii who ceased to be certified as severally sight impaired or blind within the period beginning 28 weeks before the first Monday in September following that person's fifteenth birthday and ending on the day preceding the first Monday in September following that person's sixteenth birthday;
 - iv in respect of whom personal independence payment is payable, or has ceased to be payable solely by virtue of regulations made under section 86(1) (hospital in-patients) of the Welfare Reform Act 2012.;
 - v in respect of whom armed forces independence payment is payable.
 - vi in respect of whom child disability payment is payable;
- O For the purposes of -
 - i paragraph (A) a person on maternity leave, paternity leave, shared parental leave, parental bereavement leave or adoption leave shall be treated as if she is engaged in remunerative work for the period specified in subparagraph (ii) ("the relevant period") provided that—
 - a in the week before the period of maternity leave, paternity leave, shared parental leave or adoption leave began she was in remunerative work;
 - b the applicant is incurring relevant childcare charges within the meaning of paragraph (E); and
 - c she is entitled to statutory maternity pay under section 164 of the Social Security Contributions and Benefits Act 1992 ordinary statutory paternity pay by virtue of section 171ZA or 171AB of that Act, statutory adoption pay by virtue of section 171ZL of that Act, maternity allowance under section 35 of that Act, statutory shared parental pay by virtue of section 171ZU or 171ZV of that act or qualifying support;
 - ii For the purposes of sub-paragraph (i) the relevant period shall begin on the day on which the person's maternity leave, paternity leave or adoption leave commences and shall end on—
 - a the date that leave ends;
 - b if no childcare element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay,

statutory paternity pay or statutory adoption pay or statutory shared parental pay ends, the date that entitlement ends; or

- c if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay, statutory paternity pay, statutory adoption pay or statutory shared parental pay ends, the date that entitlement to that award of the child care element of working tax credit ends,
- whichever shall occur first

P In paragraph (O)—

- i “qualifying support” means income support to which that person is entitled by virtue of paragraph 14B of Schedule 1B to the Income Support Regulations
- ii “childcare element” of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act (childcare element).

Section 6 - Average weekly earnings of employed earners

- A 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 over such period that will enable an accurate estimation of those earnings to be made.
- B Where an applicant has not been in employment or, as the case may be, has not been the subject of a change in circumstances, for sufficient time for an accurate estimate to be made the authority may use whatever information is available to it to make such an estimate and require the applicant to provide further information as it becomes available to enable the authority to either confirm the accuracy of the estimate or make a revised estimate based on any further information available
- C For the purposes of this paragraph the applicant’s earnings shall be calculated in accordance with sections 12 (Earnings of employed earners) and 13 (Calculation of net earnings of employed earners) of this part.

Section 7 - Average weekly earnings of self-employed earners

- A 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.
- B For the purposes of this paragraph the applicant’s earnings shall be calculated in accordance with sections 14 (Earnings of self-employed earners) to 16 (Deduction of tax and contributions for self-employed earners) of this Part.

Section 8 - Average weekly income other than earnings

- A An applicant’s income which does not consist of earnings shall, except where paragraph (B) applies, be estimated over such period as is appropriate in order that his average weekly income may be estimated accurately but the length of the period shall not in any case exceed 52 weeks.

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- B The period over which any benefit under the benefit Acts is to be taken into account shall be the period in respect of which that benefit is payable.
- C For the purposes of this paragraph income other than earnings shall be calculated in accordance with section 17 (Calculation of income other than earnings) of this Part.
- D No income shall be disregarded unless it is specified in Part 4(B) (Sums to be disregarded from an applicant's income other than earnings)

Section 9 - Calculation of average weekly income from tax credits

- A This paragraph applies where an applicant receives a tax credit.
- B Where this paragraph applies, the period over which a tax credit is to be taken into account shall be the period set out in paragraph (C).
- C Where the instalment in respect of which payment of a tax credit is made is—
 - i a daily instalment, the period is 1 day, being the day in respect of which the instalment is paid;
 - ii a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;
 - iii a two-weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;
 - iv a four-weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.
- D For the purposes of this paragraph "tax credit" means child tax credit or working tax credit.

Section 10 - Calculation of weekly income

- A For the purposes of sections 6 (average weekly earnings of employed earners), 8 (average weekly income other than earnings) and 9 (calculation of average weekly income from tax credits), where the period in respect of which a payment is made—
 - i does not exceed a week, the weekly amount shall be the amount of that payment
 - ii exceeds a week, the weekly amount shall be determined—
 - a in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;
 - b in any other case, by dividing the amount of the payment by the number equal to the number of days in the period to which it relates and multiplying the quotient by 7.
- B For the purposes of section 7 (average weekly earnings of self-employed earners) the weekly amount of earnings of an applicant shall be determined by dividing his earnings over the assessment period by the number equal to the number of days in that period and multiplying the quotient by 7.

Section 11 - Disregard of changes in tax, contributions etc

In calculating the applicant's income the authority may disregard any legislative change—

- A in the basic or other rates of income tax;

- B in the amount of any personal tax relief;
- C in the rates of national insurance contributions payable under the Social Security Contributions and Benefit Act 1992 or in the lower earnings limit or upper earnings limit for Class 1 contributions under that Act, the lower or upper limits applicable to Class 4 contributions under that Act or the amount specified in section 11(4) of that Act (lower profits threshold exception in relation to Class 2 contributions);
- D in the maximum rate of child tax credit or working tax credit, for a period not exceeding 30 weeks beginning with the week immediately following the date from which the change is effective.
- E An award made under the provisions of the Energy Rebate Scheme 2022 paid in the form of an income shall, nonetheless, be treated as capital.

Section 12 - Earnings of employed earners

- A Subject to paragraph (B), “earnings” means in the case of employment as an employed earner, any remuneration or profit derived from that employment and includes—
 - i any bonus or commission;
 - ii 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;
 - iii 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;
 - iv any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;
 - v any payment by way of a retainer;
 - vi 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—
 - a travelling expenses incurred by the applicant between his home and place of employment;
 - b 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;
 - vii any award of compensation made under section 112(4) or 117(3)(a) of the Employment Rights Act 1996(a) (remedies and compensation for unfair dismissal);
 - viii 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);
 - ix any such sum as is referred to in section 112 of the Social Security Contributions and Benefits Act 1992 (certain sums to be earnings for social security purposes);
 - x any statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay or statutory shared parental pay, or a corresponding payment under any enactment having effect in Northern Ireland;
 - xi any remuneration paid by or on behalf of an employer to the applicant who for the time being is on maternity leave, paternity leave or adoption leave or shared parental leave or is absent from work because he is ill;

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- xii 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.
- B Earnings shall not include—
- i subject to paragraph (C), any payment in kind;
 - ii any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment;
 - iii any occupational pension
 - iv any payment in respect of expenses arising out of the applicant participating as a service user.
- C Sub-paragraph (B)(i) shall not apply in respect of any non-cash voucher referred to in sub-paragraph (A)(xii).

Section 13 - Calculation of net earnings of employed earners

- A For the purposes of section 6 (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 (B), be his net earnings.
- B There shall be disregarded from an applicant's net earnings, any sum, where applicable, specified in Part 4A (Sums to be disregarded from an applicant's earnings)
- C For the purposes of paragraph (A) net earnings shall, except where paragraph (F) applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less—
- i any amount deducted from those earnings by way of—
 - a income tax;
 - b primary Class 1 contributions under the Social Security Contributions and Benefits Act 1992;
 - ii one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;
 - iii one-half of the amount calculated in accordance with paragraph (E) in respect of any qualifying contribution payable by the applicant; and
 - iv 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, statutory adoption pay or statutory shared parental pay, any amount deducted from 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 Social Security Contributions and Benefits Act 1992.
- D In this paragraph "qualifying contribution" means any sum which is payable periodically as a contribution towards a personal pension scheme.
- E 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 paragraph the daily amount of the qualifying contribution shall be determined—

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- i where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;
 - ii 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.
- F Where the earnings of an applicant are estimated under paragraph (B) of section 6 (average weekly earnings of employed earners), his net earnings shall be calculated by taking into account those earnings over the assessment period, less—
 - i 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 chapters 2, 3 and 3A of Part 3 of the Income Tax Act 2007 as are appropriate to his circumstances but, if the assessment period is less than a year, the earnings to which the basic rate, or 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;
 - ii an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Social Security Contributions and Benefits Act 1992 in respect of those earnings if such contributions were payable; and
 - iii 50% 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.

Section 14 - Earnings of self-employed earners

- A Subject to paragraph (B), "earnings", in the case of employment as a self-employed earner, means the gross income of the employment.
- B "Earnings" shall not include any payment to which paragraph 26 or 27 of Part 4B (Amounts to be disregarded in the calculation of income other than earnings.) 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.
- C This paragraph applies to—
- i royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trademark; or
 - ii any payment in respect of any—
 - a book registered under the Public Lending Right Scheme 1982; or
 - b 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 or work concerned.
- D Where the applicant's earnings consist of any items to which paragraph (C) applies, those earnings shall be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction shall be treated as a corresponding fraction of a week) by dividing the earnings by the amount of support under this scheme which would be payable had the payment not been made plus an amount equal to the total of the sums which would fall to be disregarded from the payment under Part 4A (sums to be disregarded from the applicant's earnings) as appropriate in the applicant's case.

Section 15 - Calculation of net profit of self-employed earners

- A For the purposes of section 7 (average weekly earnings of self-employed earners) the earnings of an applicant to be taken into account shall be—
- i in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
 - ii 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—
 - a an amount in respect of income tax and of national insurance contributions payable under the Social Security Contributions and Benefits Act 1992 calculated in accordance with section 16 (deduction of tax and contributions for self-employed earners); and
 - b one-half of the amount calculated in accordance with paragraph (K) in respect of any qualifying premium.
- B There shall be disregarded from an applicant's net profit, any sum, where applicable, specified in Part 4A (Sums disregarded from applicant's earnings).

- C For the purposes of subparagraph (A)(i) the net profit of the employment shall, except where paragraph (I) (income of child minders) applies, be calculated by taking into account the earnings of the employment over the assessment period less—
- i subject to paragraphs (E) to (G), any expenses wholly and exclusively incurred in that period for the purposes of that employment;
 - ii an amount in respect of—
 - a income tax; and
 - b national insurance contributions payable under the Social Security Contributions and Benefits Act 1992,
calculated in accordance with section 16 (deduction of tax and contributions for self-employed earners); and
 - iii one-half of the amount calculated in accordance with paragraph (K) in respect of any qualifying premium.
- D For the purposes of subparagraph (A)(ii) 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 (E) to (G), any expenses wholly and exclusively incurred in that period for the purposes of the employment.
- E Subject to paragraph (F), no deduction shall be made under subparagraph (C)(i) or paragraph (D), in respect of—
- i any capital expenditure;
 - ii the depreciation of any capital asset;
 - iii any sum employed or intended to be employed in the setting up or expansion of the employment;
 - iv any loss incurred before the beginning of the assessment period;
 - v the repayment of capital on any loan taken out for the purposes of the employment;
 - vi any expenses incurred in providing business entertainment; and
 - vii 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.
- F A deduction shall be made under subparagraph (C)(i) or paragraph (D) in respect of the repayment of capital on any loan used for
- i the replacement in the course of business of equipment or machinery; and
 - ii the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.
- G No deduction shall be made in respect of any expenses under subparagraph (C)(i) or paragraph (D) where the authority is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.
- H For the avoidance of doubt—
- i a deduction shall not be made under subparagraph (C)(i) or paragraph (D) in respect of any sum unless it has been expended for the purposes of the business;
 - ii a deduction shall be made thereunder in respect of—
 - a the excess of any value added tax paid over value added tax received in the assessment period;

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- b 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;
 - c any payment of interest on a loan taken out for the purposes of the employment.
- I 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—
 - i an amount in respect of—
 - a income tax; and
 - b national insurance contributions payable under the Act, calculated in accordance with section 16 (deduction of tax and contributions for self-employed earners); and
 - ii 50% of the amount calculated in accordance with paragraph (K) in respect of any qualifying premium.
- J 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.
- K 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 paragraph the daily amount of the qualifying premium shall be determined—
 - i where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and dividing the product by 365;
 - ii 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.
- L In this paragraph, "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.

Section 16 - Deduction of tax and contributions for self-employed earners

- A The amount to be deducted in respect of income tax under section 15 (calculation of net profit of self-employed earners) subparagraphs A(ii)(a) C(ii)(a) or I(i)(a) shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal relief deductible under this paragraph shall be calculated on a pro rata basis.
- B The amount to be deducted in respect of national insurance contributions under section 15 (calculation of net profit of self-employed earners) subparagraphs A(ii)(a) C(ii)(a) or I(i)(b) shall be the total of—
 - i the amount of Class 2 contributions payable under section 11(2) or, as the case may be, 11(8) of the Social Security Contributions and Benefits Act 1992 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 that 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

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- ii the amount of Class 4 contributions (if any) which would be payable under section 15 of The Social Security Contribution and Benefits Act 1992 (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.
- C In this section "chargeable income" means—
- i except where sub-paragraph (ii) applies, the earnings derived from the employment less any expenses deducted under subparagraph (C)(i) or, as the case may be, paragraph (D) of section 15;
 - ii in the case of employment as a child minder, one third of the earnings of that employment.

Section 17 - Calculation of income other than earnings

- A For the purposes of section 8 (average weekly income other than earnings), the income of an applicant which does not consist of earnings to be taken into account shall, subject to paragraphs (B) to (G) be his gross income and any capital treated as income under section 18 (capital treated as income).
- B There shall be disregarded from the calculation of an applicant's gross income under paragraph (A), any sum, where applicable, specified in Part 4B (Amounts to be disregarded in the calculation of income other than earnings).
- C 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 (A) shall be the gross amount payable.
- D 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 section 11J of The Welfare Reform Act 2007, the amount of that benefit to be taken into account is the amount as if it had not been reduced.
- E Where an award of any working tax credit or child tax credit under the Tax Credits Act is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under paragraph (A) shall be the amount of working tax credit or child tax credit awarded less the amount of that deduction.
- F Paragraphs G and H apply where—
- i a relevant payment has been made to a person in an academic year; and
 - ii that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.
- G 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 (A) in respect of a person to whom paragraph (F) applies, shall be calculated by applying the formula—
$$A - (B \times C) / D$$
where—
A= the total amount of the relevant payment which that person would have received had he remained a student until the last day of the academic term in which he abandoned, or was

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dismissed from, his course, less any deduction under Part 6 section 10(F) (Treatment of Student Loans);

B= the number of weeks from the week immediately following that which includes the first day of that academic year to the week which includes the day on which the person abandoned, or was dismissed from, his course;

C= the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under Part 6 paragraph 10(B) (Treatment of Student Loans) had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to a reduction under this scheme immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to a reduction under this scheme;

D= the number of weeks in the assessment period

- H 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 (A) in respect of a person to whom paragraph (F) applies, shall be calculated by applying the formula in paragraph (G) but as if—

A = the total amount of relevant payments which that person received, or would have received, from the first day of the academic year to the day the person abandoned the course, or was dismissed from it, less any deduction under Part 6 Section 10(F).

- I In this paragraph—

"academic year" and "student loan" shall have the same meanings as for the purposes of Part 6;

"assessment period" means—

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;

in a case where the relevant payment is made by two or more instalments in a quarter, the period beginning with the week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the week which includes—

the day immediately before the day on which the next instalment of the relevant payment would have been due had the payments continued; or

the last day of the last quarter for which an instalment of the relevant payment was payable to that person,

whichever of those dates is earlier;

"quarter" in relation to an assessment period means a period in that year beginning on—

1st January and ending on 31st March

1st April and ending on 30th June;

1st July and ending on 31st August; or

1st September and ending on 31st December;

- J For the avoidance of doubt there shall be included as income to be taken into account under paragraph (A)—

i any payment to which section 12(B) (payments not earnings) applies; or

ii in the case of an applicant who is receiving support under section 95 or 98 of the Immigration and Asylum Act including support provided by virtue of regulations made under Schedule 9 to that Act, the amount of such support provided in respect of essential living needs of the applicant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act.

Section 18 - Capital treated as income

- A Any capital payable by instalments which are outstanding at the date on which the application is made or treated as made, or, at the date of any subsequent redetermination, shall, if the

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aggregate of the instalments outstanding and the amount of the applicant's capital otherwise calculated in accordance with Part 5 (Capital) exceeds £6,000, be treated as income.

- B Any payment received under an annuity shall be treated as income.
- C Any earnings to the extent that they are not a payment of income shall be treated as income.
- D Any Career Development Loan paid pursuant to section 2 of the Employment and Training Act 1973 shall be treated as income.
- E 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 by virtue of this Part), shall be treated as income.

Section 19 - Notional income

- A An applicant shall be treated as possessing income of which he has deprived himself for the purpose of securing entitlement to a reduction under this scheme or increasing the amount of that reduction.

- B Except in the case of—

- i a discretionary trust
- ii a trust derived from a payment made in consequence of a personal injury;
- iii 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;
- iv any sum to which paragraph 49(B)(i) of Part 5A (capital to be disregarded) applies which is administered in the way referred to in paragraph 49(A)(i);
- v any sum to which paragraph 50(A) of Part 5A refers;
- vi rehabilitation allowance made under section 2 of The Employment & Training Act 1973;
- vii child tax credit; or
- viii working tax credit;
- ix any sum to which paragraph K applies

any income which may 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.

- C Any payment of income, other than a payment of income specified in paragraph (D), made—
 - i 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;
 - ii 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 (i), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, household fuel or, subject to paragraph (L), rent or ordinary clothing or footwear, of that single applicant or, as the case may be, of any

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member of that family or is used for any council tax or water charges for which that applicant or member is liable;

- iii 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.

D Paragraph (C) shall not apply in respect of a payment of income made—

- i under or by 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);
- ii pursuant to section 19(1)(a) of the Coal Industry Act 1994 (concessionary coal);
- iii pursuant to section 2 of the Employment and Training Act 1973 in respect of a person's participation—
 - a in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations;
 - b in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
 - c in the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
 - d in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or
 - e in the Flexible New Deal specified in regulation 75(i)(a)(v) of those Regulations;
 - f in respect of a person's participation in the Work for Your Benefit Pilot Scheme
 - g in respect of a person's participation in the Mandatory Work Activity Scheme;
 - h in respect of an Applicant's participation in the Employment, Skills and Enterprise Scheme
 - i in respect of a person's participation in a scheme prescribed in Regulation 3 of the Jobseekers Allowance (18-21 Work Skills Pilot Scheme) Regulations 2014
 - j in respect of a person's participation in a scheme prescribed in regulation 3 of the Jobseeker's Allowance (Supervised Job search Pilot Scheme) Regulations 2014
 - k 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—
 - 1 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;
 - 2 the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
 - 3 the person referred to in (1) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

E Where an applicant is in receipt of any benefit 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 applicant shall be treated as possessing such benefit at the altered rate

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from the first Monday in April in that year to the date on which the altered rate is to take effect.—

F Subject to paragraph (G), where—

- i an applicant performs a service for another person; and
- ii that person makes no payment of earnings or pays less than that paid for a comparable employment in the area,

the applicant shall be treated 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.

G Paragraph (F) shall not apply—

- i 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
- ii in a case where the service is performed in connection with—
 - a 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
 - b 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
- iii 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

H In paragraph (G)(iii) "work placement" means practical work experience which is not undertaken in expectation of payment.

I Where an applicant is treated as possessing any income under any of paragraphs (A) to (H), the foregoing provisions of this Part shall apply for the purposes of calculating the amount of that income as if a payment had actually been made and as if it were actual income which he does possess.

J Where an applicant is treated as possessing any earnings under paragraph (G) the foregoing provisions of this Part shall apply for the purposes of calculating the amount of those earnings as if a payment had actually been made and as if they were actual earnings which he does possess except that section 13(C) (calculation of net earnings of employed earners) shall not apply and his net earnings shall be calculated by taking into account those earnings which he is treated as possessing, less—

- i an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under section 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph shall be calculated on a pro rata basis;

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- ii an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the Social Security Contributions and Benefits Act 1992 in respect of those earnings if such contributions were payable; and
 - iii one-half of any sum payable by the applicant by way of a contribution towards an occupational or personal pension scheme.
- K Paragraphs (A), (B), (F) and (I) shall not apply in respect of any amount of income other than earnings, or earnings of an employed earner, arising out of the applicant participating as a service user.
- L In paragraph (C) "rent" means eligible rent as defined in the Housing Benefit Regulations 2006 less any deductions in respect of non-dependants which fall to be made under Regulation 74 (non-dependant deductions) of those regulations.

Section 20 - Notional Income (Self-Employed Earnings)

- A Subject to paragraph D, this section applies if
 - i A person has been self-employed for a period of more than 1 year or for an aggregate period of more than 1 year over the past 4 years and,
 - ii his total earnings are less than the income threshold.
- B The income threshold is 36 x the minimum wage;
- C If the total earnings fall below the income threshold, then that difference (notional income (self-employed earnings)) shall be treated as income possessed by that person and shall be calculated as follows;
 - i Income threshold less weekly total earnings less,
 - ii Less the authority's estimate of income tax and national insurance contributions which would be payable on the (notional income (self-employed earnings)) and 50% of any private pension contributions
- D A person shall be exempt from paragraphs A to C on any day he:-
 - i is in receipt of middle or higher rate of either component of Disability Living Allowance or
 - ii Is in receipt of a daily living component, or the enhanced rate of the mobility component of a Personal Independence Payment or
 - iii Is in receipt of Disability Living Allowance or personal independence payment for a child who is a member of his household or
 - iv Is a full-time carer and in receipt of Carers Allowance or
 - v A member of the household is undergoing treatment for cancer or a similar condition or
 - vi Is in receipt of Severe Disablement Allowance or
 - vii Is certified by a medical practitioner as being incapacitated which prevents him from working, for a period not exceeding 6 months or
 - viii Is in receipt of Industrial Injuries Disablement Benefit or
 - ix Has been rehoused in temporary accommodation by a housing authority for a period of 12 months from the date that person was rehoused or
 - x Has been rehoused or is treated as occupying two dwellings as a result of domestic violence for a period of up to 12 months from the date that person was rehoused or, as the case may be, was first treated as occupying two dwellings.

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- xi a has been self-employed for at least 2 years and falls within the provisions of this section because of a significant reduction in earnings caused by circumstances outside that person's control and;
- b the authority is satisfied that the reduction is a temporary one and that the person is making reasonable efforts to increase his income then;
- c This section shall not apply for 12 months from the latest of;
 - 1 the date of that change in income or
 - 2 the date of claim

E In this section

"Self-employed income" means the gross income from that employment less any expenses allowable under the provisions of Section 15 (C)(i)

"Earned income" means the gross earnings of that person less any amount specified in Part 4A

"Minimum wage" means the amount applicable to that person calculated in accordance with Regulation 4 National Minimum Wage Regulations 2015

"Total earnings" is the sum of self-employed income and earned income calculated in accordance with the provisions of this section

Part 4A - Sums to be disregarded from an applicant's earnings

- 1 In the case of an applicant who has been engaged in remunerative work as an employed earner or, had the employment been in Great Britain, would have been so engaged—
 - A where before the first day of entitlement to a reduction under this scheme the employment has been terminated otherwise than because of retirement, any earnings paid or due to be paid in respect of that employment except—
 - i any payment of the nature described in—
 - a Part 4 section 12(A)(v) (Earnings of employed earners), or
 - b section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds); and
 - ii any award, sum or payment of the nature described in—
 - a Part 4 section 12(A)(vii) or (viii) (Earnings of employed earners), or
 - b section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals),including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;
 - B where before the first day of entitlement to a reduction under this scheme—
 - i the employment has not been terminated, but
 - ii the applicant is not engaged in remunerative work,
any earnings paid or due to be paid in respect of that employment except any payment or remuneration of the nature described in paragraph 1(A)(i) or (ii)(b) or Part 4 section 12(A)(x) or (xi) (Earnings of employed earners)
- 2 In the case of an applicant who, before the first day of entitlement to a reduction under this scheme—
 - A has been engaged in part-time employment as an employed earner or, where the employment has been outside Great Britain, would have been so engaged had the employment been in Great Britain; and
 - B has ceased to be engaged in that employment, whether or not that employment has been terminated,
any earnings paid or due to be paid in respect of that employment except—
 - i where that employment has been terminated, any payment of the nature described in paragraph 1(A)(i) or (ii)(b);
 - ii where that employment has not been terminated, any payment or remuneration of the nature described in paragraph 1(A)(i) or (ii)(b) or Part 4 section 12(A)(x) or (xi) (Earnings of employed earners).
- 3 In the case of an applicant who has been engaged in remunerative work or part-time employment as a self-employed earner or, had the employment been in Great Britain would have been so engaged and who has ceased to be so employed, from the date of the cessation of his employment any earnings derived from that employment except earnings to which Part 4 section 14(C) and (D) (earnings of self-employed earners) apply.
- 4 A In a case to which this paragraph applies and paragraph 5 does not apply, £20; but notwithstanding Part 4 paragraph 1 (calculation of income and capital of members of an

Part 4A - Sums to be disregarded from an applicant's earnings

applicant's family and of a polygamous marriage) if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £20.

B This paragraph applies where the applicant's applicable amount includes an amount by way of the disability premium, severe disability premium, work-related activity component or support component under Part 7 (Applicable Amounts).

C This paragraph applies where—

- i the applicant is a member of a couple and his applicable amount includes an amount by way of the disability premium under Part 7 (Applicable Amounts); and
- ii he or his partner has not attained the qualifying age for state pension credit and at least one is engaged in employment.

5 In a case where the applicant is a lone parent, £25.

6 A In a case to which neither paragraph 4C nor paragraph 5 applies to the applicant, and subject to subparagraph (B), where the applicant's applicable amount includes an amount by way of the carer premium under Part 7 (Applicable Amounts), £20 of the earnings of the person who is, or at any time in the preceding eight weeks was, in receipt of carer's allowance or treated in accordance with paragraph 11B (Where a carer premium has been awarded) of that Part as being in receipt of carer's allowance.

B Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings shall for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (A) shall not exceed £20 of the aggregated amount.

7 Where the carer premium is awarded in respect of an applicant who is a member of a couple and whose earnings are less than £20, but is not awarded in respect of the other member of the couple, and that other member is engaged in an employment—

A specified in paragraph 9(A), so much of the other member's earnings as would not when aggregated with the amount disregarded under paragraph 6 exceed £20;

B other than one specified in paragraph 9(A), so much of the other member's earnings from such other employment up to £10 as would not when aggregated with the amount disregarded under paragraph 6 exceed £20.

8 In a case where paragraphs 4, 6, 7 and 9 do not apply to the applicant and he is one of a couple and a member of that couple is in employment, £10; but, notwithstanding Part 4 section 1 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £10.

9 A In a case where paragraphs 4, 5, 6 and 7 do not apply to the applicant, £20 of earnings derived from one or more employments as—

- i a part-time fire-fighter employed by a fire and rescue authority under the Fire and Rescue Services Act 2004 or by the Scottish Fire and Rescue Service established under section 1A of the Fire (Scotland) Act 2005;
- ii an auxiliary coastguard in respect of coast rescue activities;
- iii a person engaged part-time in the manning or launching of a life-boat;
- iv a member of any territorial or reserve force prescribed in Part 1 of Schedule 6 to the Social Security (Contributions) Regulations 2001;

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but, notwithstanding Part 4 section 1 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except to the extent specified in sub-paragraph (B).

- B If the applicant's partner is engaged in employment—
- i specified in sub-paragraph (A), so much of his earnings as would not in aggregate with the amount of the applicant's earnings disregarded under this paragraph exceed £20;
 - ii other than one specified in sub-paragraph (A), so much of his earnings from that employment up to £10 as would not in aggregate with the applicant's earnings disregarded under this paragraph exceed £20.
- 10 Where the applicant is engaged in one or more employments specified in paragraph 9(A), but his earnings derived from such employments are less than £20 in any week and he is also engaged in any other employment so much of his earnings from that other employment, up to £5 if he is a single applicant, or up to £10 if he has a partner, as would not in aggregate with the amount of his earnings disregarded under paragraph 7 exceed £20.
- 11 In a case to which none of the paragraphs 5 to 10 applies, £5.
- 12 A Where
- i the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (E) applies;
 - ii the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (F); and
- the amount specified in sub-paragraph (G) ("the specified amount").
- B Where this paragraph applies, paragraphs 5 to 11 do not apply; but in any case, where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 5 then paragraph 5 applies instead of this paragraph.
- C Notwithstanding Part 4 section 1 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if sub-paragraph (A) applies to one member of a couple ("A") it shall not apply to the other member of that couple ("B") except to the extent provided in sub-paragraph (D).
- D Where A's earnings are less than the specified amount, there shall also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.
- E This sub-paragraph applies to a person who is—
- i in receipt of a contributory employment and support allowance
 - ii in receipt of incapacity benefit;
 - iii in receipt of severe disablement allowance; or
 - iv being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.
- F "Exempt work" means work of the kind described in—

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- i regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations or regulation 39(1)(a), (b) or (c) of the Employment and Support Allowance Regulations 2013; or (as the case may be)
- ii regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,

and, in determining for the purposes of this paragraph whether an applicant or a member of a couple is undertaking any type of exempt work, it is immaterial whether that person or their partner is also undertaking other work.

G The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (F) by virtue of which the work referred to in sub-paragraph (A) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

13 Any amount or the balance of any amount which would fall to be disregarded under Paragraph 19 or 20 of Part 4B (Amounts to be disregarded in the calculation of income other than earnings) had the applicant's income which does not consist of earnings been sufficient to entitle him to the full disregarded thereunder.

14 Any earnings derived from employment which are payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of those earnings.

15 Where a payment of earnings is made in a currency other than Sterling, any banking charge or commission payable in converting that payment into Sterling.

16 Any earnings of a child or young person.

17 In this Part "part-time employment" means employment in which the person is engaged on average for less than 16 hours a week.

18 A In a case where the applicant is a person who satisfies at least one of the conditions set out in subparagraph (B), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (C), the amount of his earnings that falls to be disregarded under paragraphs 5 to 11 of this part shall be increased by £17.20.

B The conditions of this sub-paragraph are that—

- i the applicant, or if he is a member of a couple, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit Regulations applies; or

- ii the applicant—

- a is, or if he is a member of a couple, at least one member of that couple is aged at least 25 years and is engaged in remunerative work for on average not less than 30 hours per week; or

- b The applicant -

- 1 Is, or if he is a member of a couple, at least one member of that couple is aged at least 25 years and is engaged in remunerative work for on average not less than 30 hours a week; or

- 2 Is a member of a couple and

- (A) At least one member of that couple is engaged in remunerative work for on average not less than 16 hours a week; and

- (B) His family includes at least one child or young person; or

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- 3 is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or
- 4 is, or if he is a member of a couple, at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and—
 - (A) The Applicant's applicable amount includes a disability premium under Section 7, or the work-related activity component under section 16 or the support component under section 17 of Part 7 (Applicable amounts)
 - (B) Where he is a member of a couple, at least one member of that couple satisfies the qualifying conditions for the disability premium, the work related activity component or the support component referred to in sub paragraph (A) above and is engaged in remunerative work for on average not less than 16 hours a week.
 - (C) The applicant is, or, if he has a partner, one of them is, a person to whom regulation 18(3) of the Working Tax Credit Regulations (eligibility for 50 plus element) applies, or would apply if an application for Working Tax Credit were to be made in his case.

C The following are the amounts referred to in sub-paragraph (A)—

- i the amount to be disregarded from the applicant's earnings under paragraphs 4 to 12 of this Part;
- ii the amount of childcare charges calculated as deductible under Part 4, Section 4 Paragraph A(ii) (Treatment of Childcare Charges); and
- iii £17.10.

D The provisions of Section 10 of Part 16 (Remunerative Work) shall apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in paragraph (1) of that section were a reference to 30 hours.

19 Any payment received in connection with the Homes for Ukraine Scheme

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- 1 Any payment made in respect of any childcare, travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Work For Your Benefit Pilot Scheme.
- 2 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;
 - A the Mandatory Work Activity Scheme or
 - B The Employment, Skills and Enterprise Scheme
- 3 Any payment made to the applicant in respect of any childcare, travel or other expenses incurred, or to be incurred, by the applicant in respect of the applicant's participation in a scheme prescribed in;
 - A regulation 3 of the Jobseeker's Allowance (Supervised Jobsearch Pilot Scheme) Regulations 2014 or
 - B regulation 3 of the Jobseeker's Allowance (18 – 21 Work, Skills Pilot Scheme) Regulations 2014.
- 4 Any amount paid by way of tax on income which is to be taken into account under Part 4 Section 17 (calculation of income other than earnings).
- 5 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 a volunteer,if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under Part 4 Section 19 (notional income).
- 6 Any payment in respect of expenses arising out of the applicant participating as a service user.
- 7 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.
- 8 Any disability living allowance, armed forces independence payment or personal independence payment.
- 9 Any concessionary payment made to compensate for the non-payment of any payment specified in paragraph 8 or for any non-payment of Attendance Allowance—
- 10 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.
- 11 Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.
- 12
 - A Any payment—
 - i by way of an education maintenance allowance made pursuant to—

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- a regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc.);
 - b regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);
 - c directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
 - ii corresponding to such an education maintenance allowance, made pursuant to—
 - a section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
 - b regulations made under section 181 of that Act.; or
 - iii in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.
- B Any payment, other than a payment to which sub-paragraph (A) applies, made pursuant to—
- i regulations made under section 518 of the Education Act 1996;
 - ii regulations made under section 49 of the Education (Scotland) Act 1980; or
 - iii directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,
- 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 (A).
- 13 Any payment made to the applicant by way of a repayment under regulation 11(2) of the Education (Teacher Student Loans) (Repayment etc) Regulations 2002.
- 14 A Any payment made pursuant to section 2 of the Employment & Training 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 except—
- i a payment made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;
 - ii a payment of an allowance referred to in section 2(3) of the Employment & Training 1973 Act or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990;
 - iii a payment intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (B) 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 Employment & Training Act and the period of education or training or the scheme, which is supported by that loan, has been completed; or
- B The items specified in this sub-paragraph for the purposes of sub-paragraph (A)(iii) 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.

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- C For the purposes of this paragraph, "rent" means eligible rent less any deductions in respect of non-dependants which fall to be made under the provisions of regulations 12 and 74 of the Housing Benefit Regulations 2006.
- 15 A Subject to sub-paragraph (B), any of the following payments—
- i a charitable payment;
 - ii a voluntary payment;
 - iii a payment (not falling within sub-paragraph (i) or (ii) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;
 - iv a payment under an annuity purchased—
 - a pursuant to any agreement or court order to make payments to the applicant; or
 - b from funds derived from a payment made, in consequence of any personal injury to the applicant or
 - v A payment (not falling within sub-paragraphs (i) to (iv)) received by virtue of any agreement or court order to make payments to the claimant in consequence of any personal injury to the applicant.
- B Sub-paragraph (A) shall not apply to a payment which is made or due to be made by—
- i a former partner of the applicant, or a former partner of any member of the applicant's family; or
 - ii the parent of a child or young person where that child or young person is a member of the applicant's family.
- 16 Subject to paragraph 35, £10 of any of the following, namely—
- A a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 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 payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
 - E 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 (c) above;
 - F a pension paid by a government to victims of National Socialist persecution
- 17 Subject to paragraph 35, £15 of any—
- A widowed mother's allowance paid pursuant to section 37 of the Social Security Contributions and Benefits Act 1992;
 - B widowed parent's allowance paid pursuant to section 39A of the Social Security Contributions and Benefits Act 1992.
- 18 A Any income derived from capital to which the applicant is or is treated under Part 5 Section 8 (capital jointly held) as beneficially entitled but, subject to sub-paragraph (B),

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not income derived from capital disregarded under paragraphs 4, 5, 7, 10, 15 or 30 to 33 of Part 5A.

B Income derived from capital disregarded under paragraphs 4, 5 or 30 to 33 of Part 5A but only to the extent of—

- i any mortgage repayments made in respect of the dwelling or premises in the period during which that income accrued; or
- ii 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.

C The definition of "water charges" in Part 16 section 2 shall apply to sub-paragraph (B) of this paragraph with the omission of the words "in so far as such charges are in respect of the dwelling which a person occupies as his home".

19 Where the applicant makes a parental contribution in respect of a student attending a course at an establishment in the United Kingdom or undergoing education in the United Kingdom, which contribution has been assessed for the purposes of calculating—

A under, or pursuant to regulations made under powers conferred by, sections 1 or 2 of the Education Act 1962 or section 22 of the Teaching and Higher Education Act 1998, that student's award;

B under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or

C the student's student loan,

an amount equal to the weekly amount of that parental contribution, but only in respect of the period for which that contribution is assessed as being payable.

20 A Where the applicant is the parent of a student aged under 25 in advanced education who either—

- i is not in receipt of any award, grant or student loan in respect of that education; or
- ii is in receipt of an award under section 2 of the Education Act 1962 or an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,

and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 19, an amount specified in sub-paragraph (B) in respect of each week during the student's term.

B For the purposes of sub-paragraph (A), the amount shall be equal to—

- i the weekly amount of the payments; or
- ii 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 (A)(ii),

Whichever is less.

21 Any payment made to the applicant by a child or young person or a non-dependant.

22 Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person other than one to whom paragraph 21 or 40 refers and there is a contractual liability to

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make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family—

- A where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or
 - B where the aggregate of any such payments is £20 or more per week, £20.
- 23 A Any income in kind, except where Part 4 Section 17(J)(ii) (provision of support under section 95 or 98 of the Immigration and Asylum Act in the calculation of income other than earnings) applies.
- B The reference in sub-paragraph (A) 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.
- 24 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.
- 25 A Any payment made to the applicant in respect of a person who is a member of his family—
- i pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance with a scheme made under section 71 (adoption allowance schemes) of the Adoption and Children (Scotland) Act 2007;
 - ii 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 child arrangements order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);
 - iii 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);
 - iv in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).
- B Any payment, other than a payment to which sub-paragraph (A)(i) applies, made pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
- 26 Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made—
- A by a local authority under—
- i section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),
 - ii section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or
 - iii regulations 33 or 51 of the Looked After Children (Scotland) Regulations 2009 (fostering and kinship care allowances and fostering allowances); or
- B by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).
- 27 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—

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- 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 the person concerned where the payment is for the provision of accommodation in respect of the meeting of that person's needs under section 18 or 19 of the Care Act 2014 (duty and power to meet needs for care and support);
 - F an integrated care board established under section 14D of the National Health Service Act 2006;
 - G the National Health Service Commissioning Board; or
 - H 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.
- 28 Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 26A, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and provision of advice and assistance to certain young persons).
- 29 A Subject to sub-paragraph (B), any payment (or part 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, duty to provide continuing care and provision of advice and assistance for certain young persons) .
- B Sub-paragraph (A) applies only where A—
- i was formerly in the applicant's care, and
 - ii is aged 18 or over, or in the case of a payment or part of the payment made in accordance with section 26A of the Children (Scotland) Act 1995, aged 16 or over, and
 - iii continues to live with the applicant.
- 30 A Subject to sub-paragraph (B), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments—
- i on a loan which is secured on the dwelling which the applicant occupies as his home; or
 - ii 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
- B A payment referred to in sub-paragraph (A) 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—
- i maintain the repayments referred to in sub-paragraph (A)(i) or, as the case may be, (ii); and
 - ii meet any amount due by way of premiums on—
 - a that policy; or
 - b in a case to which sub-paragraph (A)(i) 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 (A)(i).

- 31 Any payment of income which by virtue of Part 6 Section 15 (Amounts treated as capital) is to be treated as capital.
- 32 Any social fund payment made pursuant to Part 8 of the Social Security & Contributions Benefits Act 1992 (the Social Fund).
- 33 Any local welfare provision.
- 34 Where a payment of income is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.
- 35 The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under Part 4 Section 1 (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under Part 6 Section 6 Paragraph (B)(ii) (Calculation of covenant income where a contribution is assessed) and Section 7(A)(iv) (Covenant income where no grant income or no contribution is assessed), Section 10(B) (treatment of student loans), Section 12(C) (treatment of payments from access funds) and paragraphs 16 and 17 of this part shall in no case exceed £20 per week.
- 36
 - A Any payment made under or by the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust ("the Trusts"), the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund or the London Bombings Relief Charitable Fund (collectively referred to in this paragraph as "the Trusts") or the Independent Living Fund.
 - B 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 subparagraph (A) refers and which is made to or for the benefit of—
 - i 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;
 - ii 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
 - iii 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.
 - C 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 subparagraph (A) refers and which is made to or for the benefit of—
 - i the person who is suffering from haemophilia or who is a qualifying person;
 - ii 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

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- iii 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.

D Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under any of the Trusts to which sub-paragraph (A) refers, where—

- i 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
- ii The payment is made either-
 - a To that person's parent or step-parent; or
 - b Were that person at the date of the payment is a child, or 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.

E 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 any of the Trusts to which sub-paragraph (A) refers, where—

- i 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
- ii the payment is made either—
 - a to that person's parent or step-parent; or
 - b 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.

F In the case of a person to whom or for whose benefit a 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.

G For the purposes of sub-paragraphs (B) to (F), 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 or the London Bombings Relief Charitable Fund.

37 Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.

38 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.

39 Any payment in consequence of a reduction of council tax under section 13, section 13A or section 80 of the Local Government Finance Act 1992 (reduction of liability for council tax).

40 A 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 whom such accommodation is provided for the whole or any part of a week, equal to—

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- i 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; or
 - ii where the aggregate of any such payments exceeds £20.00, £20.00 and 50 per cent. of the excess over £20.00.
 - B 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.
- 41 A Any payment or repayment made—
- i 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);
 - ii 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);
 - iii 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).
- B 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 (A).
- 42 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).
- 43 Any payment made by either 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.
- 44 A Where an applicant's family includes at least one child or young person, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the applicant's former partner, or the applicant's partner's former partner.
- B For the purpose of sub-paragraph (A) where more than one maintenance payment falls to be taken into account in any week, all such payments shall be aggregated and treated as if they were a single payment.
- C A payment made by the Secretary of State in lieu of maintenance shall, for the purposes of sub-paragraph (A), be treated as a payment of maintenance made by a person specified in sub-paragraph (A).
- 45 A 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.
- B In sub-paragraph (A)—

Part 4B - Amounts to be disregarded in the calculation of income other than earnings

- i “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;
 - ii “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.
- 46 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.
- 47 Any guardian’s allowance.
- 48 (REVOKED).
- 49 A If the applicant is in receipt of any benefit under Part 2, 3 or 5 of the Social Security Contributions and Benefits Act 1992, 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.
- B 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.
- 50 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.
- 51 In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983 (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.
- 52 A Any payment which is—
- i made under any of the Dispensing Instruments to a widow, widower or surviving civil partner of a person—
 - a whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and
 - b whose service in such capacity terminated before 31st March 1973; and
 - ii Equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc (Disablement and Death) Service Pensions Order 2006
 - iii 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).

- 53 Except in a case which falls under sub-paragraph (A) of paragraph 18 of Part 4A, where the applicant is a person who satisfies any of the conditions of sub-paragraph (B) of that paragraph, any amount of working tax credit up to £17.10.
- 54 Any payment made as a direct payment as defined in section 4(2) of the Social Care (Self-directed Support) (Scotland) Act 2013, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under sections 31 to 33 of the Care Act 2014 (direct payments), or under Regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).
- 55 A Subject to sub-paragraph (B), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person—
- i to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;
 - ii 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.
- B Sub-paragraph (A) shall apply only in respect of payments which are paid to that person from the special account.
- 56 A 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 (B).
- B The items specified for the purposes of sub-paragraph (A) 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 water charges for which that applicant or member is liable.
- C For the purposes of sub-paragraph (B)—
- i "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;
 - ii "rent" means "eligible rent" to which regulation 12 of the Housing Benefit Regulations 2006 refers, less any deductions in respect of non-dependants which fall to be made under Regulation 74 (non-dependant deductions) of those regulations;
- 57 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 week had it been payable to him, less 50p, that excess amount.
- 58 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.
- 59 Any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001.
- 60 A 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.
- B For the purposes of sub-paragraph (A) "local authority" includes, in England, a county council.
- 61 Any payment of child benefit.

Part 4B - Amounts to be disregarded in the calculation of income other than earnings

- 62 Any payments to an applicant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments).
- 63 Any war pension not disregarded elsewhere in this scheme
- 64 Any bereavement support payment under section 30 of the Pensions Act 2014 (bereavement support payment) except any such payment which is disregarded as capital under paragraph 9(1)(h) or 62 of Schedule 6
- 65 Any payment of carer's allowance supplement made under section 81 of the Social Security (Scotland) Act 2018
- 66 Any early years' assistance given in accordance with section 32 of the Social Security (Scotland) Act 2018.
- 67 Any funeral expense assistance given in accordance with section 34 of the Social Security (Scotland) Act 201
- 68 any historical child abuse payment
- 69 any Windrush payment
- 70 Any payment not disregarded elsewhere in this schedule which falls to be disregarded for the purposes of calculating entitlement to Housing Benefit on the grounds that it is analogous to a payment of Local Welfare Assistance.
- 71 Any payment received in connection with the Homes for Ukraine Scheme

Part 5 - Capital

Section 1 - Calculation of capital – applicant’s family and polygamous marriages

- A The income and capital of—
- i an applicant; and
 - ii any partner of that applicant, is to be calculated in accordance with the provisions of this Part.
- B 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 the applicant.
- C Where an applicant or the partner of an applicant is married polygamously to two or more members of his household—
- i the applicant shall be treated as possessing capital and income belonging to each such member; and
 - ii the income and capital of that member shall be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

Section 2 - Capital Limit

A person who would otherwise be a member of Class N or Class O as defined in Sections 2 and 3 of Part 9 will not be entitled to a reduction under this scheme if they possess capital in excess of £6 000.00 as calculated in accordance with Section 3 of this Part

Section 3 - Calculation of capital

- A The capital of an applicant to be taken into account shall, subject to paragraph (B), be the whole of his capital calculated in accordance with this Part.
- B There shall be disregarded from the calculation of an applicant’s capital under paragraph (A), any capital, where applicable, specified in Part 5A (Capital to be disregarded).
- C An applicant’s capital is to be treated as including any payment made to him by way of arrears of—
- i child tax credit;
 - ii working tax credit;

If the payment was made in respect of a period for the whole or part of which a reduction under this scheme was allowed before those arrears were paid.

Section 4 - Calculation of capital inside the United Kingdom

Capital which an applicant possesses in the United Kingdom is to 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.

Section 5 - Calculation of capital outside the United Kingdom

- A Capital which an applicant possesses in a country outside the United Kingdom shall be calculated
- i 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;
 - ii 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,
- B less, where there would be expenses attributable to sale, 10 per cent and the amount of any encumbrances secured on it.

Section 6 - Notional capital

- A An applicant is to be treated as possessing capital of which he or his partner has;
- i deprived himself for the purpose of securing entitlement to a reduction under this scheme or increasing the amount of that reduction
 - ii disposed of in a reckless or extravagant manner
- except to the extent that that capital is reduced in accordance with Section 7 (diminishing notional capital rule).
- B A person who disposes of capital for the purpose of—
- i reducing or paying a debt owed by the applicant or by the applicant's partner; or
 - ii purchasing goods or services if the expenditure was reasonable in the circumstances of the applicant's case,
- is to be regarded as not depriving himself of it.
- C 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—
- i the value of his holding in that company shall, notwithstanding Section 3 (calculation of capital) be disregarded; and
 - ii he shall, subject to paragraph (D), 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 Part apply for the purposes of calculating that amount as if it were actual capital which he does possess.
- D 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 (C) is to be disregarded.
- E Where an applicant is treated as possessing capital under paragraph (A) the foregoing provisions of this Part apply for the purposes of calculating its amount as if it were actual capital which he does possess.

Section 7 - Diminishing notional capital rule

- A Where an applicant is treated as possessing capital under Section 6 (A) (notional capital), the amount which he is treated as possessing—
- i in the case of a week that is subsequent to—
 - a the relevant week in respect of which the conditions set out in paragraph (B) are satisfied; or
 - b a week which follows that relevant week, and which satisfies those conditions, is to be reduced by an amount determined under paragraph (C);
 - ii in the case of a week in respect of which sub-paragraph (A)(i) does not apply but where—
 - a that week is a week subsequent to the relevant week; and
 - b that relevant week is a week in which the condition in paragraph (D) is satisfied, is to be reduced by the amount determined under paragraph (E).
- B This sub-paragraph applies to a reduction week where the applicant satisfies the conditions that—
- i he is in receipt of a reduction under this scheme; and
 - ii but for Section 6 paragraph (A), he would have received a greater reduction in that week.
- C In a case to which paragraph (B) applies, the amount of the reduction in the amount of capital he is treated as possessing for the purposes of sub-paragraph (A)(i) is to be equal to the aggregate of—
- i an amount equal to the additional amount of the reduction in council tax to which sub-paragraph (B)(ii) refers;
 - ii where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of housing benefit to which he would have been entitled in respect of the whole or part of that reduction week to which paragraph (B) refers but for the application of regulation 49(1) of the Housing Benefit Regulations 2006 (notional capital);
 - iii 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 reduction week to which paragraph (B) refers but for the application of regulation 113 of the Jobseeker's Allowance Regulations 1996 (notional capital); and
 - iv 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 reduction week to which paragraph (B) refers but for the application of regulation 115 of the Employment and Support Allowance Regulations 2008 (notional capital)
 - v Where the applicant has also claimed Universal Credit, the amount of an award of Universal Credit to which he would have been entitled in respect of the reduction week to which paragraph (B) refers but for the application of regulation 50 Universal Credit Regulations 2013 (Notional Capital).
- D Subject to paragraph (G), for the purposes of sub-paragraph (A)(i), the condition is that the applicant would have been entitled to a reduction in council tax under the scheme in the relevant week but for Section 6(A).

Part 5 - Capital

- E In such a case the amount of reduction in the amount of the capital which he is treated as possessing for the purposes of sub-paragraph (A)(ii) is equal to the aggregate of—
- i the amount of the reduction in council tax to which the applicant would have been entitled in the relevant week but for Section 6(A);
 - ii if the applicant would, but for regulation 49(1) of the Housing Benefit Regulations 2006, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the week, within the meaning of regulation 2 of those Regulations (interpretation), which includes the last day of the relevant week, the amount which is equal to—
 - a in a case where no housing benefit is payable, the amount to which he would have been entitled; or
 - b in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled,
 - iii 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 benefit week, within the meaning of regulation 1(3) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled; and
 - iv 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 benefit 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.
- F But if the amount mentioned in sub-paragraph (i), (iii), (iii), or (iv) of paragraph (E) ("the relevant amount") is in respect of a part-week, the amount that is to be taken into account under that paragraph is to be determined by—
- i dividing the relevant amount by the number equal to the number of days in that part week, and
 - ii multiplying the result of that calculation by 7.
- G The amount determined under Paragraph (E) shall be re-determined under that subparagraph if the applicant makes a further application for a reduction in council tax under the scheme and the conditions in Paragraph (H) are satisfied, and in such a case—
- i sub-paragraphs (i) to (iv) of paragraph (E) apply as if for the words "relevant week" there were substituted the words "relevant subsequent week"; and
 - ii subject to sub-paragraph (I), the amount as re-determined has effect from the first week following the relevant subsequent week in question.
- H The conditions are that—
- i a further application is made 26 or more weeks after—
 - a the date on which the applicant made an application in respect of which he was first treated as possessing the capital in question under Section 6(A) ;
 - b in a case where there has been at least one re-determination in accordance with paragraph (E), the date on which he last made an application which resulted in the weekly amount being re-determined, or
 - c the date on which he last ceased to be entitled to a reduction in council tax under this scheme,

Part 5 - Capital

whichever last occurred; and

- ii the applicant would have been entitled to a reduction under the scheme but for Section 6(A).
- I The amount as re-determined pursuant to Paragraph (G) does 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.
- J For the purposes of this paragraph—
 - i “part-week”
 - a in relation to an amount mentioned in sub-paragraph (E)(i) means a period of less than a week for which a reduction in council tax under this scheme is allowed;
 - b in relation to an amount mentioned in sub-paragraph (E) (ii) means a period of less than a week for which Housing Benefit is payable;—
 - c in relation to an amount mentioned in sub-paragraph (E) (iii) or (iv) means
 - 1 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
 - 2 any other period of less than a week for which it is payable;
 - ii “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 6(A)—
 - a was first taken into account for the purpose of determining his entitlement to a reduction under this scheme; or
 - b was taken into account on a subsequent occasion for the purpose of determining or redetermining his entitlement to a reduction on that subsequent occasion and that determination or re-determination resulted in his beginning to receive, or ceasing to receive, a reduction under this scheme,

~~and where more than one reduction week is identified by reference to sub-paragraphs (a) and (b) of this definition the later or latest such reduction week or, as the case may be, the later or latest such part-week of the relevant week;~~
 - iii ~~“relevant subsequent week” means the reduction week or part-week which includes the day on which the further application or, if more than one further application has been made, the last such application was made.~~

Section 8 - Capital jointly held

Except where an applicant possesses capital which is disregarded under Section 6(D) (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 and the foregoing provisions of this Part 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.

Part 5A – Capital to be disregarded

- 1 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 either the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.
- 2 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 either the Employment Skills and Enterprise Scheme but only for 52 weeks beginning with the date of receipt of the payment.
- 3 Any payment made to the applicant in respect of any childcare, travel or other expenses incurred, or to be incurred, by the applicant in respect of the applicant's participation in,
 - A A scheme prescribed by regulation 3 of the Jobseeker's Allowance (Supervised Jobsearch Pilot Scheme) Regulations 2014
 - B Work for your Benefit Pilot Scheme
 - C A scheme prescribed by regulation 3 of the Jobseekers Allowance (18-21 Work Skills Pilot Scheme) Regulations 2014but only for 52 weeks beginning with the date of receipt of the payment.
- 4 The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated; but, notwithstanding Part 4 section 1 (calculation of income and capital of members of applicant's family and of a polygamous marriage), only one dwelling shall be disregarded under this paragraph.
- 5 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.
- 6 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.
- 7 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.
- 8 Where the applicant or the applicant's partner is in receipt of;
 - A Income Support
 - B Income – based Jobseekers Allowance
 - C Income-related Employment and Support AllowanceThe whole of their capital but only if the value of that capital is less than £6000

Part 5A – Capital to be Disregarded

- 9 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.
- 10 A 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.
- B The assets of any business owned in whole or in part by the applicant where—
- i he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but
 - ii 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 application for support under this scheme 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 reengaged.
- C 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.
- D 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 (C), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.
- 11 A Subject to sub-paragraph (B), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of—
- i any payment specified in paragraphs 8 or 10 or of Part 4B;
 - ii an income-related benefit under Part 7 of Social Security Contributions and Benefits Act 1992;
 - iii an income-based jobseeker's allowance;
 - iv any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;
 - v working tax credit and child tax credit,
 - vi an income-related employment and support allowance,
 - vii universal credit,
 - viii bereavement support payment under section 30 of the Pensions Act 2014
 - ix maternity allowance under section 35 of the Act (state maternity allowance for employed or self-employed earner
- but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.
- B In a case where the total of any arrears and, if appropriate, any concessionary payment referred to in sub-paragraph (A) 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 (C) as "the relevant sum") and is—

Part 5A – Capital to be Disregarded

- i paid in order to rectify or to compensate for, an official error as defined in regulation 1(2) of the Housing Benefit and Council Tax Benefit Decisions and Appeals Regulations 2001; and
- ii received by the applicant in full on or after 14th October 2001.

sub-paragraph (A) 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 a reduction under this scheme, for the remainder of that award if that is a longer period.

C For the purposes of sub-paragraph (B), “the award of a reduction under this scheme” means—

- i 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
- ii 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—
 - a is the person who received the relevant sum; or
 - b is the partner of the person who received the relevant sum, or was that person’s partner at the date of his death.

12 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.

13 Any sum --

- A deposited with a housing association as defined in section 1(1) of the Housing Associations Act 1985 or section 338(1) of the Housing (Scotland) Act 1987 as a condition of occupying the home;
- B which was so deposited, and which is to be used for the purchase of another home, for the period of 26 weeks or such longer period as may be reasonable in the circumstances to enable the applicant to complete the purchase.

14 Any personal possessions except those;

- A which have been acquired by the applicant with the intention of reducing his capital in order to secure, increase or maintain entitlement to a reduction under this scheme or,
- B which were purchased in a reckless or extravagant manner

15 The value of the right to receive any income under an annuity or the surrender value (if any) of such an annuity.

16 Where the funds of a trust are solely 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.,

17 A 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.

Part 5A – Capital to be Disregarded

B But sub-paragraph (A)—

- i 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;
- ii 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);
- iii ceases to apply to the payment or any part of the payment from the day on which the applicant no longer possesses it;
- iv 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.

C For the purposes of sub-paragraph (B)(iii), 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.

D References in sub-paragraphs (B) and (C) to the applicant are to be construed as including references to his partner (where applicable).

- 18 The value of the right to receive any income under a life interest or from a life rent.
- 19 The value of the right to receive any income which is disregarded under paragraph 14 of Part 4A or paragraph 24 of Part 4B.
- 20 The surrender value of any policy of life insurance.
- 21 Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.
- 22 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, 26A, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).
- 23 A Subject to sub-paragraph (B), any payment (or part payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 26A or 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.
 - B Sub-paragraph (A) applies only where A—
 - i was formerly in the applicant's care, and
 - ii is aged 18 or over or, in the case of a payment or part of a payment made in accordance with section 26A of the Children (Scotland) Act 1995, aged 16 or over, and
 - iii continues to live with the applicant.
- 24 Any social fund payment made pursuant to Part 8 of the Social Security Contributions and Benefits Act 1992.
- 25 Any local welfare provision of a period of 3 months from the date it was received or such longer period as may be reasonable in the circumstances to enable the applicant to use the monies for the purposes for which the payment was made.
- 26 Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988(f)(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.

Part 5A – Capital to be Disregarded

- 27 Any capital which by virtue of Part 4 Section 18 (capital treated as income) or Part 6 Section 10 (treatment of student loans) is to be treated as income.
- 28 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.
- 29 A Any payment made under or by the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust ("the Trusts"), the Fund, the Eileen Trust, MFET Limited, the Independent Living Funds, the Skipton Funds or the London Bombings Relief Charitable Fund.
- B 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 (A) refers and which is made to or for the benefit of—
- i 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;
 - ii 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
 - iii 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.
- C 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 (A) refers and which is made to or for the benefit of—
- i the person who is suffering from haemophilia or who is a qualifying person;
 - ii 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
 - iii 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.
- D 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 (A) refers, where—
- i 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
 - ii the payment is made either—
 - a to that person's parent or step-parent; or
 - b 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,

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but only for a period from the date of the payment until the end of two years from that person's death.

- E 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 (A) refers, where—
- i 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
 - ii the payment is made either—
 - a to that person's parent or step-parent; or
 - b 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

- F In the case of a person to whom or for whose benefit a 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.
- G For the purposes of sub-paragraphs (B) to (F), 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 or the London Bombings Relief Charitable Fund.
- H Any payment made under, or by, a trust which is approved by the Secretary of State and which is established for the purpose of giving relief and assistance to a disabled person whose disabilities were caused by their mother having taken a preparation containing the drug known as Thalidomide during her pregnancy."
- 30 A 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.
- B 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.
- 31 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.
- 32 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.
- 33 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

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alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.

- 34 Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.
- 35 The value of the right to receive an occupational or personal pension.
- 36 The value of any funds held under a personal pension scheme.
- 37 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.
- 38 Any payment in kind made by a charity or under or by the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, MEFT Limited.
- 39 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.
- 40 Any payment in consequence of a reduction of council tax under section 13, section 13A or 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.
- 41 A Any grant made to the applicant 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—
- i to purchase premises intended for occupation as his home; or
 - ii 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.
- 42 Any arrears of supplementary pension which is disregarded under paragraph 50 of Part 4B (sums to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 51 or 52 of that Part, but only for a period of 52 weeks from the date of receipt of the arrears
- 43 A Any payment or repayment made—
- i 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);
 - ii 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);
 - iii 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.
- B 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

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mentioned in sub-paragraph (A), but only for a period of 52 weeks from the date of receipt of the payment or repayment.

- 44 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.
- 45 Any payment made under Part 8A of the Social Security Contributions and Benefits Act 1992 (entitlement to health in pregnancy grant).
- 46 Any payment made either by the Secretary of State for Justice or 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.
- 47 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
- 48 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.
- 49 A Any sum of capital to which sub-paragraph (B) applies and—
 - i 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 – 1998/3132, or by the Court of Protection and,
 - ii which can only be disposed of by order or direction of any such court;or
 - iii 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.B This sub-paragraph applies to a sum of capital which is derived from—
 - i an award of damages for a personal injury to that person; or
 - ii compensation for the death of one or both parents where the person concerned is under the age of 18
- 50 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.
- 51 Any payment to the applicant as holder of the Victoria Cross or George Cross.
- 52 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.
- 53 A 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 (B).

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- B The items specified for the purposes of sub-paragraph (A) 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 or water charges for which that applicant or member is liable.
- C For the purposes of sub-paragraph (B)—
- i "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
 - ii rent" means eligible rent as defined in the Housing Benefit Regulations 2006 less any deductions in respect of non-dependants which fall to be made under Regulation 74 (non-dependant deductions) of those regulations.
- 54 A Any payment—
- i by way of an education maintenance allowance made pursuant to—
 - a regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc);
 - b regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);
 - c directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
 - ii corresponding to such an education maintenance allowance, made pursuant to—
 - a section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
 - b regulations made under section 181 of that Act.; or
- B Any payment, other than a payment to which sub-paragraph (A) applies, made pursuant to—
- i regulations made under section 518 of the Education Act 1996
 - ii regulations made under section 49 of the Education (Scotland) Act 1980; or
 - iii directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,
- 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 made pursuant to any provision specified in sub-paragraph (A).
- 55 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.
- 56 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.
- 57 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;

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- 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.

58 A Subject to sub-paragraph (B), the amount of any trust payment made to an applicant or a member of a applicant's family who is—

- i a diagnosed person;
- ii the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
- iii 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
- iv 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.

B Where a trust payment is made to—

- i a person referred to in sub-paragraph (A)(i) or (ii), 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;
- ii a person referred to in sub-paragraph (A)(iii), 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;
- iii a person referred to in sub-paragraph (A)(iv), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending—
 - a two years after that date; or
 - b on the day before the day on which that person—
 - 1 ceases receiving full-time education; or
 - 2 attains the age of 20,whichever is the latest.

C Subject to sub-paragraph (D), 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 a applicant's family who is—

- i the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
- ii 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
- iii 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.

D Where a payment as referred to in sub-paragraph (C) is made to—

- i a person referred to in sub-paragraph (C)(i), 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;
- ii a person referred to in sub-paragraph (C)(ii), 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
- iii a person referred to in sub-paragraph (C)(iii) that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending—
 - a Two years after that date; or
 - b On the day before the day on which that person
 - 1 ceases receiving full-time education; or
 - 2 attains the age of 20,whichever is the latest.

E In this paragraph, a reference to a person—

- i being the diagnosed person's partner;
- ii being a member of a diagnosed person's family;
- iii 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.

F In this paragraph—

- i "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 Creutzfeldt-Jakob disease;
- ii "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 Creutzfeldt-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;
- iii "trust payment" means a payment under a relevant trust.

59 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.

60 A 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.

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B For the purposes of sub-paragraph (A) "local authority" includes in England a county council.

- 61 Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or as a direct payment as defined in section 4(2) of the Social Care (Self-directed Support) (Scotland) Act 2013 or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under sections 31 to 33 of the Care Act 2014 (direct payments).
- 62 Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.
- 63 Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).
- 64 Any payments to an applicant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments).
- 65 Any early years assistance given in accordance with section 32 of the Social Security (Scotland) Act 2018.
- 66 Any funeral expense assistance given in accordance with section 34 of the Social Security (Scotland) Act 2018.
- 67 Any payment not disregarded elsewhere in this schedule which falls to be disregarded for the purposes of calculating entitlement to Housing Benefit on the grounds that it is made under the provisions for payment of Local Welfare Assistance.
- 68 Any historical child abuse payment
- 69 Any Windrush payment
- 70 Any payment received in connection with the Homes for Ukraine Scheme
- 71 Any payment made under the Energy Rebate Scheme 2022

Part 6 - Students

Section 1 - Interpretation

In this part:

"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—

- i grants made under section 68 of the Further and Higher Education Act 1992 or section 74 of the Higher Education and Research Act 2017 for the purpose of providing funds on a discretionary basis to be paid to students;
- ii grants made under sections 73(a) and (c) and 74(1) of the Education (Scotland) Act 1980;
- iii 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;
- iv 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
- v 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—

- i 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
- ii 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 persons to contribute towards the holder's expenses—
 - a the holder of the allowance or bursary;
 - b the holder's parents;
 - c 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
 - d the holder's spouse or civil partner;

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"course of study" means any course of study, whether or not it is a sandwich course and whether or not a grant is made for attending or undertaking it;

"covenant income" means the gross income payable to a full-time student under a Deed of Covenant by his parent;

"education authority" means a government department, a local education authority specified in section 12 of the Education Act 1996 (local education authorities and their areas), 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, anybody 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—

- i 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;
- ii 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—
 - a 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 bodies for the delivery of that course; or
 - b 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—
 - 1 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
 - 2 16 hours or less per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff and it involves additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 hours per week, according to the number of hours set out in a document signed on behalf of the college;

"full-time student" means a person attending or undertaking a full-time course of study and includes a student on a sandwich course;

"grant" (except in the definition of "access funds") means any kind of educational grant or award and includes any scholarship, studentship, exhibition, allowance or bursary but does not include a payment from access funds or any payment to which paragraph 12 of Part 4B or paragraph 54 of Part 5A applies;

"grant income" means—

- i any income by way of a grant;

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- ii 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—

- i 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;
- ii 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—

- i 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;
- ii 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, that year's start and ending with either—
 - a 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
 - b in any other case, the day before the start of the normal summer vacation appropriate to his course;
- iii 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;

"postgraduate master's degree loan" means a loan which a student is eligible to receive under the Education (Postgraduate Master's Degree Loans) Regulations 2016;"

"qualifying course" means a qualifying course as defined for the purposes of Parts 2 and 4 of the Jobseeker's Allowance Regulations 1996;

"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—

- i except where paragraph (ii) or (iii) 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;
- ii except where sub-paragraph (iii) applies, in the case of a student residing at his parent's home, the amount specified in paragraph 3 thereof;
- iii 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;

- iv in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 2000 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—

- i a course of study at an educational establishment; or
- ii 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 Students' Allowances (Scotland) Regulations 2007.

Section 2 - Full Time students – further provisions

- A For the purposes of the definition of "full-time student" in paragraph (1), 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—
 - i subject to paragraph (B), 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—
 - a 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
 - b on such earlier date (if any) as he finally abandons the course or is dismissed from it;
 - ii 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.
- B For the purposes of Paragraph (A), the period referred to in that Paragraph shall include—
 - i 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;
 - ii 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.
- C In paragraph (A), "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.

Section 3 - Treatment of Students

These provisions shall have effect in relation to students' subject to the following provisions of this Part.

Section 4 Students who are excluded from entitlement to a reduction under this scheme

- A Except to the extent that a student may be entitled to a reduction under the provisions of Part 2 (Alternative Maximum Council Tax Reduction), a student to whom paragraph (B) applies will not be entitled to a reduction under this scheme.
- B Subject to paragraph (C) and (H), this paragraph applies to a full-time student and students who are treated as not being in Great Britain within the meaning of Section 12 of Part 16.
- C Paragraph (B) shall not apply to a student—
- i who is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance;
 - ii who is a lone parent;
 - iii whose applicable amount would, but for this paragraph, include the disability premium or severe disability premium;
 - iv 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 Social Security Contributions and Benefits Act 1992;
 - v 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 Social Security Contributions and Benefits Act 1992 (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;
 - vi 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 2008 or the Employment and Support Allowance Regulations 2013 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 shall be treated as one continuous period.
 - vii 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;
 - viii who is a single applicant with whom a child is:-
 - a placed by a local authority or voluntary organisation under section 23(2)(a) or section 59(1)(a) of the Children Act 1989 (provision of accommodation and maintenance); or
 - b in Scotland, boarded out by a local authority or voluntary organisation within the meaning of the Social Work (Scotland) Act 1968
 - ix who is—
 - a aged under 21 and whose course of study is not a course of higher education;
 - b aged 21 and attained that age during a course of study which is not a course of higher education;

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- c a qualifying young person or child within the meaning of section 142 of the Social Security Contributions and Benefits Act 1992 (child and qualifying young person);
 - x in respect of whom—
 - a a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003; or
 - b 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 2007 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 2007, in respect of expenses incurred;
 - c 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;
 - d a grant has been made under regulation 13 of the Education (Student Support) Regulations 2008 or under regulation 39 of the Education (Student Support) Regulations (Northern Ireland) 2007; or
 - e a supplementary requirement has been determined under paragraph 9 of Schedule 6 to the Students Awards Regulations (Northern Ireland) 2003 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; or
 - xi Who:-
 - a immediately before 1st September 1990 was in receipt of income support by virtue of paragraph 7 of Schedule 1 to the Income Support (General) Regulations 1987 as then in force; or
 - b on or after that date makes a claim for income support or a reduction under this scheme and at any time during the period of 18 months immediately preceding the date of that claim was in receipt of income support either by virtue of that paragraph or regulation 13(2)(b) of those Regulations,but this sub-paragraph shall cease to apply where the person has ceased to be in receipt of income support for a continuous period of 18 months or more; or
 - xii Who is a person on Universal Credit, except where the award of Universal Credit to that person includes an amount in respect of a liability to make payments in respect of the accommodation they occupy as their home, in accordance with section 11 of the Welfare Reform Act 2012 (housing costs).
- D Sub-paragraph (C)(ix)(b) only applies to an applicant until the end of the course during which the applicant attained the age of 21.
- E For the purposes of paragraph (C), once sub-paragraph (C)(v) 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.
- F In sub-paragraph (C)(ix) 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.
- G A full-time student to whom sub-paragraph (C)(x) applies, shall be treated as satisfying that subparagraph from the date on which he made a request for the supplementary requirement, allowance, bursary or payment as the case may be.

- H Paragraph (B) shall not apply to a full-time student for the period specified in paragraph (I) if—
- i 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—
 - a engaged in caring for another person; or
 - b ill
 - ii he has subsequently ceased to be engaged in caring for that person or, as the case may be, he has subsequently recovered from that illness; and
 - iii he is not eligible for a grant or a student loan in respect of the period specified in paragraph (I).
- I The period specified for the purposes of paragraph (H) 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—
- i the day on which he resumes attending or undertaking the course; or
 - ii the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course,
- whichever shall first occur

Section 5 - Calculation of Grant Income

- A The amount of a student's grant income to be taken into account shall, subject to paragraphs (B) and (C), be the whole of his grant income.
- B There shall be excluded from a student's grant income any payment—
- i intended to meet tuition fees or examination fees;
 - ii in respect of the student's disability;
 - iii intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;
 - iv on account of the student maintaining a home at a place other than that at which he resides during his course;
 - v on account of any other person but only if that person is residing outside of the United Kingdom and there is no applicable amount in respect of him;
 - vi intended to meet the cost of books and equipment;
 - vii intended to meet travel expenses incurred as a result of his attendance on the course;
 - viii intended for the childcare costs of a child dependant.
 - ix of higher education bursary for care leavers made under Part III of the Children Act 1989.
- C Where a student does not have a student loan or a postgraduate master's degree loan and is not treated as possessing a student loan or a postgraduate master's degree loan, there shall be excluded from the student's grant income—
- i the sum of £303 per academic year in respect of travel costs; and
 - ii the sum of £390 per academic year towards the costs of books and equipment,
- whether or not any such costs are incurred.

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- D There shall also be excluded from a student's grant income the grant for those 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 or paid under section 63(6) of the Health Services and Public Health Act 1968.
- E Subject to paragraphs (F) and (G), a student's grant income shall be apportioned—
- i subject to paragraph (H), 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;
 - ii 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.
- F 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 2003 shall be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.
- G 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 paragraph (F) applies shall be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.
- H In the case of 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.

Section 6 - Calculation of covenant income where a contribution is assessed

- A 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 (C), the amount of the contribution.
- B The weekly amount of the student's covenant shall be determined—
- i by dividing the amount of income which falls to be taken into account under paragraph (A) by 52 or 53, whichever is reasonable in the circumstances; and
 - ii by disregarding from the resulting amount, £5.
- C For the purposes of paragraph (A), the contribution shall be treated as increased by the amount (if any) by which the amount excluded under section 5 (B)(vii) of this part (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).

Section 7 - Covenant income where no grant income or no contribution is assessed

- A 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—
- i any sums intended for any expenditure specified in section 5(B)(i) to (v) (Calculation of grant income) of this Part necessary as a result of his attendance on the course shall be disregarded;
 - ii 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.
 - iii there shall be disregarded from the amount so apportioned the amount which would have been disregarded under sub-paragraph (B)(vi) and paragraph (C) section 5 (Calculation of grant income) had the student been in receipt of the standard maintenance grant; and
 - iv 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.
- B 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 (i) to (iv) of paragraph (A), except that—
- i 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 section 5 (B)(i) to (iv); and
 - ii the amount to be disregarded under paragraph (A)(iii) shall be abated by an amount equal to the amount of any sums disregarded under sub-paragraphs (B)(vi) and (vii) and paragraph (C) of section 5.

Section 8 - Relationship with amounts to be disregarded under Part 4B

No part of a student's covenant income or grant income shall be disregarded under Part 4B Paragraph 18.

Section 9 - Other amounts to be disregarded

For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with Section 10 (Treatment of student loans and postgraduate master's degree loans), any amounts intended for any expenditure specified in Section 5(B) (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 Section 5(B) or (C), Section 6(C) (Calculation of covenant income where a contribution is assessed, Section 7(A)(i) or (C) (Covenant income where no grant income or no contribution is assessed) or Section 10(F) (Treatment of Student Loans) on like expenditure.

Section 10 - Treatment of Student Loans and postgraduate master's degree loans

- A A student loan and a postgraduate master's degree loan shall be treated as income.

B In calculating the weekly amount of the loan to be taken into account as income—

- i 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—
 - a except in a case where sub-paragraph (b) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of the single academic year;
 - b 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, the last day of the course;
- ii 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 Authority, 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;
- iii 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—
 - a except in a case where sub-paragraph (b) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of that academic year;
 - b where the final academic year starts on 1st September, the reduction week, the first day of which coincides 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;
- iv in any other case, the loan shall be apportioned equally between the weeks in the period beginning with the earlier of—
 - a the first day of the first reduction week in September; or
 - b 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.

C A student shall be treated as possessing a student loan or a postgraduate master's degree loan in respect of an academic year where—

- i a student loan or a postgraduate master's degree loan has been made to him in respect of that year; or
- ii he could acquire a student loan or a postgraduate master's degree loan in respect of that year by taking reasonable steps to do so.

Part 6 - Students

- D Where a student is treated as possessing a student loan under paragraph (C), the amount of the student loan to be taken into account as income shall be, subject to paragraph (E)—
- i in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to—
 - a the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
 - b any contribution whether or not it has been paid;
 - ii 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—
 - a he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
 - b no deduction in that loan was made by virtue of the application of a means test.
- E Where a student is treated as possessing a postgraduate master's degree loan under paragraph (C) in respect of an academic year, the amount of that loan to be taken into account as income shall be, subject to paragraph F, a sum equal to 30 per cent. of the maximum postgraduate master's degree loan the student is able to acquire in respect of that academic year by taking reasonable steps to do so.
- F There shall be deducted from the amount of a student's loan income -
- i the sum of £303 per academic year in respect of travel costs; and
 - ii the sum of £390 per academic year towards the cost of books and equipment, whether or not any such costs are incurred.
- whether or not any such costs are incurred

Section 11 - Treatment of Fee Loans and Special Support Loans

- A A loan for fees, known as a fee loan or a fee contribution loan, made pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998, section 22 of the Teaching and Higher Education Act 1998 or section 73(f) of the Education (Scotland) Act 1980, shall be disregarded as income.
- B A special support loan within the meaning of regulation 68 of the Education (Student Support) Regulations 2011 is to be disregarded as income.

Section 12 - Treatment of payments from access funds

- A This paragraph applies to payments from access funds that are not payments to which Part 6 Section 15 (Amounts treated as capital) in this section applies.
- B A payment from access funds, other than a payment to which paragraph (C) applies, shall be disregarded as income.
- C Subject to paragraph (D) of this section and paragraph 34 of Part 4B, any payments from access funds which are intended and used for food, household fuel, ordinary clothing or footwear, of a single applicant any other member of his family, and 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.
- D Where a payment from access funds is made—

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- i 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
- ii 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.

Section 13 - Disregard of contribution

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.

Section 14 - Further disregard of student's income

Where any part of a student's income has already been taken into account for the purposes of assessing his entitlement to a grant or student loan or postgraduate master's degree loan, the amount taken into account shall be disregarded in assessing that student's income.

Section 15 - Amounts treated as capital

- A Any amount by way of a refund of tax deducted from a student's covenant income shall be treated as capital.
- B An amount paid from access funds as a single lump sum shall be treated as capital.
- C An amount paid from access funds as a single lump sum which is intended and used for an item other than food, household fuel or rent, ordinary clothing or footwear, of a single applicant or, or as the case maybe, of the applicant or any other member of his family, or which is used for any water charges, for which that claimant or member is liable, shall be disregarded as capital but only for a period of 52 weeks from the date of the payment.

Section 16 - Disregard of changes occurring during summer vacation

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 shall be disregarded

Part 7 – Applicable Amounts

Section 1 - Applicable amounts for the purposes of calculating eligibility for a reduction under this scheme and amount of reduction

- A The applicable amount for an applicant for a week is the aggregate of such of the following amounts as apply in his case—
- i an amount in respect of his personal allowance, determined in accordance with Section 2 of this Part;
 - ii an amount in respect of any child or young person who is a member of his family, determined in accordance with Section 3 of this Part;
 - iii the amount of any premiums which may be applicable to him, determined in accordance with Sections 4 (Applicability of Premiums) and 5 (Continuation of Entitlement to Premiums) of this Part.
 - iv the amount of either the-
 - a work-related activity component; or
 - b support componentwhich may be applicable to him in accordance with sections 15-18 (components)
 - v the amount of any transitional addition which may be applicable to him in accordance with sections 19 and 20 (Transitional additions)
- B In this Part—
- i “additional spouse” means a spouse of either party to the marriage who is additional to the other party to the marriage;
 - ii “patient” means a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005.

Section 2 - Personal allowance

- A The amount specified in column (2) below in respect of each person or couple specified in column (1) is the amount specified for the purposes of Section 1 Paragraph A(i) of this Part

Column 1		Column 2	
Single person, couple or polygamous marriage		Amount	
1	Single applicant who		
	a is entitled to main phase employment and support allowance;	a	£84.80
	b is aged not less than 25;	b	£84.80
	c is aged less than 25.	c	£67.20
2	Lone parent		£84.80
3	Couple		£133.30
4	Polygamous Marriage		
	a For the first two members of the marriage	a	£133.30
	b in respect of each additional spouse	b	£48.50
1A	For the purposes of Section 1 an applicant is entitled to main phase employment and support allowance if		
	a Each of the conditions in Section 16 is satisfied; or		
	b The applicant is entitled to converted employment and support allowance, or would be entitled but for the application of section 1A of the Welfare Reform Act 2007 (duration of contributory allowance)		

Section 3 - Child or young person amounts

- A The amounts specified in Section 2 column (2) below in respect of each person specified in column (1) are the amounts, for the relevant period specified in column (1), specified for the purposes of Section 1(A)(ii) of this Part

Column 1		Column 2	
Child or young person		Amount	
a	beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday;	a	£77.78
b	beginning on the first Monday in September following that person's sixteenth birthday and ending on the day preceding that person's twentieth birthday.	b	£77.78
B	In column (1) of the table "the first Monday in September" means the Monday which first occurs in the month of September in any year.		

Section 4 - Applicability of Premiums

- A The premiums specified in Section 14 are, for the purposes of Section 1(A)(iii) of this Part, applicable to an applicant who satisfies the condition specified in this Part in respect of that premium.
- B Subject to paragraph C, where an applicant satisfies the conditions in respect of more than one premium in this Part, only one premium shall be applicable to him and, if they are different amounts, the higher or highest shall apply
- C The following premiums, namely
- i a severe disability premium to which Section 6 applies
 - ii an enhanced disability premium to which Section 9 applies
 - iii a disabled child premium to which Section 10 applies
 - iv a carer premium to which Section 11 applies
- may be applicable in addition to any other premium which may apply under this Part.

Section 5 - Continuation of Entitlement to Premiums

- A Subject to paragraph (B), for the purposes of this Part, once a premium is applicable to an applicant under this Part, a person is to be treated as being in receipt of any benefit for—
- i in the case of a benefit to which the Social Security (Overlapping Benefits) Regulations 1979 applies, any period during which, apart from the provision of those Regulations, he would be in receipt of that benefit; and
 - ii any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the Employment and Training Act 1973, or by Skills Development Scotland, Scottish Enterprise or Highland and Islands Enterprise under section 2 of the Enterprise and New Towns (Scotland) Act 1990 or for any period during which he is in receipt of a training allowance.
- B For the purposes of the carer premium under Section 11, a person is to be treated as being in receipt of a carer's allowance by virtue of sub-paragraph (A)(i) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the Social Security Contributions Benefits Act, or the care component of child disability payment at the highest or middle rate in accordance with regulation 11(5) of the DACYP Regulations or the daily living component of personal independence payment paid at standard or enhanced rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012 or an Armed Forces Independence Payment.

Section 6 - Severe disability premium

- A The condition is that the applicant is a severely disabled person.
- B For the purposes of paragraph (A), an applicant is to be treated as being a severely disabled person if, and only if—
- i in the case of a single applicant, a lone parent or an applicant who is treated as having no partner in consequence of paragraph (C)—
 - a he is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3)

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of the Social Security Contributions and Benefits Act 1992, or the daily living component of personal independence payment paid at standard or enhanced rate in accordance with Section 78(3) of the Welfare Reform Act 2012, or an Armed Forces Independence Payment; and

- b subject to paragraph (F), he has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing; and
- c no person is entitled to, and in receipt of, a carer's allowance under section 70 of the Social Security Contributions and Benefits Act 1992 or has an award of universal credit which includes the carer element under regulation 29 of the Universal Credit Regulations 2013 in respect of caring for him;

ii in the case of an applicant who has a partner—

- a the applicant is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the Social Security Contributions and Benefits Act 1992, or the daily living component of personal independence payment at the standard or enhanced rate in accordance with Section 78(3) of the Welfare Reform Act 2012, or an Armed Forces Independence Payment; and
- b his partner is also in receipt of such an allowance or payment or, if he is a member of a polygamous marriage, all the partners of that marriage are in receipt of such an allowance or payment; and
- c subject to paragraph (F), the applicant has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing,

and either a person is entitled to and in receipt of a carer's allowance or has an award of universal credit which includes the carer element in respect of caring for only one of a couple or, in the case of a polygamous marriage, for one or more but not all the partners of the marriage, or as the case may be, no person is entitled to and in receipt of such an allowance or has such an award of universal credit in respect of caring for either member of a couple or any partner of a polygamous marriage.

C Where an applicant has a partner who does not satisfy the condition in sub-paragraph (B)(ii)(b), and that partner is severely sight impaired or blind or treated as severely sight impaired or blind within the meaning of Section 8(A)(i)(f) and 8(B), that partner is to be treated for the purposes of paragraph (B) as if he were not a partner of the applicant.

D For the purposes of sub-paragraph (B)(i)(b) and (B)(ii)(c) no account is to be taken of—

- i a person receiving attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the Social Security Contributions and Benefits Act 1992, or the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012, or an AFIP; or
- ii a person who is blind or is treated as blind within the meaning of Section 8(A)(i)(f) and 8(B).

E For the purposes of sub-paragraph (B)(ii) a person is to be treated—

- i as being in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the Social Security Contributions and Benefits Act 1992, or the daily living component of personal independence payment payable at either rate under part 4 of the Welfare Reform Act 2012 if he would, but for his being a patient for a period exceeding 28 days, be so in receipt;

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- ii as being entitled to and in receipt of a carer's allowance or having an award of universal credit which includes the carer element if he would, but for the person for whom he was caring being a patient in hospital for a period exceeding 28 days, be so entitled and in receipt or have such an award of universal credit.
- F For the purposes of sub-paragraph (B)(i)(c) and (B)(ii)—
- i no account shall be taken of an award of carer's allowance or universal credit which includes the carer element to the extent that payment of such an award is backdated for a period before the date on which the award is first paid.
 - ii references to a person being in receipt of a carer's allowance or as having an award of universal credit which includes the carer element shall include references to a person who would have been in receipt of that allowance or had such an award of universal credit but for the application of a restriction under section 6B or 7 of the Social Security Fraud Act 2001 (loss of benefit provisions).

Section 7 - Disability Premium

The condition is that—

- A where the applicant is a single applicant or a lone parent, he has not attained the qualifying age for state pension credit and the additional condition specified in Section 8 is satisfied by him; or
- B where the applicant has a partner, either—
- i the applicant has not attained the qualifying age for state pension credit and the additional condition specified in sub-paragraph 8(A)(i) or (ii) is satisfied by him; or
 - ii his partner has not attained the qualifying age for state pension credit and the additional condition specified in sub-paragraph 8(A)(i) is satisfied by his partner.

Section 8 - Additional Condition for the Disability Premium

- A Subject to Paragraph (B) and Section 5 (Continuation of Entitlement to Premiums), the additional condition referred to in Section 7 (Disability Premium) is that either—
- i the applicant or, as the case may be, his partner—
 - a is in receipt of one or more of the following benefits: attendance allowance, disability living allowance, personal independence payment, armed forces independence payment, the disability element or the severe disability element of working tax credit as specified in regulation 20(1)(b) and (f) of the Working Tax Credit Regulations, mobility supplement, long-term incapacity benefit under Part 2 of Social Security Contributions and Benefits Act 1992 or severe disablement allowance under Part 3 of that Act but, in the case of long-term incapacity benefit or severe disablement allowance only where it is paid in respect of him; or
 - b was in receipt of long-term incapacity benefit under Part 2 of Social Security Contributions and Benefits Act 1992 when entitlement to that benefit ceased on account of the payment of a retirement pension under that Act or a state pension under Part 1 of the Pensions Act 2014 and the applicant has since remained continuously entitled to a reduction under this scheme and, if the long-term incapacity benefit was payable to his partner, the partner is still a member of the family; or

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- c was in receipt of attendance allowance or disability living allowance but payment of benefit has been suspended in accordance with regulations made under section 113(2) of the Social Security Contributions and Benefits Act 1992 or otherwise abated as a consequence of the applicant or his partner becoming a patient within the meaning of Part 4, Section 5(K)(vii) (treatment of child care charges); or
 - d was in receipt of personal independence payment that is no longer payable by virtue of regulations made under section 86(1) (hospital in-patients) of the Welfare Reform Act 2012.; or
 - e is provided by the Secretary of State with an invalid carriage or other vehicle under section 5(2) of the National Health Service Act 1977 (other services); or, in Scotland by the Scottish Ministers, under section 46 of the National Health Service (Scotland) Act 1978 (provision of services by Scottish Ministers) or receives payment by way of grant from the Secretary of State under paragraph 2 of Schedule 2 to the Act of 1977 (additional provisions as to vehicles) or, in Scotland, by the Scottish Ministers, under section 46 of the Act of 1978; or
 - f Certified as severely sight impaired or blind by consultant ophthalmologist; or
- ii the applicant—
 - a is, or is treated as, incapable of work in accordance with the provisions of, and regulations made under, Part 12A of the Social Security Contributions and Benefits Act 1992 (incapacity for work); and
 - b has been incapable, or has been treated as incapable, of work for a continuous period of not less than—
 - 1 in the case of an applicant who is terminally ill within the meaning of section 30B(4) of the Social Security Contributions and Benefits Act 1992, 196 days;
 - 2 in any other case, 364 days.
- B For the purposes of sub-paragraph (A)(i)(f), a person who has ceased to be certified as severely sight impaired or blind on regaining his eyesight shall nevertheless be treated as severely sight impaired or blind, as the case maybe, and as satisfying the additional condition set out in that sub-paragraph for a period of 28 weeks following the date on which he ceased to be so registered.
- C For the purposes of sub-paragraph (A)(ii), once the disability premium is applicable to an applicant by virtue of his satisfying the additional condition specified in that provision, if he then ceases, for a period of 8 weeks or less, to be treated as incapable of work or to be incapable of work he shall, on again becoming so incapable of work, immediately thereafter be treated as satisfying the condition in sub-paragraph (A)(ii).
- D For the purposes of sub-paragraph (A)(ii), once the disability premium is applicable to an applicant by virtue of his satisfying the additional condition specified in that provision, he shall continue to be treated as satisfying that condition for any period spent by him in undertaking a course of training provided under section 2 of the Employment and Training Act 1973 Act or for any period during which he is in receipt of a training allowance.
- E For the purposes of sub-paragraph (A)(ii), where any two or more periods of incapacity are separated by a break of not more than 56 days, those periods shall be treated as one continuous period.
- F For the purposes of this paragraph, a reference to a person who is or was in receipt of long-term incapacity benefit includes a person who is or was in receipt of short-term incapacity benefit at a rate equal to the long-term rate by virtue of section 30B(4)(a) of the Social Security Contributions and Benefits Act 1992 (short-term incapacity benefit for a person who is terminally ill), or who would be or would have been in receipt of short-term incapacity benefit

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at such a rate but for the fact that the rate of short-term incapacity benefit already payable to him is or was equal to or greater than the long-term rate.

- G In the case of an applicant who is a welfare to work beneficiary (a person to whom regulation 13A(1) of the Social Security (Incapacity for Work)(General) Regulations 1995 applies, and who again becomes incapable of work for the purposes of Part 12A of the Social Security Contributions and Benefits Act 1992)—
- i the reference to a period of 8 weeks in Paragraph (C); and
 - ii the reference to a period of 56 days in Paragraph (E),
- shall in each case be treated as a reference to a period of 104 weeks.
- H The applicant is not entitled to the disability premium if the applicant has, or is treated as having, limited capability for work.

Section 9 - Enhanced disability premium

- A The condition is that, subject to Paragraph C—
- i the Secretary for State for Work and Pensions has decided that the claimant has, or is to be treated as having, limited capability for work-related activity; or
 - ii the care component of child disability payment at the highest or middle rate in accordance with regulation 11(5) of the DACYP Regulations; or
 - iii the care component of disability living allowance is, or would, but for a suspension of benefit in accordance with regulations made under section 113(2) of the Social Security Contributions and Benefits Act 1992 or but for an abatement as a consequence of hospitalisation be payable at the highest rate prescribed under section 72(3) of that Act in respect of—
 - a the claimant; or
 - b a member of the claimant's family; or
 - iv the enhanced rate of the daily living component of personal independence payment is payable, or has ceased to be payable by virtue of regulations made under section 86(1) (hospital in-patients) of the 2012 Act, in respect of—
 - a the claimant; or
 - b a member of the claimant's familywho has not attained the qualifying age for state pension credit, or
 - v armed forces independence payment is payable in respect of
 - a the claimant, or
 - b a member of the claimant's family,who has not attained the qualifying age for state pension credit,
- B Where the condition in paragraph (A) ceases to be satisfied because of the death of a child or young person, the condition is that the claimant or partner is entitled to child benefit in respect of that person under section 145A of the Social Security Contributions and Benefits Act 1992 (entitlement to child benefit after death of child or qualifying young person).
- C The condition is not satisfied if the person to whom paragraph A refers is—
- i An applicant who -

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- a is not a member of a couple or a polygamous marriage; and
- b is a patient within the meaning of Section 5(K)(vii) (treatment of childcare charges) and has been for a period of more than 52 weeks; or
- ii A member of a couple or a polygamous marriage where each member is a patient within the meaning of Section 5(K)(vii) (treatment of childcare charges) and has been for a period of more than 52 weeks

Section 10 - Disabled child premium

The condition is that a child or young person for whom the applicant or a partner of his is responsible and who is a member of the applicant's household—

- A is in receipt of disability living allowance or personal independence payment or is no longer in receipt of such allowance because he is a patient, provided that the child or young person continues to be a member of the family; or
- B is blind or treated as blind within the meaning of Section 8 of this Part (Additional Condition for the Disability Premium); or
- C is a child or young person in respect of whom section 145A of the Social Security Contributions and Benefits Act 1992 (entitlement after death of child or qualifying young person) applies for the purposes of entitlement to child benefit but only for the period prescribed under that section, and in respect of whom a disabled child premium was included in the applicant's applicable amount immediately before the death of that child or young person, or ceased to be included in the applicant's applicable amount because of that child or young person's death.
- D is a young person who is in receipt of personal independence payment or who would, but for payment ceasing by virtue of regulations made under section 86(1) (hospital in-patients) of the Welfare Reform 2012 be so in receipt, provided that the young person continues to be a member of the family; or
- E Is a young person who is in receipt armed forces independence payment

Section 11 - Carer premium

- A The condition is that the applicant or his partner is, or both of them are, entitled to a carer's allowance under section 70 Social Security Contributions Act 1992.
- B Where a carer premium is awarded but—
 - i the person in respect of whose care the carer's allowance has been awarded dies; or
 - ii In any other case the person in respect of whom the premium was awarded ceases to be entitled, or ceases to be treated as entitled, to a carer's allowance,

The condition for the award of the premium shall be treated as satisfied for a period of eight weeks from the relevant date specified in paragraph (C).

- C The relevant date for the purposes of paragraph (B) is—
 - i where sub-paragraph (B)(i) applies the Sunday following the death of the person in respect of whose care a Carer's Allowance has been awarded (or the date of death if the death occurred on a Sunday);
 - ii in any other case, the date on which that person who was entitled to a carer's allowance ceases to be entitled that allowance.

- D Where a person who has been entitled to a carer's allowance ceases to be entitled to that allowance and makes a claim for council tax support, the condition for the award of the carer premium shall be treated as satisfied for a period of eight weeks from the date on which—
- i the person in respect of whose care the carer's allowance has been awarded dies;
 - ii in any other case, the person who has been entitled to a carer's allowance ceased to be entitled to that allowance.

Section 12 - Persons in receipt of concessionary payments

For the purpose of determining whether a premium is applicable to a person under sections 6 and 8 to 11 of this Part, any concessionary payment made to compensate that person for the non-payment of any benefit mentioned in those paragraphs is to be treated as if it were a payment of that benefit.

Section 13 - Person in receipt of benefit

For the purposes of this Part, a person is to be regarded as being in receipt of any benefit if, and only if, it is paid in respect of him and shall be so regarded only for any period in respect of which that benefit is paid.

Section 14 - Amounts of premiums

	<u>Provision</u>		<u>Amount</u>
1	Disability Premium	1	
a	where the applicant satisfies the condition in Section 7;	a	£39.85
b	where the applicant satisfies the condition in Section 8—	b	£56.80
2	Severe Disability Premium	2	
a	where the applicant satisfies the condition in Section 6(B)(i);	a	£76.40
b	where the applicant satisfies the condition in Section 6(B)(ii)—	b	
i	in a case where there is someone in receipt of a carer's allowance or if he or any partner satisfies that condition only by virtue of Section 6(E);	i	£76.40
ii	in a case where there is no one in receipt of such an allowance.	ii	£133.90
	Disabled Child Premium		
3	in respect of each child or young person in respect of whom the condition specified in section 10	3	£74.69.
4	Carer Premium		
	in respect of each person who satisfies the condition specified in Section 10	4	£42.75.

5 Enhanced disability premium

a	in respect of each child or young person in respect of whom the conditions specified in Section 9 are satisfied;	a	£30.17
b	in respect of each person who is neither— (i) a child or young person; nor (ii) a member of a couple or a polygamous marriage, in respect of whom the conditions specified in Section 9 are satisfied	b	£19.95
c	where the applicant is a member of a couple or a polygamous marriage and the conditions specified in Section 9 are satisfied in respect of a member of that couple or polygamous marriage	c	£27.90

Section 15 - The Components

- A Subject to paragraph D the applicant is entitled to one, but not both, of the components in Sections 16 or 17 if—
- i the applicant or the applicant's partner has made a claim for employment and support allowance;
 - ii the Secretary of State has determined that the claimant or the claimant's partner—
 - a has limited capability for work or limited capability for work-related activity; or
 - b is to be treated as having limited capability for work other than by virtue of regulation 30 of the Employment and Support Allowance Regulations (conditions for treating a claimant as having limited capability for work until a determination about limited capability for work has been made); and
 - c one of the following applies—
 - (1) The assessment phase as defined in section 24(2) of the Welfare Reform Act 2012 (interpretation) has ended;
 - (2) Regulation 7 of the Employment and Support Regulations 2008 or Regulation 7 of the Employment and Support Regulations 2013 (circumstances where the condition that the assessment phase has ended before entitlement to the support component or the work-related activity component arises does not apply) applies; or
 - (3) the conditions in paragraph B apply
- B The conditions referred to in sub-paragraph A(ii)(c)(2) are-
- i neither the claimant nor the claimant's partner is entitled to an employment and support allowance;
 - ii either is or both are entitled to be credited with earnings equal to the lower earnings limit then in force under regulation 8B(2)(a)(iv) of the Social Security (Credits) Regulations 1975 (credits for incapacity for work or limited capability for work); and
 - iii sub-paragraph (A)(ii)(c) (1) or (2) would have applied to the applicant or the applicant's partner (or both) had they been entitled to an employment and support allowance.

- C Subject to paragraph D, the applicant is entitled to one, but not both, of the components in sections 16 or 17 if the applicant or the applicant's partner is entitled to a converted employment and support allowance, or would be entitled but for the application of Section 1A of the Welfare Reform Act 2012 (duration of contributory allowance)
- D
- i The applicant has no entitlement under sections 16 or 17 if the applicant is entitled to the disability premium under provisions sections 7 or 8 of this Part.
 - ii Where the applicant and the applicant's partner each satisfies subparagraph 16 or 17, the component to be included in the applicant's applicable amount is that which relates to the applicant.

Section 16 - The work-related activity component

The applicant is entitled to the work-related activity component if the Secretary of State has decided that the applicant or the applicant's partner has, or is to be treated as having, limited capability for work.

Section 17 - The support component

The applicant is entitled to the support component if the Secretary of State has decided that the applicant or the applicant's partner has, or is to be treated as having, limited capability for work-related activity.

Section 18 - Amount of components

- A The amount of the work-related activity component is £33.70.
- B The amount of the support component is £44.70.

Section 19 - Transitional Addition – Conditions of Entitlement

- A The applicant is entitled to the transitional addition calculated in accordance with section 20 (Amount of Transitional Addition) where the applicant or the applicant's partner ("the relevant person")—
- i is entitled to a converted employment and support allowance, or would be entitled but for the application of section 1A of the Welfare Reform Act 2012 (duration of contributory allowance); or
 - ii is appealing a conversion decision as described in regulation 5(2)(b) of the Employment and Support Allowance (Existing Awards) Regulations and—
 - a is treated as having limited capability for work by virtue of regulation 30 of the Employment and Support Allowance Regulations or Regulation 26 of the Employment and Support Allowance Regulations 2013, in either case as modified by the Employment and Support Allowance (Existing Awards) Regulations; and
 - b is not in receipt of an income-related employment and support allowance, unless the amount of the transitional addition calculated in accordance with section 20 would be nil.

- B** The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following—
- i the reduction of the transitional addition to nil in accordance with Section 20 paragraph B
 - ii the termination of the applicant's award of a reduction under this scheme;
 - iii the relevant person ceasing to meet the requirements of sub-paragraph (A)(i) or (ii), as the case may be;
 - iv the applicant or the applicant's partner becoming entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support;
 - v 5th April 2020.
- C** This paragraph applies where—
- i the applicant's entitlement to a transitional addition, ends by virtue of the termination of the applicant's award of a reduction under this scheme, under—
 - a sub-paragraph B(ii);
 - b sub-paragraph (E)(ii) of this section; or
 - c sub-paragraph H(ii);
 - ii within 12 weeks of that termination but before 5th April 2020 the applicant again becomes entitled to a reduction under this scheme;
 - iii in the reduction week in which the applicant again becomes entitled to a reduction under this scheme the relevant person satisfies the requirements of paragraph A or is entitled to an employment and support allowance which is not income-related; and
 - iv at the date on which the applicant again becomes entitled to a reduction under this scheme, neither the applicant nor the applicant's partner is entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support.
- D** Where this paragraph applies, the applicant is entitled, with effect from the day on which the applicant again becomes entitled to a reduction under this scheme, to a transitional addition of the amount of the transitional addition that would have applied had the applicant's entitlement to a transitional addition not ended (but taking account of the effect which any intervening change of circumstances would have had by virtue of section 20 paragraph B), unless the amount of the transitional addition would be nil.
- E** The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following—
- i the reduction of the transitional addition to nil in accordance with section 20 paragraph B;
 - ii the termination of the applicant's award of a reduction under this scheme;
 - iii the relevant person no longer satisfying the requirements of section 19A or no longer being entitled to the employment and support allowance referred to in being entitled to the employment and support allowance referred to in sub-paragraph (B)(iii);
 - iv the applicant or the applicant's partner becoming entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support;
 - v 5th April 2020.
- F** This paragraph applies where—

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- i the claimant's entitlement to a transitional addition ends, by virtue of the relevant person ceasing to be entitled to an employment and support allowance, under -
 - a sub-paragraph B(ii);
 - b sub-paragraph E(ii); or
 - c sub-paragraph H(ii) of this section
 - ii before 5th April 2020 the relevant person again becomes entitled to an employment and support allowance which is not income-related;
 - iii at the date on which the relevant person again becomes entitled to an employment and support allowance which is not income-related, regulation 145(1) of the Employment and Support Allowance Regulations or regulation 86 of the Employment and Support Allowance Regulations 2013 applies to the relevant person; and
 - iv at the date on which the relevant person again becomes entitled to an employment support allowance which is not income-related, neither the claimant nor the claimant's partner is entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support
- G Where this paragraph applies, the claimant is entitled, with effect from the day that the relevant person's entitlement to employment and support allowance takes effect for housing benefit purposes, to a transitional addition of the amount of the transitional addition that would have applied had the claimant's entitlement to a transitional addition not ended (but taking account of the effect which any intervening change of circumstances would have had by virtue of section 20 paragraph B)), unless the amount of the transitional addition would be nil
- H The claimant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following -
- i the reduction of the transitional addition to nil in accordance with Section 20 paragraph B;
 - ii the termination of the claimant's award of a reduction under this scheme;
 - iii the relevant person no longer being entitled to the employment and support allowance referred to in sub-paragraph A(ii);
 - iv the claimant or the claimant's partner becoming entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support;
 - v 5th April 2020

Section 20 - Amount of Transitional Addition

- A i Subject to Paragraph B, the amount of the transitional addition is the amount by which Amount A exceeds Amount B.
- ii Where a conversion decision as described in regulation 5(2)(a) of the Employment and Support Allowance (Existing Awards) Regulations is made in respect of the relevant person—
- a Amount A is the basic amount that would have applied on the day that decision took effect had that decision not been made; and
 - b Amount B is the basic amount that applied on that day as a result of that decision
- iii Where the relevant person is appealing a conversion decision as described in regulation 5(2)(b) of the Employment and Support Allowance (Existing Awards) Regulations and is treated as having limited capability for work by virtue of regulation 30 of the Employment

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and Support Allowance Regulations as modified by the Employment and Support Allowance (Existing Awards) Regulations—

- a Amount A is the basic amount that would have applied on the day the relevant person was first treated as having limited capability for work if the relevant person had not been so treated; and
 - b Amount B is the basic amount that applied on that day as a result of the relevant person being so treated.
 - iv In this paragraph and Paragraph B, "basic amount" means the aggregate of such amounts as may apply in the claimant's case in accordance with Section 1(A)(iv)(a), (b) and (v) of this section.
- B
- i Subject to sub-paragraph (ii), where there is a change of circumstances which leads to an increase in the claimant's basic amount, the transitional addition that applies immediately before the change of circumstances shall be reduced by the amount by which Amount C exceeds Amount D.
 - ii If Amount C exceeds Amount D by more than the amount of the transitional addition that applies immediately before the change of circumstances, that transitional addition shall be reduced to nil.
 - iii Amount C is the basic amount that applies as a result of the increase.
 - iv Amount D is the basic amount that applied immediately before the increase.

Section 21 – Transitional Provision (Family Premium)

- A This section applies if an applicant
- i was in receipt of an award under this scheme on 31 March 2017 and his applicable amount included a family premium and
 - ii the applicant's applicable amount includes an amount in respect of a child or young person
- B When this section applies to an applicant, his applicable amount will be increased by £18.53
- C This section will cease to apply from the earliest date of;
- i the applicant ceasing to be entitled to a reduction under this scheme
 - ii the applicant's applicable amount ceasing to include an amount in respect of a child or young person
- and once it ceases to apply, cannot be reapplied

Part 8 – Non-dependants

Section 1 - Amount of deductions

A Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in part 9 section 5 are—

B in respect of a non-dependant aged 18 or over who is not in remunerative work $£6.19 \times 1/7$

in respect of a non-dependant aged 18 or over who is in remunerative work and whose normal gross weekly income is:

Greater Than	Not Greater Than	Deduction
£0.01	£228.60	$£6.19 \times 1/7$
£228.60	£396.79	$£12.32 \times 1/7$
£396.79	£493.92	$£15.55 \times 1/7$
in any other case		$£18.75 \times 1/7$

BA A non-dependant who, or whose partner is in receipt of Universal Credit shall have his or her income calculated in accordance with the provisions of Part 3, sections 3, 4 and 5.

C Only one deduction shall be made under this paragraph in respect of a couple or, as the case may be, members of a polygamous marriage and, where, but for this paragraph, the amount that would fall to be deducted in respect of one member of a couple or polygamous marriage is higher than the amount (if any) that would fall to be deducted in respect of the other, or any other, member, the higher amount shall be deducted.

D In applying the provisions of paragraph (B) in the case of a couple or, as the case may be, a polygamous marriage, regard shall be had, for the purpose of that sub-paragraph, to the couple's or, as the case may be, all members of the polygamous marriage's joint weekly gross income.

E Where in respect of a day—

- i a person is a resident in a dwelling but is not himself liable for council tax in respect of that dwelling and that day;
- ii other residents in that dwelling (the liable persons) have joint and several liability for council tax in respect of that dwelling and that day otherwise than by virtue of section 9 or 77 or 77A of the Local Government Finance 1992 (liability of spouses and civil partners); and
- iii the person to whom paragraph (i) refers is a non-dependant of two or more of the liable persons,

the deduction in respect of that non-dependant shall be apportioned equally between those liable persons.

Section 2 - Circumstances when no non-dependant deductions shall be made

A No deduction shall be made in respect of any non-dependants occupying an applicant's dwelling if the applicant or his partner is—

- i blind or treated as blind under the provisions of Part 7 Section 8 sub paragraphs A(i)(f) and B or
- ii receiving in respect of himself either—

Part 8 – Non-dependants

- a attendance allowance, or would be receiving that allowance but for—
 - 1 a suspension of benefit in accordance with regulations under section 113(2) of the Social Security Contributions and Benefits Act 1992; or
 - 2 an abatement as a result of hospitalisation; or
- b the care component of the disability living allowance, or would be receiving that component, but for—
 - 1 a suspension of benefit in accordance with regulations under section 113(2) of the Social Security Contributions and Benefits Act 1992; or
 - 2 an abatement as a result of hospitalisation; or
- c the daily living component of personal independence payment, or would be receiving that allowance but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients); or
- d an AFIP, or would be receiving that payment but for a suspension of it in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution or.
- e the daily living component of adult disability payment

Section 3 - Non-dependants in respect of whom no deduction shall be made

- A No deduction shall be made in respect of a non-dependant if—
 - i although he resides with the applicant, it appears to the authority that his normal home is elsewhere; or
 - ii he is in receipt of a training allowance paid in connection with youth training established under section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990; or
 - iii he is a full-time student within the meaning of Section 1 of Part 6; or
 - iv he is not residing with the applicant because he has been a patient or a prisoner for a period in excess of 52 weeks, and for these purposes—
 - a “patient” has the meaning given in Part 9 Section 4(T) (Periods of absence from a dwelling), and
 - b where a person has been a patient for two or more distinct periods separated by one or more intervals each not exceeding 28 days, he is to be treated as having been a patient continuously for a period equal in duration to the total of those distinct periods
 - c “prisoner” means a person who is detained in custody pending trial or 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, or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995
 - v he is not residing with the applicant because he is a member of the regular forces or the reserve forces (within the meaning of section 374 of the Armed Forces Act 2006) who is absent, while on operations, from the dwelling usually occupied as their home
- B No deduction shall be made in respect of a non-dependant—

Part 8 – Non-dependants

- i who is on income support, state pension credit, an income-based jobseeker's allowance or an income-related employment and support allowance;
- ii to whom Schedule 1 to the Local Government Finance Act 1992 applies (persons disregarded for purposes of discount) but this paragraph does not apply to a non-dependant who is a student to whom paragraph 4 of that Schedule refers or,
- iii who is entitled to an award of universal credit where the award is calculated on the basis that the person does not have any earned income within the meaning of regulation 52 of the Universal Credit Regulations 2013

Section 4 - Amounts to be disregarded from a non-dependant's income

In the application of Section 1 (Amount of deductions) there is to be disregarded from the non-dependant's weekly gross income—

- A any attendance allowance, disability living allowance, personal independence payment or AFIP received by him;
- B any payment made under or by 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 , the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund or the Independent Living Fund (2006) which had his income fallen to be calculated under paragraph Part 4 Section 17 (calculation of income other than earnings) would have been disregarded under paragraph 23 of Part 4A (income in kind);
- C any historical child abuse payment
- D any Windrush payment
- E Any payment which had his income fallen to be calculated under Part 4 Section 17 (Calculation of income other than earnings) would have been disregarded under the provisions of paragraph 36 of Part 4B (Amounts to be disregarded in the calculation of income other than earnings)

Part 9 – Calculation of Entitlement

Section 1 - Classes of persons entitled to a reduction under this scheme

The classes of persons described in Sections 2 and 3 are entitled to a reduction under this scheme.

Section 2 - Class N: persons whose income is no greater than the applicable amount

On any day class N consists of any person who is not a pensioner and—

- A who is for that day liable to pay council tax in respect of a dwelling in which he is a resident and, unless Part 9 Paragraph 9 applies, is his sole or main residence
- B who, subject to Section 4 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;
- C in respect of whom a maximum council tax reduction amount can be calculated under the provisions of Section 5
- D who does not fall within a class of persons prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 (Council Tax Reductions Schemes: England) as a class of person which must not be included in this scheme
- E whose income (if any) for the relevant week does not exceed his applicable amount; and
- F who has made a properly completed application and has fully complied with any requests for information or evidence.

Section 3 - Class O: persons whose income is greater than the applicable amount

On any day class O consists of any person who is not a pensioner and—

- A who is for that day liable to pay council tax in respect of a dwelling in which he is a resident and, unless Part 9 Paragraph 9 applies, is his sole or main residence;
- B who, subject to Section 4 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;
- C in respect of whom a maximum council tax reduction amount can be calculated under the provisions of Section 5
- D who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the Local Government Finance Act 1992 as a class of person which must not be included in this scheme;
- E whose income for the relevant week is greater than his applicable amount;
- F in respect of whom amount A exceeds amount B where—
 - i amount A is the maximum council tax reduction in respect of the day in the applicant's case; and
 - ii amount B is (30/7) per cent of the difference between his income for the relevant week and his applicable amount; and

- G who has made a properly completed application and has fully complied with any requests for information or evidence.

Section 4 - Periods of absence from a dwelling

- A A person is not absent from a dwelling in relation to any day which falls within a period of temporary absence from that dwelling.
- B In paragraph A, a “period of temporary absence” means—
- i a period of absence not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation in Great Britain where and for so long as—
 - a the person resides in that accommodation;
 - b the part of the dwelling in which he usually resided is not let or sub-let; and
 - c 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;
 - ii subject to paragraph D, a period of absence within Great Britain not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as—
 - a the person intends to return to the dwelling;
 - b the part of the dwelling in which he usually resided is not let or sub-let; and
 - c that period is unlikely to exceed 13 weeks;
 - iii subject to paragraph F, a period of absence within Great Britain not exceeding 52 weeks, beginning with the first whole day of that absence, where and for so long as—
 - a the person intends to return to the dwelling;
 - b the part of the dwelling in which he usually resided is not let or sub-let;
 - c the person is a person to whom paragraph I applies; and
 - d the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period and
 - iv subject to paragraphs H, L, N and P and where paragraph G applies, a period of absence outside Great Britain not exceeding 4 weeks, beginning with the first day of that absence from Great Britain where and for so long as—
 - a the person intends to return to the dwelling;
 - b the part of the dwelling in which he usually resides is not let or sub-let; and
 - c the period of absence from Great Britain is unlikely to exceed 4 weeks.
- C The period of 13 weeks referred to in sub-paragraph B(ii) shall run or continue to run during any period of absence from Great Britain.
- D Where--
- i a person returns to Great Britain after a period of absence from Great Britain (period A);

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- ii that person has been absent from the dwelling, including any absence within Great Britain, for less than 13 weeks beginning with the first day of absence from that dwelling; and
- iii at the outset of, or during, period A, period A ceased to be treated as a period of temporary absence,

then any day that follows period A and precedes the person's return to the dwelling, shall not be treated as a period of temporary absence under sub-paragraph B(ii).

E The period of 52 weeks referred to in sub-paragraph B(iii) shall run or continue to run during any period of absence from Great Britain.

F Where--

- i a person returns to Great Britain after a period of absence from Great Britain (period A);
- ii that person has been absent from the dwelling, including any absence within Great Britain, for less than 52 weeks beginning with the first day of absence from that dwelling; and
- iii at the outset of, or during, period A, period A ceased to be treated as a period of temporary absence,

then, any day that follows period A and precedes the person's return to the dwelling, shall not be treated as a period of temporary absence under sub-paragraph B(iii).

G This sub-paragraph applies where—

- i a person is temporarily absent from Great Britain;
- ii immediately before that period of absence from Great Britain, the person was not absent from the dwelling.

H If the temporary absence referred to in sub-paragraph B(iv) is in connection with the death of—

- i the person's partner or a child or young person for whom the person or the person's partner is responsible;
- ii the person's close relative;
- iii the close relative of the person's partner; or
- iv the close relative of a child or young person for whom the person or the person's partner is responsible,

then the period of 4 weeks in the opening words of sub-paragraph B(iv) may be extended by up to 4 further weeks if the relevant authority considers it unreasonable to expect the person to return to Great Britain within the first 4 weeks (and the reference in sub-paragraph (c) of that paragraph to a period of 4 weeks shall, where the period is extended, be taken as referring to the period as so extended).

I This paragraph applies to a person who—

- i is a person to whom paragraph J applies;
 - a in a dwelling, other than the dwelling referred to in paragraph A, or
 - b in premises approved under section 13 of the Offender Management Act 2007, or is detained in custody pending sentence upon conviction;
- ii is resident in a hospital or similar institution as a patient;

Part 9 - Calculation of Entitlement

- iii is undergoing, or whose partner or dependent child is undergoing medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
 - iv is following a training course;
 - v is undertaking medically approved care of a person;
 - vi is 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 or medical treatment;
 - vii is receiving medically approved care provided in accommodation other than residential accommodation;
 - viii is a student;
 - ix is receiving care provided in residential accommodation and is not a person to whom sub-paragraph B(i) applies; or
 - x 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.
- J This sub-paragraph applies to a person ("P") who is—
- i detained in custody on remand pending trial;
 - ii detained pending sentence upon conviction; or
 - iii as a condition of bail required to reside—
 - a in a dwelling, other than a dwelling P occupies as P's home; or
 - b in premises approved under section 13 of the Offender Management Act 2007and who is not also detained in custody following sentence upon conviction.
- K This paragraph applies where—
- i a person is temporarily absent from Great Britain;
 - ii the person is a member of Her Majesty's forces posted overseas, a mariner or a continental shelf worker;
 - iii immediately before that period of absence from Great Britain, the person was not absent from the dwelling.
- L Where paragraph K applies, a period of absence from Great Britain not exceeding 26 weeks, beginning with the first day of absence from Great Britain, shall be treated as a period of temporary 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 period of absence from Great Britain is unlikely to exceed 26 weeks.
- M This paragraph applies where—
- i a person is temporarily absent from Great Britain;
 - i the person is a person described in any of sub-paragraphs (ii), (iii), (vii) or (x) of paragraph I;
 - iii immediately before that period of absence from Great Britain, the person was not absent from the dwelling.

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- N Where paragraph M applies, a period of absence from Great Britain not exceeding 26 weeks, beginning with the first day of absence from Great Britain, shall be treated as a period of temporary 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 period of absence is unlikely to exceed 26 weeks, or in exceptional circumstances, is unlikely substantially to exceed that period.
- O This paragraph applies where—
- i a person is temporarily absent from Great Britain;
 - ii the person is a person described in any of sub-paragraphs (i), (iv), (v), (vi), (viii) or (ix) of paragraph I;
 - iii immediately before that period of absence from Great Britain, the person was not absent from the dwelling.
- P Where paragraph O applies, a period of absence from Great Britain not exceeding 4 weeks, beginning with the first day of absence from Great Britain, shall be treated as a period of temporary 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 period of absence is unlikely to exceed 4 weeks, or in exceptional circumstances, is unlikely substantially to exceed that period.”
- Q This paragraph applies to a person who is—
- i 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, or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995 or in Northern Ireland under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986); and
 - ii on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952 or the Prisons (Scotland) Act 1989.
- R Where paragraph Q applies to a person, then, for any day when he is on temporary release—
- i if such temporary release was immediately preceded by a period of temporary absence under sub-paragraph B(ii) or (iii), he must be treated, for the purposes of paragraph A, as if he continues to be absent from the dwelling, despite any return to the dwelling;
 - ii for the purposes of sub-paragraph I(i), he must be treated as if he remains in detention;
 - iii if he does not fall within sub-paragraph (i), he is not to be considered to be a person who is liable to pay council tax in respect of a dwelling of which he is a resident.
- S
- i A person who is temporarily absent from the U.K. on 1 April 2017 will be treated as if the absence were within the U.K. until the day that person first returns to Great Britain.
 - ii Sub paragraph (i) shall not apply to a person who is;
 - a a member of Her Majesty’s forces posted overseas;
 - b absent in the capacity of a continental shelf worker; or
 - c absent in the capacity of a mariner.

T In this part—

“continental shelf worker” means a person who is employed, whether under a contract of service or not, in a designated area or a prescribed area in connection with any of the activities mentioned in section 11(2) of the Petroleum Act 1998

“designated area” means any area which may from time to time be designated by Order in Council under the Continental Shelf Act 1964 as an area within which the rights of the United Kingdom with respect to the seabed and subsoil and their natural resources may be exercised;

“mariner” means a person who is employed under a contract of service either as a master or member of the crew of any ship or vessel, or in any other capacity on board any ship or vessel, where—

- i the employment in that capacity is for the purposes of that ship or vessel or its crew or any passengers or cargo or mails carried by the ship or vessel; and
- ii the contract is entered into in the United Kingdom with a view to its performance (in whole or in part) while the ship or vessel is on its voyage

“medically approved” means certified by a medical practitioner;

“member of Her Majesty’s forces posted overseas” means a person who is a member of the regular forces or the reserve forces (within the meaning of section 374 of the Armed Forces Act 2006, who is absent from the main dwelling because the person has been posted outside of Great Britain to perform the duties of a member of Her Majesty’s regular forces or reserve forces;

“patient” means a person who is undergoing medical or other treatment as an in-patient in any hospital or similar institution;

“prescribed area” means any area over which Norway or any member State exercises sovereign rights for the purpose of exploring the seabed and subsoil and exploiting their natural resources, being an area outside the territorial seas of Norway or such member State, or any other area which is from time to time specified under section 10(8) of the Petroleum Act 1998;

“residential accommodation” means accommodation which is provided in—

- i a care home;
- ii an independent hospital;
- iii an Abbeyfield Home; or
- iv 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.

Section 5 - Maximum council tax reduction amount under this scheme

A Subject to paragraphs (B) to (D), a person’s maximum council tax reduction amount in respect of a day is the relevant percentage of the amount A/B where—

- i A is the amount set by the 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

Part 9 - Calculation of Entitlement

discount which may be appropriate to that dwelling under the Local Government Finance Act 1992; and

- ii B is the number of days in that financial year,
less any deductions in respect of non-dependants which fall to be made under Part 8 (non-dependants)
- B In calculating a person's maximum council tax reduction under this scheme 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 Local Government Finance Act 1992 (other than a reduction under this scheme), is to be taken into account.
- C Subject to paragraph (D), where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons in determining the maximum council tax reduction in his case in accordance with paragraph (A), the amount A is to be divided by the number of persons who are jointly and severally liable for that tax.
- D Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, paragraph (C) does not apply in his case.
- E The reference in paragraph (C) to a person with whom an applicant is jointly and severally liable for council tax does not include a student to whom Paragraph 1 of Part 6 applies.
- F In this paragraph "relevant financial year" means, in relation to any particular day, the financial year within which the day in question falls.
- G The relevant percentage referred to in paragraph A is 85%:

Section 6 - Amount of reduction: Classes N and O.

- A Subject to section 7, where a person is entitled to a reduction under this scheme in respect of a day, the amount of the reduction to which he is entitled is as follows.
- B Where the person is within class N, that amount is the maximum council tax reduction amount in respect of the day in the applicant's case.
- C Where the person is within class O, that amount is the amount found by deducting amount B from amount A, where "amount A" and "amount B" have the meanings given in Section 3 (income greater than applicable amount).
- D Where the amount calculated with reference to paragraphs B or C, expressed as a weekly amount, is less than £1 the amount of reduction shall be zero.

Section 7- Excess Reduction Caused by Official Error, Classes N, O & P

- A This section applies where an applicant has been awarded an excess reduction as a result of an error solely made by the authority with regard to the operation of this scheme and;
 - i relates to a reduction week prior to the week in which it is determined that an excess reduction has been awarded and
 - ii the applicant;
 - a had notified the authority of any errors in any relevant decision notices and
 - b could not reasonably have been expected to know that he was being overpaid.
- B When this section applies a person's entitlement to a reduction shall be the sum of their entitlement under this scheme and the amount of the excess reduction.

Section 8 - Failure to comply with requests for evidence or information (Classes N, O and P).

- A A person who has been required to provide evidence or information under the provisions of Part 1 Section 5 paragraph D and fails to do so shall not be entitled to a reduction under this scheme;
- B If the applicant is able to satisfy the authority that the information or evidence does not exist or cannot be obtained the authority may make a decision based on its judgement of the factual situation at the relevant time.

Section 9 - Circumstances when an Applicant may be entitled to a reduction in respect of more than one dwelling.

An Applicant shall be treated as occupying more than one dwelling as his sole or main residence if;

- A for a period not exceeding 52 weeks in the case where he has left and remains absent from the former dwelling occupied as his sole or main residence through fear of violence in that dwelling or by a former member of his family and
 - i it is reasonable that reductions should be made in respect of both dwellings; and
 - ii he intends to return to occupy the former dwelling as his sole or main residence; or
- B the applicant has been housed by a housing authority in two separate dwellings because of the number of persons in the applicant's household.
- C in the case where a person has moved into a new dwelling occupied as his sole or main residence, for a period not exceeding 4 reduction weeks from the date on which he moved if he could not reasonably have avoided liability in respect of the two dwellings;

Part 10 - Effective Dates

Section 1 - Effective Dates

The dates on which entitlement to a reduction under this scheme begins or changes shall be determined in accordance with sections 2 and 3 below

Section 2 - Date on which entitlement begins

- A Subject to paragraph (B), any entitlement shall begin from the reduction week following the date on which that application is made or is treated as having been made.
- B Where a person is otherwise entitled to a reduction and becomes liable, for the first time, for council tax in respect of a dwelling of which he is resident in the reduction week in which his application is made or treated as made, he shall be so entitled from that reduction week.

Section 3 - Date on which change of circumstances is to take effect

- A Except in cases where Part 4 section 11 (disregard of changes in tax, contributions, etc) applies, and subject to Section 4 (Circumstances when a late notification may be accepted) and the following provisions of this part, a change of circumstances which affects entitlement to, or the amount of, a reduction under this scheme ("change of circumstances"), takes effect from the Monday of the reduction week following the date on which the change actually occurs.
- B Where that change is cessation of entitlement to any benefit under the benefit Acts, the date on which the change actually occurs is the day immediately following the last day of entitlement to that benefit.
- C Subject to paragraph (D), where the change of circumstances is a change in the amount of council tax payable, it takes effect from the day on which it actually occurs.
- D Where the change of circumstances is a change in the amount a person is liable to pay in respect of council tax in consequence of regulations under section 13 of the 1992 Local Government Finance Act (reduced amounts) or changes in the discount to which a dwelling may be subject under sections 11 or 11A (discounts) of that Act, it takes effect from the day on which the change in amount has effect.
- E Where the change of circumstances is the applicant's acquisition of a partner, the change takes effect on the day on which the acquisition takes place.
- F Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.
- G If two or more changes of circumstances occurring in the same reduction week would, but for this paragraph, take effect in different reduction weeks in accordance with paragraphs (A) to (F) they take effect from the day to which the appropriate paragraph from (C) to (F) above refers, or, where more than one day is concerned, from the earlier day.
- H Where the change of circumstances is that income, or an increase in the amount of income, other than a benefit or an increase in the amount of a benefit under the Social Security Contributions and Benefits Act 1992, is paid in respect of a past period and there was no entitlement to income of that amount during that period, the change of circumstances takes effect from the first day on which such income, had it been paid in that period at intervals

Part 10 - Effective Dates

appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

- I Without prejudice to paragraph (H), where the change of circumstances is the payment of income, or arrears of income, in respect of a past period, the change of circumstances takes effect from the first day on which such income, had it been timeously paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.
- J Any change of circumstances will have effect from the Monday of the first reduction week after the day on which that change was notified to the authority if;
 - i the change was reported outside the time limit specified in Paragraph B of Part 1, Section 7 and,
 - ii the change is one which would lead to an increase in the award or,
 - iii the reinstatement of an award under the provisions of paragraph I Part 1, section 3 (Date on which an application is made)

Section 4 - Circumstances when a late notification may be accepted

If a change in circumstances is reported outside the time limit set out in Paragraph B of Part 1, Section 7 it shall be treated as if it were reported within that time limit if;

- A It is reasonable to treat the notification as having been received earlier and;
- B there were special circumstances relating to the notification and as a result of those special circumstances it was not practicable for the applicant to notify the change within the required time limit;
- C the change in circumstances was reported within 13 months of the date of change
- D in determining whether it is reasonable to treat a change as having been reported within the required time limit;
 - i regard shall be had to the principal that the greater the amount of time that has elapsed between one month after the change of circumstances occurred and the change was reported, the more compelling should be the special circumstances.
 - ii no account shall be taken of:
 - a that the applicant was unaware of, or misunderstood, the law or the provisions of this scheme applicable to his situation or,
 - b that a Court has taken a different view of the law or of this scheme from that previously understood and applied

Part 11 – Extended Reductions

Section 1 - Extended reductions (qualifying contributory & income related benefits)

For the purposes of this part “qualifying benefit” refers to qualifying contributory & income related benefit.

- A An applicant who is entitled to a reduction under this scheme (by virtue of falling within any of classes N to P) is entitled to an extended reduction (qualifying benefits) where—
- i the applicant or the applicant’s partner was entitled to a qualifying benefit;
 - ii entitlement to a qualifying benefit ceased because the applicant or the applicant’s partner—
 - a commenced employment as an employed or self-employed earner;
 - b increased their earnings from such employment; or
 - c increased the number of hours worked in such employment, and that employment is or, as the case may be, increased earnings or increased number of hours are, expected to last five weeks or more;
 - iii the applicant or the applicant’s partner had been entitled to and in receipt of a qualifying benefit or a combination of qualifying benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying benefit ceased; and
- B An applicant shall be treated as entitled to a reduction under this scheme by virtue of falling within any of classes N to P where—
- i the applicant ceased to be entitled to a reduction under this scheme because the applicant vacated the dwelling in which the applicant was resident;
 - ii the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying benefit ceased, or in the preceding week; and
 - iii entitlement to the qualifying benefit ceased in any of the circumstances listed in sub-paragraph (A)(ii)

Section 2 - Duration of extended reduction period (qualifying benefits)

- A Where an applicant is entitled to an extended reduction (qualifying benefits), the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant’s partner, ceased to be entitled to a qualifying benefit.
- B For the purpose of paragraph (A), an applicant or an applicant’s partner ceases to be entitled to a qualifying benefit on the day immediately following the last day of entitlement to that benefit.
- C The extended reduction period ends—
- i at the end of a period of four weeks; or
 - ii on the date on which the applicant who is receiving the extended reduction (qualifying benefits) has no liability for council tax, if that occurs first.

Section 3 - Amount of extended reduction (qualifying benefits)

- A For any week during the extended reduction period the amount of the extended reduction (qualifying benefits) the applicant is entitled to is the greater of—
- i the amount of reduction under this scheme to which the applicant was entitled by virtue of falling within any of classes N to P in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying benefit;
 - ii the amount of reduction under this scheme to which the applicant would be entitled by virtue of falling within any of classes N to P for any reduction week during the extended reduction period, if Section 1 of this Part (extended reductions (qualifying contributory & income related benefits) did not apply to the applicant; or
 - iii the amount of reduction under this scheme to which the applicant's partner would be entitled by virtue of falling within any of classes N to P, if section 1 did not apply to the applicant.
 - iv Where -
 - a A applicant was treated as occupying two dwellings as the Applicant's home under Part 9 Section 9 (Circumstances when an Applicant may be entitled to a reduction in respect of more than one dwelling) at the time when the Applicant's entitlement to a qualifying benefit ceased; and
 - b The Applicant's liability to pay Council Tax for either of those dwellings ceases during the extended payment period,the amount of the extended payment (qualifying benefits) for any week shall be reduced by a sum equivalent to the amount of reduction which was awarded in the last reduction week, before the applicant or the applicant's partner ceased to be entitled to a qualifying benefit in respect of that property.
- B paragraph (A) does not apply in the case of a mover.
- C Where an applicant is in receipt of an extended reduction (qualifying benefits) under this section and the applicant's partner makes an application for a reduction under this scheme, no reduction shall be awarded during the extended reduction period.

Section 4 - Extended reductions (qualifying benefits): movers

- A This paragraph applies—
- i to a mover; and
 - ii from the Monday following the day of the move.
- B The amount of the extended reduction (qualifying benefit) awarded from the Monday from which this paragraph applies until the end of the extended reduction period is the amount of reduction under the scheme which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying benefit.

Section 5 - Relationship between extended reduction (qualifying benefits) and entitlement to a reduction by virtue of classes N to P

- A Where an applicant's reduction under this scheme would have ended when the applicant ceased to be entitled to a qualifying benefit in the circumstances listed in section 1(A)(ii)

Part 11 - Extended Reductions

(extended reductions: qualifying benefits), that reduction does not cease to have effect until the end of the extended reduction period.

- B Part 10 (Effective Dates) does not apply to any extended reduction (qualifying benefits) payable in accordance with section 1(A) or section 4(B) (Extended reductions (qualifying benefits) movers).

Section 6 - Continuing reductions where Applicant becomes a pensioner under the provisions of this scheme

- A This section applies where—
- i the applicant is entitled to a reduction under an this scheme by virtue of falling within the definition of class N, O or P and;
 - ii subsequently satisfies the provisions of paragraph B and
 - iii Either -
 - a The applicant has attained the qualifying age for State Pension Credit or, if his entitlement to income-based jobseeker's allowance or income –related employment and support allowance continued beyond that age, has attained the age of 65; or
 - b The applicant's partner has actually claimed State Pension Credit
- B This provision is only satisfied if the Secretary of State has certified to the authority that the applicant's partner has actually claimed State Pension Credit or that -
- i The applicant's award of -
 - a Income support has terminated because the applicant has attained the qualifying age of State Pension Credit; or
 - b Income-based jobseeker's allowance or income-related employment and support allowance has terminated because the applicant has attained the qualifying age for State Pension Credit or the age of 65; and
 - ii The applicant has claimed or is treated as having claimed or is required to make a claim for State Pension Credit.
- C Subject to paragraph (D), in a case to which this paragraph applies Council Tax Reduction shall continue to be paid for the period of 4 weeks beginning on the day following the day the applicant's entitlement to income support, income-related employment and support allowance or, as the case may be, income-based jobseekers allowance, ceased, if and for so long as the applicant otherwise satisfies the conditions of entitlement to a reduction under this scheme.
- D Where a reduction under this scheme is awarded for the period of 4 weeks in accordance with paragraph (C), and the last day of that period falls on a day other than the last day of a reduction week, then a reduction under the scheme shall continue to be awarded until the end of the reduction week in which the last day of that period falls.
- E Throughout the period of 4 weeks specified in paragraph (C) and any further period specified in paragraph (D)—
- i the whole of the income and capital of the applicant is to be disregarded;
 - ii the maximum council tax reduction amount of the applicant is to be that which was applicable in his case immediately before that period commenced.
- F The appropriate maximum council tax reduction amount is to be calculated in accordance with Part 9 Section 5 if, since the date it was last calculated—

Part 11 - Extended Reductions

- i the applicant's council tax liability has increased; or
- ii a change in the deduction under Part 8 (non-dependents) falls to be made.

Part 12 - Appeals

Section 1 - Procedure by which an applicant person may appeal against a decision.

- A A person who is aggrieved by a decision of the authority which affects—
- i the person's entitlement to a reduction under this scheme, or
 - ii 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.
- B The authority shall—
- i consider the matter to which the notice relates;
 - ii notify the aggrieved person in writing—
 - a that the ground is not well founded, giving reasons for that belief; or
 - b that steps have been taken to deal with the grievance, stating the steps taken.
- C Where, following notification under sub-paragraph (1)(B)(i) or (ii), the person is still aggrieved, or if the authority fails to notify the person aggrieved in accordance with sub-paragraph (B)(ii) within two months of the service of his notice, he may appeal to a valuation tribunal under section 16 of the Local Government Finance Act 1992.

Part 13 – Discretionary Reductions

Section 1 - Procedure for an application for a reduction under section 13A(1)(c) of the 1992 Act

- A An application to the for a reduction under section 13A(1)(c)(a) of the Local Government Finance Act 1992 may be made—
- i in writing,
 - ii by means of an electronic communication in accordance with Part 14 (Electronic Communication), or
 - iii where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- B Where—
- i 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
 - ii 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).

Part 14 – Electronic Communications

Section 1 - Interpretation

- A In this Part
- i “information” includes an application, a certificate, notice or other evidence; and
 - ii “official computer system” means a computer system maintained by or on behalf of the authority for sending, receiving, processing or storing of any information.

Section 2 - Conditions for the use of electronic communication

- A The authority may use an electronic communication in connection with applications for, and awards of, reductions under its scheme.
- B A person other than the authority may use an electronic communication in connection with the matters referred to in paragraph (A) if the conditions specified in paragraphs (C) to (F) are satisfied
- C 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.
- D The second condition is that the person uses an approved method of—
- i authenticating the identity of the sender of the communication;
 - ii electronic communication;
 - iii authenticating any application or notice delivered by means of an electronic communication; and
 - iv subject to sub-paragraph (G), submitting to the authority any information.
- E The third condition is that any information sent by means of an electronic communication is in a form approved for the purposes of this Part.
- F 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.
- G 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.
- H In this section “approved” means approved by means of a direction given by the Chief Executive of the authority for the purposes of this Part.

Section 3 - Use of intermediaries

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.

Section 4 - Effect of delivering information by means of electronic communication

- A 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 this scheme on the day the conditions imposed—
- i by this Part; and
 - i by or under an enactment,
- are satisfied.
- B 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 paragraph (A).
- C 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.

Section 5 - Proof of identity of sender or recipient of information

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.

Section 6 - Proof of delivery of information

- A 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—
- i any such information has been delivered to the authority, if the delivery of that information has been recorded on an official computer system; or
 - ii any such information has been delivered by the authority, if the delivery of that information has been recorded on an official computer system.
- B 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 authority has not been recorded on an official computer system.
- C 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.

Section 7 - Proof of content of information

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

Part 15– Other Matters

Section 1 - Decisions by authority

The authority shall make a decision on an application under its scheme within 14 days of all of the requirements of Part 1 being satisfied, or as soon as reasonably practicable thereafter.

Section 2 - Notification of decisions

- A The authority shall notify in writing any person affected by a decision made by it under its scheme—
- i in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;
 - ii in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.
- B Where the decision is to award a reduction, the notification under paragraph (A) shall include a statement—
- i informing the person affected of the duty imposed by Part 1 Section 7 (Duty to notify changes in circumstances);
 - ii explaining the possible consequences (including prosecution) of failing to comply with that duty; and
 - iii setting out the circumstances a change in which might affect entitlement to the reduction or its amount.
- C Where the decision is to award a reduction, the notification under paragraph (A) shall include a statement as to how that entitlement is to be discharged.
- D In any case, the notification under paragraph (A) shall inform the person affected of the procedure by which an appeal may be made and shall refer the person to the provisions in this scheme relating to the procedure for making an appeal.
- E A person affected to whom the authority sends or delivers a notification of decision may, within one month of the date of the notification of that decision request in writing the authority to provide a written statement setting out the reasons for its decision on any matter set out in the notice.
- F The written statement referred to in paragraph (E) shall be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.
- G For the purposes of this paragraph a person is to be treated as a person affected by a decision under this scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within paragraph (H).
- H This paragraph applies to—
- i the applicant;
 - ii 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—
 - a a deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or

Part 15 – Other Matters

- b 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
 - 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,
- iii a person appointed by the authority under paragraph B Part 1 Section 2 (persons appointed to act for a person unable to act)

Section 3 - Payment where there is joint and several liability

A Where—

- i a person is entitled to a reduction under this scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year;
- ii the person entitled to the reduction is jointly and severally liable for the council tax; and
- iii 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 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.

B Subject to paragraph (C) any payment made under paragraph (A) shall be made to the person who is entitled to the reduction.

C Where a person other than a person who is entitled to a reduction under this scheme made the application and that first person is a person acting pursuant to an appointment under Part 1 Section 2 (B) or is treated as having been so appointed by virtue of Part 1 Section 2 (D), the amount of the reduction may be paid to that person.

Part 16 Citation, Commencement and Interpretation

Section 1 - Citation and Commencement

This scheme incorporates the following:

- 1 The statutory requirements prescribed in the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (as amended) in exercise of the powers conferred on the Secretary of State by section 113(2) of, and paragraph 2 of Schedule 1A to the Local Government Finance Act 1992.
- 2 Provisions made by The Council in exercise of the powers conferred by section 13A(2), and paragraph 2 of Schedule 1A to of the Local government Finance Act 1992.
- 3 It may be cited as the London Borough of Waltham Forest Council Tax Reduction Scheme 2019 and applies, in this version, to all applicants liable for a Council Tax within the authority's area on or after 1 April 2019
- 4 The detailed provisions of this scheme may be amended by the Strategic Director of Resources following consultation with the Cabinet member for Jobs, Social Inclusion and Equalities if;
 - i it is a consequential revision or amendment
 - ii it is the correction of an accidental error or
 - iii such an amendment is authorised by statute.

Section 2 - Interpretation

A In this scheme

“Abbeyfield Home” means an establishment run by the Abbeyfield Society including all bodies corporate or unincorporated 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

“adult disability payment” has the meaning given in regulation 2 of the DAWAP Regulations

“AFIP” means armed forces independence payment under the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011;

“alternative maximum council tax reduction” means the amount determined in accordance with Part 2 (2nd Adult Rebate);

“applicable amount” means the amount calculated in accordance with Part 7

“applicant” means a person who has made an application for a reduction under this scheme

“application” means an application for a reduction under this scheme;

“approved blood scheme” means a scheme established or approved by the Secretary of State, or trust established with funds provided by the Secretary of State, for the purpose of providing compensation in respect of a person having been infected from contaminated blood products;

“assessment period” means—

Part 16 - Citation, Commencement and Interpretation

- a in relation to the earnings of a self-employed earner, the period determined in accordance with Section 10(B) of Part 4 (Calculation of Weekly Income) for the purpose of calculating the weekly earnings of the applicant; or
- b in relation to any other income, the period determined in accordance with Section 8 of Part 4 (Average weekly income other than earnings) for the purpose of calculating the weekly income of the applicant;

“attendance allowance” means—

- a an attendance allowance under Part 3 of the Social Security Contributions and Benefits Act 1992
- b an increase of disablement pension under section 104 or 105 of that Act;
- c a payment by virtue of article 14, 15, 16, 43 or 44 of the Personal Injuries (Civilians) Scheme 1983 or any analogous payment; or
- d any payment based on need for attendance which is paid as part of a war disablement pension;

“authority” means, save where the context otherwise requires, the London Borough of Waltham Forest

“basic rate” has the meaning given by the Income Tax Act 2007

“the benefit Acts” means the Social Security Contributions and Benefits Act 1992, the Jobseekers Act 1995, Part 4 of the Welfare Reform Act 2012, the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011, the Welfare Reform Act 2007 and the Pensions Act 2014

“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;

“care home” has the meaning given by section 3 of the Care Standards Act 2000 and in Scotland means a care home service within the meaning given by section 2(3) of the Regulation of Care (Scotland) Act 2001 and in Northern Ireland means a nursing home within the meaning of Article 11 of the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ireland) Order 2003 or a residential care home within the meaning of Article 10 of that Order;

“the Caxton Foundation” means the charitable trust of that name established on 28th March 2011 out of funds provided by the Secretary of State for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with its provisions;

“child” means a person under the age of 16

“child benefit” has the meaning given by section 141 of the Social Security Contributions and Benefits Act 1992

“child disability payment” has the meaning given by regulation 2 of the DACYP Regulations;

“child tax credit” means a child tax credit under section 8 of the Tax Credits Act 2002

Part 16 - Citation, Commencement and Interpretation

“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 2002(c) are charged

“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;

“couple” has the meaning given by Section 4 (Meaning of couple) for the purposes of this part of this scheme

“the DACYP Regulations” means the Disability Assistance for Children and Young People (Scotland) Regulations 2021

“the DAWAP Regulations” means the Disability Assistance for Working Age People (Scotland) Regulations 2022

“designated office” means the offices of the authority designated by it for the receipt of applications.—

- a by notice upon or with a form supplied for the purpose of making an application
- b by reference upon or with such a form to some other document sent by electronic means or otherwise on application and without charge; or
- c by any combination of the provisions set out in paragraphs (a) and (b)

“disability living allowance” means a disability living allowance under section 71 of the Social Security Contributions And Benefits Act 1992A

“earnings” has the meaning given by sections 12 (Earnings of employed earners)), 13 (Calculation of earnings of self-employed earners) or 14 (Earnings of self-employed earners) of Part 4 as the case may be;

“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 Social Security Contributions And Benefits Act 1992 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

“enactment” includes an enactment comprised in, or in an instrument made under, an Act of the Scottish Parliament or the National Assembly for Wales;

“the Energy Rebate Scheme 2022” means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022.

“excess reduction” means any amount which has been allowed and to which there was no entitlement under this scheme (whether on the initial decision or as subsequently amended) and includes any excess which arises by reason of -

Part 16 - Citation, Commencement and Interpretation

- a a reduction in the amount a person is liable to pay in respect of council tax in consequence of -
 - i regulations made under section 13 of the Local Government Finance Act 1992 Act (reduction in the amount of a person's council tax); or
 - ii any discount to which that tax is subject by virtue of section 11 or 79 of that Act
- b a substitution under section 31 of that Act (substituted amounts) of a lesser amount for an amount of council tax previously set by the relevant authority under section 30.

“extended reduction” means a reduction under this scheme for which a person is eligible under Part 11

“extended reduction period” means the period for which a person is in receipt of an extended reduction in accordance with Section 3 of Part 11 (Amount of extended reduction (qualifying contributory benefits))

“extended reduction (qualifying contributory benefits)” means a reduction under Part 11 by which a person is eligible pursuant to parts 1 or 4 of that Part;

“family” has the meaning given by section 6 of this Part

“Grenfell Tower support payment” means a payment made to a person because that person was affected by the fire on 14th June 2017 at Grenfell Tower, or a payment to the personal representative of such a person—;

- a from the £5 million fund announced on 16th June 2017 for the benefit of certain persons affected by the fire on 14th June at Grenfell Tower and known as the Grenfell Tower Residents' Discretionary Fund;
- b by the Royal Borough of Kensington and Chelsea; or
- c by a registered charity

“guarantee credit” is to be construed in accordance with sections 1 and 2 of the State Pension Credit Act 2002

“a guaranteed income payment” means a payment made under article 15(1)(c) or 29(1)(a) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011

historical child abuse payment” means a payment made under—

- a Part 1 of the Historical Institutional Abuse (Northern Ireland) Act 2019
- b Part 4 of the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021

“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

“housing benefit” means housing benefit under Part 7 of the SSCBA

“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

“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 given by section 2 of the Care Standards Act 2000(e); 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, LPG or by electric power supplied for use on the road and to be controlled by the occupant

“the London Bombings 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

“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;

“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 or the applicant is a member of the work-related activity group.

“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

“maximum council tax reduction amount” means the amount determined in accordance with section 5 of Part 9.

“member of a couple” means a member of a married or unmarried couple

“MFET Limited” means the company limited by guarantee (number 7121661) of that name, established for the purpose in particular of making payments in accordance with arrangements made with the Secretary of State to persons who have acquired HIV as a result of treatment by the NHS with blood or blood products

“mobility supplement” means a supplement to which paragraph 10 of Part 4B (Amounts to be disregarded in the calculation of income other than earnings) refers

Part 16 - Citation, Commencement and Interpretation

“mover” means an applicant who changes the dwelling in which the applicant is resident, and in respect of which the applicant is liable to pay council tax, from a dwelling in the area of one authority to a dwelling in the area of a second authority

the National Emergencies Trust” means the registered charity of that name (number 1182809) established on 28th March 2019;

“net earnings” means such earnings as are calculated in accordance with section 13 of Part 4 (Calculation of net earnings of employed earners)

“net profit” means such profit as is calculated in accordance with section 15 of Part 4 (Calculation of net profit of self-employed earners)

“new dwelling” means, for the purposes of the definition of “other authority” and Section 4 of Part 11 (Extended reductions (qualifying contributory benefits): movers), the dwelling to which an applicant has moved, or is about to move, in which the applicant will be resident;

“non-dependant” has the meaning given by section 9 of this Part

“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

“parental bereavement leave” means leave under section 80EA of the Employment Rights Act 1996

“partner”, in relation to a person, means—

- a where that person is a member of a couple, the other member of that couple; or
- b where that person is polygamously married to two or more members of his household, any such member to whom he is married

“paternity leave” means a period of absence from work on ordinary paternity leave by virtue of section 80A or 80B of the Employment Rights Act 1996 or on additional paternity leave by virtue of section 80AA or 80BB of that Act

“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;

“pensionable age” has the meaning given by the rules in paragraph 1 of Schedule 4 to the Pensions Act 1995

“pensioner” has the meaning given by section 3(A) of this Part

“person on income support” means a person in receipt of income support

“person treated as not being in Great Britain” has the meaning given by section 12 of this Part

“person who is not a pensioner” has the meaning given by section 3(B) of this Part;

“personal independence payment” has the meaning given by Part 4 of the Welfare Reform Act 2012;

“personal pension scheme” means—

- a a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993
- b an annuity contract or 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 to 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 any marriage to which section 5 of this Part applies

“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 income-related benefit” means—

- a income support;
- b income-based jobseeker’s allowance;
- c income-related 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 person” means a person in respect of whom a Grenfell Tower support payment, a historical child abuse payment or a Windrush payment has been made or payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Windrush Compensation Scheme, the National Emergencies Trust 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;

“remunerative work” has the meaning given by section 10 of this Part;

“rent” means “eligible rent” to which regulation 12 of the Housing Benefit Regulations 2006 refers, less any deductions in respect of non-dependants which fall to be made under Regulation 74 (non-dependant deductions) of those regulations;

“savings credit” is to be construed in accordance with sections 1 and 3 of the State Pension Credit Act 2002;

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

“the Scottish Infected Blood Support Scheme” means the scheme of that name administered by the Common Services Agency (constituted under section 10 of the National Health Service (Scotland) Act 1978(b));

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

“self-employed earner” is to be construed in accordance with section 2(1)(b) of the Social Security Contributions And Benefits Act 1992A;

“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;

“sports award” means an award made by one of the Sports Councils named in section 23(2) of the National Lottery etc. Act 1993 out of sums allocated to it for distribution under that section;

“state pension credit” means state pension credit under the State Pension Credit Act 2002;

“statutory parental bereavement pay” means a payment to which a person is entitled in accordance with section 171ZZ6 of the Social Security Contribution and Benefits Act 1992

“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;

“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 Chief Executive of Skills Funding or the 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, that department or approved by that 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,

but 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 Employment and Training Act 1973 or is training as a teacher;

“the Trusts” (except where the context otherwise requires) means the Macfarlane Trust, the Macfarlane (Special Payments) Trust and the Macfarlane (Special Payments) (No 2) Trust and “Trustees” is to be construed accordingly;

“universal credit” has the meaning given by section 1 of the Welfare Reform Act 2012

Part 16 - Citation, Commencement and Interpretation

“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;

“the We Love Manchester Emergency Fund” means the registered charity of that name (number 1173260) established on 30th May 2017;

“the Windrush Compensation Scheme” means—

- a the scheme of that name operated by the Secretary of State for the purpose of compensating individuals who have suffered loss in connection with being unable to demonstrate their lawful status in the United Kingdom; and
- b the policy entitled “Windrush Scheme: Support in urgent and exceptional circumstances” which was operated by the Secretary of State for the purpose of compensating individuals who, for urgent and exceptional reasons, required support in advance of the scheme referred to in paragraph (a) of this definition becoming operational;

“Windrush payment” means a payment made under the Windrush Compensation Scheme (Expenditure) Act 2020

“working tax credit” means a working tax credit under section 10 of the Tax Credits Act 2002;

“young person” means a person who falls within the definition of qualifying young person in section 142 of the Social Security Contributions And Benefits Act 1992A

- B In these provisions, 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 will otherwise be treated as a whole penny.
- C For the purpose of these provisions, 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—

Part 16 - Citation, Commencement and Interpretation

- i in respect of which he satisfies the conditions for entitlement to an income-based jobseeker's allowance but where the allowance is not paid because of a reduction in accordance with section 19 or 19A or regulations made under section 17A or 19B of the Jobseekers Act 1995 (circumstances in which a jobseeker's allowance is not payable)
 - ii 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 section 19 or 19A or regulations made under section 17A or 19B of that Act; or
 - iii in respect of which an income-based 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).
- D For the purposes of these provisions, 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—
 - i 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 2007 (disqualification); or
 - ii 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.
- E For the purposes of these provisions, two persons shall be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.
- F In these provisions, 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).
- G In these provisions, references to a person in class N, O or P (as the case may be) is a reference to class N, O or P described in Sections 2 and 3 of Part 9 and section 1 Part 2
- H References in these Provisions to an applicant participating as a service user are to—
 - i a person who is being consulted by or on behalf of—
 - a a body which has a statutory duty to provide services in the field of health, social care or social housing; or
 - b a body which conducts research or undertakes monitoring for the purpose of planning or improving such services,in their capacity as a user, potential user, carer of a user or person otherwise affected by the provision of those services; or
 - ii the carer of a person consulted as described in sub-paragraph (i) where the carer is not being consulted as described in that sub-paragraph.”.

Section 3 - Meaning of ‘pensioner’ and ‘person who is not a pensioner’

In these provisions a person is

- A a “pensioner” if—
 - i he has attained the qualifying age for state pension credit; and

Part 16 - Citation, Commencement and Interpretation

- ii he is not and, if he has a partner, his partner is not—
 - a a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance; or
 - b a person with an award of universal credit; and
- B 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—
 - 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.
- C For the purposes of sub-paragraphs (A)(ii)(b) and (B)(ii)(b) an award of universal credit is to be disregarded during the relevant period.
- D In this provision—
 - "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."

Section 4 - Meaning of 'couple'

In these provisions "couple" means—

- A two people who are married to, or civil partners of, each other and are members of the same household; or
- B Two people who are not married to, or civil partners of, each other but are living together as if they were a married couple or civil partners.

Section 5 - Polygamous marriages

- A This paragraph applies to any case where—
 - i a person is a husband or wife by virtue of a marriage entered into under a law which permits polygamy; and
 - ii either party to the marriage has for the time being any spouse additional to the other party.
- B For the purposes of Section 4 neither party to the marriage is to be taken to be a member of a couple.

Section 6 - Meaning of 'family'

- A In these provisions "family" means—
 - i a couple;

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- ii a 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; or
- iii a person who is not a member of a couple and a member of the same household for whom that person is responsible and who is a child or a young person.

The references to a child or young person in sub-paragraph (A)(ii) and (iii) include a child or young person in respect of whom section 145A of the Social Security Contributions And Benefits Act 1992A applies for the purposes of entitlement to child benefit, but only for the period prescribed under section 145A(1).

- B The references to a young person in sub-paragraphs (A)(ii) and (iii) do not include a young person who is—
- i on income support, an income-based jobseeker's allowance or an income-related employment and support allowance
 - ii a person to whom section 6 of the Children (Leaving Care) Act 2000 (exclusion from benefits) applies or.
 - iii entitled to an award of universal credit

Section 7 - Circumstances in which a person is to be treated as responsible or not responsible for another

- A A person is to be treated as responsible for a child or young person who is normally living with him, including a child or young person to whom section 6(B) applies.
- B 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 (A) as normally living with—
- i the person who is receiving child benefit in respect of that child or young person, or
 - ii if there is no such person—
 - a where only one claim for child benefit has been made in respect of him, the person who made that claim, or
 - b in any other case the person who has the primary responsibility for him.
- C For the purposes of these provisions a child or young person is the responsibility of only one person in any reduction week and any person other than the one treated as responsible for the child or young person under this paragraph is to be treated as not so responsible.

Section 8 - Households

- A Subject to paragraphs (B) and (C), an applicant and any partner and, where the applicant or his partner is treated (by virtue of section 7 of this Part) as responsible for a child or young person, that child or young person and any child of that child or young person, are to be treated as members of the same household notwithstanding that any of them is temporarily absent from that household.
- B A child or young person is not to be treated as a member of the applicant's household where he is—
- i placed with the applicant or his partner by a local authority under section 22C or 23(2)(a) of the Children Act 1989 or by a voluntary organisation under section 59(1)(a) of that Act, or section 81(2) of the Social Services and Well-being (Wales) Act 2014 (ways in which

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looked after children are to be accommodated and maintained), or in Scotland boarded out with the applicant or his partner under a relevant enactment; or

- ii placed, or in the case of an arrangement made under Scottish law, boarded out or placed, with the applicant or his partner prior to adoption; or
 - iii placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002, the Adoption Agencies (Scotland) Regulations 2009 or the Adoption (Northern Ireland) Order 1987.
- C Subject to paragraph (D), paragraph (A) does not apply to a child or young person who is not living with the applicant and who—
- i is being looked after by, or in the case of a local authority in Scotland is in the care of, a local authority under a relevant enactment; or
 - ii has been placed, or in the case of an arrangement made under Scottish law boarded out, with a person other than the applicant prior to adoption; or
 - iii has been placed for adoption in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009
- D The authority shall treat a child or young person to whom paragraph (C)(i) applies as being a member of the applicant's household in any reduction week where—
- i that child or young person lives with the applicant for part or all of that reduction week; and
 - ii the authority considers that it is reasonable to do so taking into account the nature and frequency of that child's or young person's visits.
- E In this provision "relevant enactment" means—
- i the Army Act 1955
 - ii the Air Force Act 1955
 - iii the Naval Discipline Act 1957
 - iv the Matrimonial Proceedings (Children) Act 1958
 - v the Social Work (Scotland) Act 1968
 - vi the Family Law Reform Act 1969
 - vii the Children and Young Persons Act 1969
 - viii the Matrimonial Causes Act 1973
 - ix the Children Act 1975
 - x the Domestic Proceedings and Magistrates' Courts Act 1978
 - xi the Adoption and Children (Scotland) Act 2007
 - xii the Family Law Act 1986
 - xiii the Children Act 1989
 - xiv the Children (Scotland) Act 1995
 - xv the Children's Hearings (Scotland) Act 2011; and
 - xvi the Legal Aid, Sentencing and Punishment of Offenders Act 2012

Section 9 - Non-dependants

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- A In these provisions, “non-dependant” means any person, except someone to whom paragraph (B) applies, who normally resides with an applicant or with whom an applicant normally resides.
- B 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 8 (households);
 - d subject to paragraph (C), any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under section 6 or 7 of the Local Government Finance Act 1992 (persons liable to pay council tax)
 - e subject to paragraph (C), 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.
- C Excepting persons to whom sub-paragraph (B)(a) to (c) and (f) refer, a person to whom any of the following paragraphs applies is a non-dependant—
- i a person who resides with the person to whom he is liable to make payments in respect of the dwelling and either—
 - a that person is a close relative of his or his partner; or
 - b the tenancy or other agreement between them is other than on a commercial basis;
 - ii a person whose liability to make payments in respect of the dwelling appears to the authority to have been created to take advantage of a 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;
 - iii 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 change giving rise to the new liability was not made to take advantage of a scheme.

Section 10 - Remunerative work

- A Subject to the following provisions of this paragraph, a person shall be treated for the purposes of these provisions as engaged in remunerative work if he is engaged, or, where his hours of work fluctuate, he is engaged on average, for not less than 16 hours a week, in work for which payment is made or which is done in expectation of payment.
- B Subject to paragraph (C), in determining the number of hours for which a person is engaged in work where his hours of work fluctuate, regard shall be had to the average of hours worked over—

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- i if there is a recognisable cycle of work, the period of one complete cycle (including, where the cycle involves periods in which the person does no work, those periods but disregarding any other absences);
 - ii in any other case, the period of 5 weeks immediately prior to the date of application, or such other length of time as may, in the particular case, enable the person's weekly average hours of work to be determined more accurately.
- C Where, for the purposes of paragraph (B)(i), a person's recognisable cycle of work at a school, other educational establishment or other place of employment is one year and includes periods of school holidays or similar vacations during which he does not work, those periods and any other periods not forming part of such holidays or vacations during which he is not required to work shall be disregarded in establishing the average hours for which he is engaged in work.
- D Where no recognisable cycle has been established in respect of a person's work, regard shall be had to the number of hours or, where those hours will fluctuate, the average of the hours, which he is expected to work in a week.
- E A person shall be treated as engaged in remunerative work during any period for which he is absent from work referred to in paragraph (A) if the absence is either without good cause or by reason of a recognised, customary or other holiday.
- F A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any reduction week shall be treated as not being in remunerative work in that week.
- G A person shall not be treated as engaged in remunerative work on any day on which the person is on maternity leave, paternity leave or adoption leave, or is absent from work because he is ill.
- H A person shall not be treated as engaged in remunerative work on any day on which he is engaged in an activity in respect of which—
 - i a sports award has been made, or is to be made, to him;
 - ii no other payment is made or is expected to be made to him.

Section 11 - Pensioners

- A Subject to paragraph (B), the classes of pensioners described in Section 14 are classes of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and are included in volume 1 of this scheme.
- B Pensioners whose capital exceeds £16,000 are a class of person prescribed for the purposes of that paragraph and which are not included in this scheme.
- C Capital for the purposes of paragraph (B) shall be calculated in accordance with Part 6 of Schedule 1 of Volume 1.

Section 12 - Persons treated as not being in Great Britain

- A 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 are not included in this scheme.

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- B Except where a person falls within paragraph (E) or (F), a person shall 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.
- C A person shall 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.
- D For the purposes of paragraph (C), a right to reside does not include a right which exists by virtue of, or in accordance with—
- i regulation 13 of the EEA Regulations
 - ii regulation 14 of the EEA Regulations, but only in a case where the right exists under that regulation because the person is—
 - a a jobseeker for the purpose of the definition of “qualified person” in regulation 6(1) of those Regulations, or
 - b a family member (within the meaning of regulation 7 of those Regulations) of such a jobseeker;
 - iii Revoked
 - iv regulation 16 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
- DA For the purposes of paragraph (C), 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—
- i Appendix EU to the immigration rules made under section 3(2) of that Act;
 - ii 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
 - iii 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.
- DB Paragraph (DA)(i) does not apply to a person who—
- i has a right to reside granted by virtue of being a family member of a relevant person of Northern Ireland; and
 - ii 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).
- E A person falls within this paragraph if the person is—
- i a qualified person for the purposes of regulation 6 of the EEA Regulations as a worker or a self-employed person;
 - ii a family member of a person referred to in sub-paragraph (i)
 - iii 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;
 - iiia 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;
 - iiib a frontier worker within the meaning of regulation 3 of the Citizens’ Rights (Frontier Workers) (EU Exit) Regulations 2020

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- iiic 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
- iv 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;
- v 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
- vii a person who has humanitarian protection granted under those rules;
- viii 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.
- ix In receipt of income support or on an income-related employment and support allowance or
- x in receipt of an income-based jobseeker's allowance and has a right to reside other than a right to reside falling within paragraph (D);
- xi a person granted leave in accordance with the immigration rules made under section 3(2) of the Immigration Act 1971(e), where such leave is granted by virtue of—
 - a the Afghan Relocations and Assistance Policy; or
 - b the previous scheme for locally-employed staff in Afghanistan (sometimes referred to as the ex-gratia scheme);
- xii a person in Great Britain not coming within sub-paragraph (xi) or (iv) who left Afghanistan in connection with the collapse of the Afghan government that took place on 15th August 2021
- xiii 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—
 - a has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971
 - b has a right of abode in the United Kingdom within the meaning given in section 2 of that Act
 - c does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act
- F A person falls within this paragraph if the person is a Crown servant or member of Her Majesty's forces posted overseas.
- G A person mentioned in sub-paragraph (F) 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.
- H In this section—
 - i "claim for asylum" has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999
 - ii "Crown servant" means a person holding an office or employment under the Crown;

“EEA national” has the meaning given in regulation 2(1) of the EEA Regulations;

- iii “EEA Regulations” means the Immigration (European Economic Area) Regulations 2016 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;

“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 (DB) and (E)(iia);

- iv “Her Majesty’s forces” has the same meaning as in the Armed Forces Act 2006

“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.”

Section 13 - Persons subject to immigration control

- A 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 are not be included in this scheme.
- B Revoked
- C “Person subject to immigration control” has the same meaning as in section 115(9) of the Immigration and Asylum Act 1999.

Section 14 - Provision for pensioners

A person shall have his entitlement to a reduction under this scheme calculated under the provisions of and Schedules 1 to 8 of volume 1 if he is;

- A a person falling within classes A, B or C as defined in Volume 1, paragraphs 2, 3 or 4 of Part 1 of Schedule 1 and
- B is not a person prescribed under the provisions of sections 12 (Persons treated as not being in Great Britain) or 13 (Persons subject to immigration control) of these provisions

Section 15 - Provisions for persons who are not pensioners

In all other cases a person shall have his entitlement to a reduction calculated under the provisions of this volume