

AGENDA

CABINET

THURSDAY, 13 DECEMBER 2018

2.00 PM

**COUNCIL CHAMBER, FENLAND HALL,
COUNTY ROAD, MARCH**

Committee Officer: Linda Albon
Tel: 01354 622229
e-mail: memberservices@fenland.gov.uk

- 1 To receive apologies for absence
- 2 Previous Minutes (Pages 3 - 4)

To confirm and sign the minutes of 15 November 2018.
- 3 To receive members' declaration of any interests under the Local Code of Conduct or any interest under the Code of Conduct on Planning Matters in respect of any item to be discussed at the meeting
- 4 To report additional items for consideration which the Chairman deems urgent by virtue of the special circumstances to be now specified
- 5 Clinical Waste Solutions (Pages 5 - 46)
- 6 Local Council Tax Reduction Scheme Review 2019/20 (Pages 47 - 242)
- 7 Draft Business Plan (Pages 243 - 258)
- 8 Draft Budget 2019/20 & Mid Term Financial Strategy (Pages 259 - 280)
- 9 Draft 6 Month Cabinet Forward Plan (Pages 281 - 282)

For information purposes.

10 Items which the Chairman has under item 3 deemed urgent

Wednesday, 5 December 2018

Members: Councillor C Seaton (Chairman), Councillor D Oliver (Vice-Chairman), Councillor M Buckton, Councillor M Cornwell, Councillor Mrs A Hay, Councillor Mrs D Laws and Councillor P Murphy

CABINET



THURSDAY, 15 NOVEMBER 2018 - 2.00 PM

PRESENT: Councillor C Seaton (Chairman), Councillor D Oliver (Vice-Chairman), Councillor M Buckton, Councillor M Cornwell, Councillor Mrs A Hay, Councillor Mrs D Laws and Councillor P Murphy

OBSERVING: Cllr W Sutton

CAB21/18 PREVIOUS MINUTES

The minutes of the two meetings of 13 September 2018 were confirmed and signed.

CAB22/18 TREASURY MANAGEMENT STRATEGY STATEMENT & ANNUAL INVESTMENT STRATEGY MID YEAR REVIEW 2018/19

Members considered the Treasury Management Strategy Statement & Annual Investment Strategy Mid-Year Review 2018/19 presented by Councillor Mrs Hay.

Cabinet AGREED:

- To note the report.
- To recommend to Council that the:
 - Treasury Management Strategy is updated to allow use of Constant Net Asset Value (CNAV), Low Volatility Net Asset Value (LVNAV) and Variable Net Asset Value (VNAV) Money Market Funds, as detailed in paragraph 3.1.


CAB23/18 DRAFT 6 MONTH CABINET FORWARD PLAN

Councillor Seaton presented the draft Cabinet Forward Plan for information.

2.05 pm

Chairman

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Agenda Item No:	5	
Committee:	Cabinet	
Date:	13 December 2018	
Report Title:	Clinical Waste Solution	

Cover sheet:

1 Purpose / Summary

- For members to determine the future shape of domestic clinical waste collection and disposal in Fenland following changes to NHS provision in the East of England and approve the resulting changes to Fenland's Waste Service Standards.
- Following the lead of other areas, and through work in cooperation with the Cambridgeshire and Peterborough Waste Partnership, to consider providing sharps box drop-off points through local pharmacies, and where required at a small number of dispensing GP surgeries, by entering in to agreements with these local and national businesses.
- In association with establishing drop-off points in local communities, to determine the nature of the clinical waste door-step collection service offered and fee charged.

2 Key issues

- NHS England (Midlands & East) have advised the Council that from April 2019 they will no longer be arranging for the collection of returned domestic sharps boxes from local pharmacies.
- The NHS have informed the Cambridgeshire and Peterborough Waste Partnership (Recap) that there are 977,800 patients registered with GPs in Cambridgeshire and Peterborough and more than 43,000 of these patients are registered diabetics; 4% of the total registered patients, with 7,855 registered diabetics at Fenland GPs.
- The current cost per collection of clinical waste is £6.10 plus administration costs. Across Cambridgeshire and Peterborough the 35,000 prescribed sharps containers will cost £280,000 to collect each year and more than £1,000 a tonne for Peterborough and the County Council to dispose of. We are informed that in Fenland there were 7,138 sharps containers prescribed by GPs in 2017/18.
- The estimated cost to Fenland of not making other arrangements and providing sharps collections without charge is more than £60,000.
- As a result, Fenland and the other Cambridgeshire and Peterborough Waste Partnership authorities are working together with the NHS and Local Pharmaceutical Committee to develop workable options.
- Timescales and cost mean Household Waste Recycling Sites and Council premises have had to be discounted as options ahead of using the existing network of qualified and experienced professionals that customers are already using, and who they trust to deliver their healthcare needs with discretion.
- Diabetes UK support sharps box drop-off points such as pharmacies being provided and they recognise the financial climate is changing for local authorities, they are concerned that charges might prohibit customers from using a collection only service.

- Pharmacists represented by the Local Pharmaceutical Committee support the proposal to provide sharps box drop-off points through local pharmacies and dispensing GP surgeries when funded by the local authority.
- Even with a network of drop-off points the Council still has a duty to provide household collections where requested. A charge can be made for these collections protecting the authority from large unplanned expense, and where possible encourage the best use of any agreed sharps box drop-off points.
- As a result, the proposed service solution to the NHS changes is to provide a network of up to 20 free drop-off points across the area supported by the option of a door-step collection service at a fee. The fee will remain waived for those customers who through their medical needs require very regular collections (section 1.14 refers) and in cases of extreme hardship. These proposals will allow customers a choice of disposal options and protect the authority from an unplanned financial risk.

3 Recommendations

That Cabinet recommend for Council approval:

1. With effect from 1st April 2019, the introduction of free sharps box drop-off points in local pharmacies at a forecast cost to FDC of £18,000 and incorporated in the 2019/20 budget estimates.
2. With effect from 1st April 2019, the introduction of free collection points in dispensing GP Practices at a forecast cost to FDC of £2,000 and incorporated in the 2019/20 budget estimates.
3. Council to set the Fees and Charges for 2019/20 at an £8.00 fee for clinical waste collections ("Clinical and offensive waste from domestic households") to be reviewed thereafter annually as part of the usual Fees and Charges and Budget setting process.
4. To approve the proposed update to the Waste Services Standard 2018 as set out at Appendix Y;
5. To delegate to the Corporate Director (Environment and Leisure) in consultation with the Section 151 Officer all necessary authority to enter into the proposed agreement at Appendix Z with the relevant pharmacies and GP surgeries and to work with the relevant agencies and colleagues to publicise the services available.

Wards Affected	All
Forward Plan Reference	
Portfolio Holder(s)	Cllr Peter Murphy, Portfolio Holder for Environment
Report Originator(s)	Mark Mathews, Head of Environmental Services
Contact Officer(s)	Mark Mathews, Head of Environmental Services Richard Cassidy, Corporate Director
Background Paper(s)	

1 Background

- 1.1 The Council received notification earlier in the year of the NHS's intent to change the current arrangements for domestic sharps containers and point patients in the direction of their local council for the collection of this type of clinical waste.
- 1.2 Following discussions with representatives of NHS England, in August 2018 the Council received the timeline for these changes and along with the other Cambridgeshire and Peterborough authorities requested that the NHS hold off their plans until April 2019. This was agreed to by the NHS in November.
- 1.3 Under the Environmental Protection Act 1990, the Council is responsible for the collection of a range of waste types from domestic properties, including certain types of clinical waste where this is generated in a domestic household by the householder; although legislation (Controlled Waste Regulations (England) 2012) does allow for a charge to be made for the collection of some types of waste, such as Bulky Waste, Garden Waste, Commercial Waste and Clinical Waste.
- 1.4 Where the medical treatment is delivered by medical professionals, such as district nurses or GPs, in customers' own homes, the resulting waste remains the responsibility of the healthcare provider and they arrange for the collection of the waste.
- 1.5 NHS England (Midlands & East) have advised the Council that from April 2019 they will no longer be arranging for the collection of returned domestic sharps boxes from local pharmacies. As a result they have asked that we provide details of the arrangements that the Council will be putting in place for the collection of these materials before 4 February 2019 to allow for communications to be produced.

NHS Information Provided

- 1.6 There are a range of medicines prescribed that can be administered at home and produce needles/sharps, however we are informed that the great majority of needles and sharps are produced by customers living with diabetes.
- 1.7 The NHS have informed the Cambridgeshire and Peterborough Waste Partnership (Recap) that there are 977,800 patients registered with the 750 GPs in Cambridgeshire and Peterborough and more than 43,000 of these patients are registered diabetics; 4% of the total registered patients.
- 1.8 The NHS also informed us that around 50% of registered diabetics are likely to be producing needles from self-administering drugs at home, along with a small number of other patients using other medicines that produce sharps.
- 1.9 Of the diabetic patients in the Recap area, 7,855 are registered with GPs in Fenland; 18% of the registered diabetics.
- 1.10 Unfortunately, the NHS cannot provide figures for the numbers of sharps containers returned to pharmacies or surgeries because we are informed that they are collected with other medical waste and not recorded separately. This makes it difficult to estimate the scale of the issue created by the change.
- 1.11 We know from the County Council Public Health Team that in Fenland 7,138 sharps containers were prescribed by GPs in 2017/18, but we do not know how many of these were used and with GP boundaries not matching authority boundaries, we cannot accurately say where these customers live. **Appendix X** provides further details.

Current Collection System

- 1.12 The County Council has entered in to a contract for the collection and disposal of clinical waste in Cambridgeshire that, as a Recap member, Fenland has agreed to utilise for the collection of domestic clinical waste until October 2021.
- 1.13 Fenland has agreed fees in place for the collection of domestic and commercial clinical waste. These have been charged to schools and care homes where appropriate since 2015. Whilst there is a standing fee for domestic clinical waste, because customers have reasonable alternatives, there has never been a need to charge.
- 1.14 Within the fees and charges it was recognised that certain customers would not be charged. As a result, the Council currently has weekly collections of clinical waste from 9 customers who are home dialysis customers or generate large amounts of Infectious Waste. These types of waste are recognised as delivered without charge in the fees and charges and cost in the region of £3,000 per annum to deliver.
- 1.15 Very few customers have approached the Council for the collection of sharps containers over recent years implying that other options are being used.
- 1.16 It should be noted that the Council has customers who are cared for in their own home who produce non-infectious waste which is disposed of through usual waste collections (Hygiene Waste). For this sanitary type waste customers are provided with additional wheeled bin capacity if required for their usual 2 weekly refuse collections. The Council has around 100 customers who utilise this service. This waste type is defined in appendix C and does not contain sharps or infectious waste.

Diabetes UK Position Statement on Sharps Disposal

- 1.17 Recognising that the largest group of customers affected by this NHS change are diabetics, we contacted Diabetes UK for Eastern England and they provided their most up to date [position statement on Sharps](#) from February 2015. This recommends that:
 - Sharps should never be disposed of in domestic waste or recycling.
 - a free sharps collection service, from their home, or agreed alternative location, provided by their local authority or another appropriate body; and/or
 - alternative means of disposing of sharps locally, which are convenient and free to use, and take account of individual circumstances; and
 - Local authorities should provide accurate and easy to locate information about local collection/ disposal arrangements for sharps on their website.
 - Healthcare professionals should inform patients of local arrangements for sharps collection/disposal.
 - Sharps containers that are appropriate to their individual needs, and are available free of charge (on prescription or from a local authority);
- 1.18 The statement notes that "Financial pressures on local authorities and the NHS appear to be affecting sharps collection/disposal arrangements – possibly resulting in fewer services and/or fees being charged." And, "Although local authorities are permitted to charge for collecting clinical waste from domestic properties, we encourage them not to do so. This may be prohibitively expensive for many people with diabetes, and discourage them from using the [collection] service."

- 1.19 We will also be working with Diabetes UK, through their local volunteer group to assist with communications.

2 Cost Estimates and Options

- 2.1 Within the countywide contract each collection costs a minimum of £6.10 plus the costs of administration. Using the total number of prescribed sharps boxes (35,000) across Cambridgeshire and Peterborough (**appendix X**) the costs for collection alone for the Recap area are £280,000 per year, without the disposal costs at more than **£1,000** a tonne borne by both the County Council and Peterborough City Council.
- 2.2 It should be recognised that we have no data for under 18s, prescriptions from hospitals or out of hours surgeries, which along with the mismatch between GP boundaries and authority boundaries all affects our ability to accurately forecast the costs of this change and increases the risk to the individual Recap authorities, including Fenland.
- 2.3 For Fenland, if the public health team information (**appendix X**) is used as a measure of the scale of returned sharps boxes, 7,153 for Fenland, the maximum total cost of the NHS changes, if a free door-step collection service is offered without drop-off points, is more than £60,000 for adult prescriptions alone.
- 2.4 At its meeting on 13th September 2018, Full Council considered a public petition requesting that members reconsider the decision to charge private households for the collection of hygiene and clinical waste (C32/18 Petition - Clinical Waste Collection Charges). It was agreed by Council that there should be no charge for clinical waste collections until the matter has been returned to Full Council to discuss the options. This report comprises the options available and seeks Cabinet endorsement in its recommendations to Full Council.
- 2.5 The options that are now being presented for Fenland are intended to offer customers a choice. They include adopting the approach of other authorities across the country of working with the existing community pharmacy network to provide a continuation of the returns option by commissioning this service from the pharmacies alongside providing a door-step collection of clinical waste.
- 2.6 An example Recap agreement for the community pharmacies forms **appendix Z** of this report. In line with other areas operating similar systems, the proposal is that pharmacists are paid an annual fee to provide the service and the authority arranges the collection of the used sharps boxes from the premises.
- 2.7 The County Council were approached in relation to providing this service through their Household Waste and Recycling Sites, however their contract does not accommodate this type of waste and changes to the County Council's Waste PFI contract make this option unworkable in the timescale and prohibitively expensive.
- 2.8 Consideration was given to offering the service through the shops, hubs and premises operated by the Councils in the area, but given the nature of the materials, the training and systems required, it is considered preferable to approach the existing experts with relevant experience rather than discussing options of providing this service through local libraries or similar.
- 2.9 The cost estimates provided in this report do not include the existing costs of the clinical waste collections offered without charge; for dialysis and similar collections. It is not proposed to change this service provision and the cost of this element of the service, in the region of £3,000, is not included. Likewise these figures do not include the cost of providing the Hygiene Waste collection

service when incorporated within usual 2 weekly waste collections offered to those customers who are being cared for in their own home.

Cambridgeshire and Peterborough [Local Pharmaceutical Committee](#)

- 2.10 Discussion with the LPC, the community pharmacy association for the area, have been very positive and the local committee support the agreement attached, as outlined in their letter of support at **appendix D**, although it is accepted that it is down to company and local pharmacy managers to agree to provide the service.
- 2.11 The committee advised on several points: Customers develop relationships with their local pharmacist and customer choice is an important element of the NHS commissioning process. As such, the committee's advice was that all pharmacies and GP dispensaries were offered the service to allow customers to choose. Additionally, that the service provided should focus on the needs of the patient, and many customers will not want a door-step collection because they wish for their waste to be dealt with discreetly.
- 2.12 This presents a risk that some areas will be covered well and others might not be. We therefore need to agree that if the option is determined, and individual pharmacies cannot accommodate the service resulting in customers having no available disposal option, that then relevant GP practices will also be approached with the same offer.

Future Service Offer Options

Free Collection Points

- 2.13 Following the lead of other areas, the Recap authorities have been investigating if arrangements can be put in place to allow the existing pharmacy network to continue collecting sharps boxes from customers.
- 2.14 Where this works in other areas the local authorities pay the pharmacies a fixed annual fee and also arrange for the materials to be collected. Pharmacies hand out leaflets with sharps prescriptions that highlight how and where the boxes can be returned. A small number of pharmacies in the other areas have not agreed to these arrangements, normally based on space limitations, but the other authorities have been able to provide a suitable coverage of sharps box drop-off points. This approach is supported by Diabetes UK.
- 2.15 Appendix B provides the locations of the 19 pharmacies in Fenland. Chatteris has 2 registered pharmacies, March has 4, Parson Drove has 1, Walsoken has 1, Whittlesey has 3 and Wisbech has 9.
- 2.16 Should we provide the service through these pharmacies the cost would be in the region of £18,000 each year.

Area	FDC Funded Drop-off Points
Chatteris	2
Doddington	1
Manea	1
March	4
Parson Drove	1
Walsoken	1

Whittlesey	3
Wisbech	9

- 2.17 The same offer should be extended to dispensing GP surgeries (and pharmacies in GP practices) where there are no pharmacies; such as Doddington and Manea.
- 2.18 This level of service would provide all customers with easy access to sharps box drop-off points.
- 2.19 It is proposed that Cabinet recommends to Council that approval is given to providing free sharps box drop-off points in cooperation with local pharmacies and their representative association at the fees set out in the agreement.
- 2.20 Approval is also sought for officers to approach dispensing GP practices in Doddington and Manea using the same agreement and fee.
- 2.21 The pharmacies and relevant surgeries, whilst encouraging in discussions about this, are independent local or national businesses and enter in to an agreement with the council at their own discretion. The Council cannot therefore guarantee the level of take up or prevent these businesses from withdrawing their services in future.
- 2.22 The estimated cost of providing a free collection point network through the majority of the available pharmacies and a small number of GP surgeries is a maximum of £20,000. This cost is made up of the annual fee to each business and the estimated cost of collection for each premise. As a result these costs will rise in line with RPI each year.

Door-step Collections

- 2.23 As the pharmacies can opt in and out of the agreement set out in the appendices, the Council still bears the potential risk of delivering a large number of collections each year should the free drop-off point offer not be viable for any reason.
- 2.24 As previously outlined, with the available information, providing a free door-step collection service would open the authority to a previously unplanned cost of more than £60,000. Against the background of the medium term financial strategy it is becoming increasingly difficult for the authority to find such a sum without making largescale changes in other services.
- 2.25 The statement of the Diabetes UK and the customer petition was that free collection options should be provided and charges should not be prohibitively expensive for customers.
- 2.26 With an established network of funded collection points customers are provided with the choice of a free drop-off at a specified location or home collection service for a fee. To protect the authority from an unplanned financial risk, it is proposed to set the 2019/20 fee at £8.00.
- 2.27 The fee will remain per collection and (within reasonable limits) will be for any amount of clinical waste that customer wish to collect and present.
- 2.28 Usual fees and charges conditions of the relevant Director being able to waive fees in cases of extreme hardship apply along with the previously mentioned arrangements for customers who through their illness produce large amounts of clinical waste necessitating a weekly or similar collection; these are usually but not exclusively patients using home dialysis or producing infectious waste.

- 2.29 Customer will have the choice of using the free drop-off points when they collect their medicines and prescriptions, which will be advertised on the council's website and through the local pharmacies. Should they choose not to make use of these then the door-step collection can be booked online or through the contact centre or shop/hubs.
- 2.30 The financial risk that the authority is exposed to for the subsidised collections, with or without drop-off provisions, is difficult to forecast because the NHS cannot provide figures on current arrangements.

3 Communication Timeline

- 3.1 Following the decision of Council on the service design and adoption of the revised service standards the website and paperwork will be prepared to communicate the changes to customers beginning in January.
- 3.2 Local support associations, such as Diabetes UK, will be approached to also support ensuring that customers know where to look for advice and how the changes agreed might affect them.
- 3.3 Appendix A contains an outline timeline incorporating the NHS deadlines and communication opportunities.

4 Possible Impacts

- 4.1 The impact on customers of the NHS decision is that local services will cost more to deliver. The scale of the increased cost is dependent upon the option determined, but with financial pressures increasing on local authorities, whatever is spent delivering this change to service will increase pressure on the medium term financial plan.
- 4.2 The 2-4% of customers in the area who use the service will see little impact if the Council chooses to support the community pharmacy provision, because the majority of customers can continue to deliver their sharps boxes back to their pharmacy, or a nearby pharmacy, without issue.
- 4.3 Customers will receive information when sharps boxes are prescribed on where they can be returned, or customers can consult the Council and Recap websites which will list the pharmacies taking part.
- 4.4 The Recap Partnership aims to provide similar options across the area to provide customers with compatible solutions even where GP boundaries and district boundaries do not align.
- 4.5 It remains the case that customers requiring regular weekly or 2 weekly collections, such as those on home dialysis or producing a large amount of infectious waste will continue to be offered their collections without charge.
- 4.6 We understand that at present some surgeries take customers sharps boxes back for disposal. What the NHS has not made clear is if GP surgeries will continue to allow customers to return sharps boxes to them. The risk to the authorities is that if the NHS further tightens control over clinical waste that the local authorities are further exposed to the risk of increased costs.

5 Equality Impact Assessment (EIA)

- 5.1 A draft EIA based on the recommendations in this report is attached as **appendix W**.
- 5.2 Should the recommendations not be approved then the EIA would need updating to reflect this.

- 5.3 The benefit recognised of providing collection points is the choice to dispose of sharps boxes at specific and convenient locations free of charge and thus avoid incurring the need for home collections and charges.

6 TEEP Assessment (Technical, Environmental, Economic and Practicable)

- 6.1 The Council is required to consider if it is necessary to collect recyclable materials separately in order to achieve the quality requirements required by re-processors. This is called a TEEP assessment.
- 6.2 The Council's previously adopted TEEP Statement, previously published, has been considered as part of the development of this service and it is concluded that no change is required to the published statement as a result of implementing any of the options described within this paper.

7 Reviewed Waste Services Standards 2018

- 7.1 The service standards have been brought up to date to accommodate this change by the NHS and will reflect the option chosen by Cabinet and Council.
- 7.2 The service standards have also been brought up to date with relevant legislative changes since 2016, when they were last reviewed, namely Section 55(2)(a) of the Housing Act 2004 and the Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018. These clarify how the existing waste standards apply to properties of multiple-occupancy.

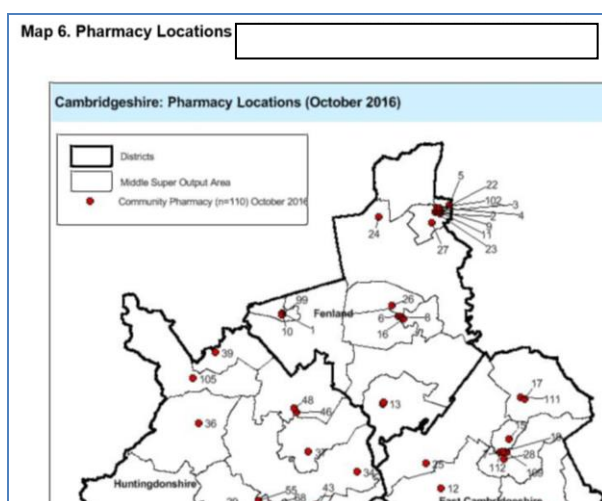
Appendices

A	Communications Timeline
B	Pharmacy and GP Surgery Locations
C	NHS Example of Clinical Waste Categories
D	Letter of Support Cambridgeshire and Peterborough LPC
W	Draft Equality Impact Assessment - Clinical and Hygiene Waste Service
X	Public Health Report - Recap Area Sharps Prescriptions Issued
Y	Revised Waste Service Standards 2018
Z	Draft Recap Pharmacy Agreement

Appendix A Outline Communications Timeline

Attend Cambridgeshire and Peterborough LPC to share draft agreement	20 November 2018
Approach Fenland Pharmacies and GPs with offer and support of LPC	4 January 2019
Diabetes UK local group approached to assist communications	January 2019
Provide NHS with details of webpages and arrangements	February 2019
NHS communicates with GPs and Pharmacies	February 2019
Press release and updated websites	March 2019
Information leaflets distributed by signed-up pharmacies	March 2019

Appendix B – Fenland Pharmacies and Dispensing GP Practices



Pharmacies in Fenland

102	Asda Pharmacy,	North End, Wisbech
8	Boots, (Boots UK Ltd),	Broad Street, March
9	Boots, (Boots UK Ltd),	Horsefair, Wisbech
1	Boots, (Boots UK Ltd),	Syers Lane, Whittlesey
2	Boots, (Boots UK Ltd),	Norfolk Street, Wisbech
3	Boots, (Boots UK Ltd),	Old Market, Wisbech
4	Boots, (Boots UK Ltd),	De Havilland Road, Wisbech
5	Boots, (Boots UK Ltd),	Kirkgate Street, Walsoken, Wisbech
6	Boots, (Boots UK Ltd),	Marylebone Road, March
10	Boots, (Boots UK Ltd),	High Causeway, Whittlesey
11	Fairbrother Pharmacy,	Church Terrace, Wisbech
13	Lloyds Pharmacy,	High Street, Chatteris
16	Lloyds Pharmacy,	Elwyn Road, March
20	Lloyds Pharmacy,	Swan Drive, Chatteris
24	Parson Drove Phrcy,	Wisbech
26	Tesco In-store Phrcy,	Hostmoor Avenue, March
27	Tesco In-store Phrcy,	Sandown Road, Wisbech
22	Well Pharmacy,	Augustine's Road, Wisbech
99	Whittlesey Pharmacy,	Whittlesey

100 hour pharmacies in Fenland

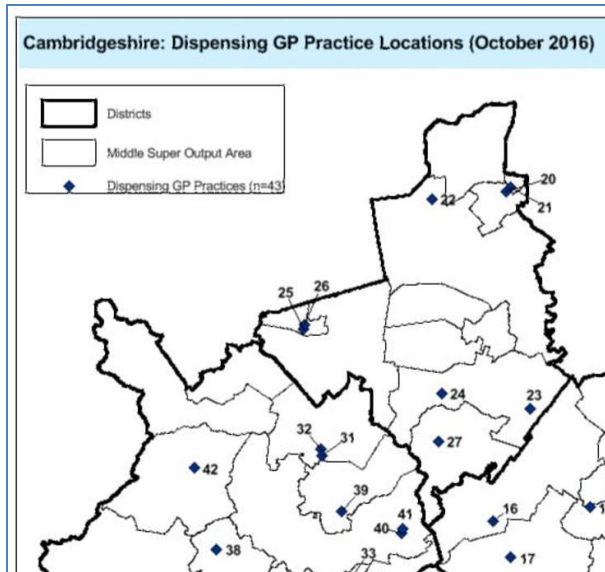
Tesco In-store Pharmacy, March

Asda Pharmacy, Wisbech

North Brink Pharmacy, Wisbech

Tesco Pharmacy, Wisbech





Whittlesey Pharmacy, Whittlesey



Dispensing GP Practices (Oct 2016) Source: NHS England East Anglia Area Team.

Practice Code	Practice Name	Map ID
D81011	Clarkson Surgery	21
D81071	Doddington Medical Centre	24
D81061	George Clare Surgery	27
D81039	Jenner Health Centre	25
D81611	Manea Surgery	23
D81046	The New Queen Street Surgery	26
D81008	The North Brink Practice	20
D81015	Parson Drove Surgery	22

Appendix C NHS Example of Clinical Waste Categories

Category of waste and colour of bag	Waste description and disposal/treatment type	Examples
Infectious (Yellow bag) 	Infectious waste which must be sent for incineration at a suitably authorised facility. It must not be sent for alternative treatment.	Waste which is classified as infectious (contaminated with bodily fluids where the assessment process leads you to believe the waste poses a potential infection risk, and there are also medicines or chemicals present). Examples are: <ul style="list-style-type: none"> • infectious waste contaminated with chemicals • chemically contaminated samples and diagnostic kits • infectious waste contaminated with medicines • laboratory specimens.
Infectious (Orange bag) 	Infectious waste which can be sent for alternative treatment to render it safe prior to disposal.	Waste which is classified as infectious (contaminated with bodily fluids where the assessment process leads you to believe the waste poses a potential infection risk), such as: <ul style="list-style-type: none"> • dressings • continence aids • bandages • protective clothing (for example, gloves or aprons).
Municipal and Recycling waste (Black bag) 	Domestic/municipal waste to be sent to energy from waste facilities or landfill.	Items which you would find in the normal household waste stream, such as: <ul style="list-style-type: none"> • food waste • tissues.
Offensive (Yellow with black stripe bag) 	Offensive/hygiene waste which may be sent for energy recovery at energy from waste facilities. These wastes can also be sent to landfill if no other recovery or recycling option is available.	Health care waste classified as non-hazardous, ie where the assessment process leads you to believe the waste does not pose an infection risk. These can be items contaminated with bodily fluids such as: <ul style="list-style-type: none"> • stoma or catheter bags • incontinence pads • hygiene waste • gloves, aprons, maternity waste where no infection risk exists • blood contaminated items from screened community.



We welcome the opportunity for community pharmacy to be considered as part of the solution to help with patients/customers disposing with their Clinical Sharps waste.

A single solution that can be applied across Cambridgeshire and Peterborough would offer a consistent service and message to our customers and service providers.

Community pharmacy can;

- provide patients with a safe and convenient route for the disposal of sharps,
- reduce the volume of sharps stored in patients' homes, by providing a convenient route for disposal, thus reducing the risk of accidental needle-stick injuries;
- reduce the environmental damage caused by the use of inappropriate disposal methods for sharps;
- improve the health of local communities by preventing the spread of blood-borne infections by ensuring the safe disposal of sharps;
- reduce the risk of needle stick injury in the community and inappropriate disposal of used injectable sharps.

There are 109 pharmacies across Cambridgeshire and 41 in Peterborough. They are located in busy high streets and the rural areas so patients/customers have reasonable access to pharmacy services. (Please see maps page 36 [Cambridgeshire PNA 2017](#) and page 40 [Peterborough PNA 2018](#)).

Many pharmacies are open long hours and at weekends. Patients who need sharps bins, will be collecting them along with their other dispensed medication from the pharmacy of their choice. It would ideal if they could return their filled and sealed sharps bins to the same pharmacy.

The LPC will work with colleagues in the local authority and local pharmacies to implement a solution for our population.

Rita Bali (B. Pharm).

Executive Officer.

Cambridgeshire and Peterborough Local Pharmaceutical Committee.

Assessing Equality – The Equality Act 2010

DRAFT - Customer Impact Assessment

Appendix W

This impact assessment is draft and unpublished. The assessment is determined by decisions made by Cabinet and Council on 13 December 2018.

This assessment is based on agreement to free collection points and a self-funding home collection fee. Should this not be agreed then this draft assessment will need to be reviewed and updated.

Clinical and Hygiene Waste Service.

Hygiene Waste

The Council offers a free 2 weekly collection of Hygiene Waste (non-infectious sanitary or incontinence waste) where customers are cared for in their own home through the supply of wheeled bins specifically for this purpose as part of routine collections.

Clinical Waste (Sharps and Infectious Waste)

The Council supplies a free service to customer using home dialysis or conditions where large amounts of clinical waste require frequent collections. This regular and scheduled service is provided without charge.

The Council has worked with the Local Pharmacy Committee and Recap (Peterborough and Cambridgeshire Waste Partnership) to provide a network of free disposal locations for remaining customers.

The option of entering in to an agreement to deliver this service for the authority has been offered to all pharmacies in the area to up take with the aim of providing customers with a as broad and convenient a network as possible. It is down to the individual companies to determine if they wish to enter the agreement and provide the service, and thus the locations are outside of the control of the Council.

Clinical waste is by its nature expensive waste to collect requiring specialist equipment, transportation, training and containers; additionally it is very expensive waste to dispose of. The Council has the legal right to charge for the collection of Clinical Waste in line with other wastes already charged for, such as Garden Waste, Bulky Waste, Commercial Waste and waste from Educational Establishments and Care Homes.

Any charge covers the collection cost element only and the County Council remains responsible for the disposal costs.

Members agreed in 2015 that customers requiring regular (weekly or two weekly) collections of clinical waste (such as dialysis customers) would be provided with the service without charge. This will include customers being cared for in their own home who require regular collections as a result of infectious dressings and similar. The council has for a long period of time had only a small number of customers with these requirements.

Where customers are being cared for by NHS staff then these staff will be required to remove all clinical waste and not pass this burden to the customer or authority.

Customers who request collections as a result of Hygiene Waste (sanitary waste, nappies etc.) will if required be offered additional containers to allow this waste to be collected within normal waste collections.

Where customers require home collections, the local NHS partners will be encouraged to provide their patients with larger sharps bins where this is acceptable to the customer to allow for a reduced frequency of collections and customers can for the single fee present (within reasonable limits) as many sharps boxes as they wish for the single collection fee.

Where customers request a collection of clinical waste and do not want to utilise the free collection points provided, this service is provided on an at cost basis to form a self-funding service. Collections are provided by an external contractor and scheduled on an agreed day usually within 9 working days of the request.

Assessing Equality – The Equality Act 2010

Appendix W

Consultation

The fee was originally established through the council's overview and scrutiny processes as with all fees and then agreed by Cabinet and Council in 2015.

The fee has not previously been in use because customers have alternative arrangements and are not requesting collections from the council. The changes proposed by the NHS from April 2019 will have an impact on producers of sharps if the Council does not adjust the current policy. Consultation of the users of these NHS services has not been possible within the timeframe.

A public petition was received calling for the council to reconsider introduce a charge in response to the NHS changes.

	Could particularly benefit	Neutral	May adversely impact	Explanations	Is action possible or required?	Details of actions or explanations if actions are not possible Please note details of any actions to be placed in your Service Plan
Race	<input type="checkbox"/>	Y	<input type="checkbox"/>	Diabetic customers form a large proportion of the 2% of customers who produce sharps. Assisted collection available	Y / N	Work with partners and NHS to establish free collection points for the collection of sharps boxes.
Sex	<input type="checkbox"/>	Y	<input type="checkbox"/>		Y / N	
Gender reassignment	<input type="checkbox"/>	Y	<input type="checkbox"/>		Y / N	
Disability	<input type="checkbox"/>	<input type="checkbox"/>	Y		Y / N	
Age	<input type="checkbox"/>	Y	<input type="checkbox"/>		Y / N	
Sexual orientation	<input type="checkbox"/>	Y	<input type="checkbox"/>		Y / N	
Religion or belief	<input type="checkbox"/>	Y	<input type="checkbox"/>		Y / N	
Pregnancy & maternity	<input type="checkbox"/>	Y	<input type="checkbox"/>		Y / N	

Assessing Equality – The Equality Act 2010

Appendix W

Marriage & civil partnership	<input type="checkbox"/>	Y	<input type="checkbox"/>	Short-term assisted an option	Y / N	
Human Rights	<input type="checkbox"/>	Y	<input type="checkbox"/>		Y / N	
Socio Economic	<input type="checkbox"/>	<input type="checkbox"/>	Y	The cost of a regular weekly or two weekly collection may be of concern for some	Y	<p>Dialysis and conditions where large amounts of clinical waste require frequent collections are provided without charge</p> <p>Work with partners to establish community collection points where possible.</p> <p>At-cost fee for collection of clinical waste.</p> <p>Fee can be waived by Director in cases of extreme hardship.</p>
Multiple/ Cross Cutting	<input type="checkbox"/>	Y	<input type="checkbox"/>		Y / N	

Outcome(s) of customer analysis

Will the policy/ procedure impact on the whole population of Fenland and/ or identified groups within the population; neutral ■

A range of free collection points will be made available to customer in order the replicate the existing arrangements. With current arrangements customers do not request home collections.

There is an at-cost charge for those who wish to have clinical or hygiene waste collected from their property using the clinical waste collections.

Overview and scrutiny, cabinet and council agreed the exception to the fees and usual director discretion applies for cases of extreme hardship.

Assessing Equality – The Equality Act 2010

Appendix W

The fee for collections protects the tax payer from the potential cost of fulfilling the duty to collect all clinical waste upon request from domestic premises should the NHS further change their current arrangements.

No major change needed ☒ Adjust the policy ☐ Adverse impact but continue ☐ Stop and remove / reconsider policy ☐

Arrangements for future monitoring:

Review at point agreements expire or collection contracts are updated.

Details of any data/ Research used (both FDC & Partners):

Outlined in Cabinet and Council Report 13 December 2018

Completed by:

Name: Mark Mathews

Position: Head of Environmental Services

Approved by (manager signature):

Date published: This should be the date the analysis was published on the website

Details of any Committee approved by (if applicable):

Date endorsed by Members if applicable:

Appendix X

Title	Household generated sharps clinical waste – key data for Cambridgeshire and Peterborough (adapted)
Author	Katie Johnson, Consultant in Public Health Cambridgeshire County Council & Peterborough City Council Katie.johnson@cambridgeshire.gov.uk
Date	12 September 2018

Key findings:

- Just under 35,000 sharps disposal items were prescribed by GPs in Cambridgeshire and Peterborough in 2017/18.
- 97% of these were 1 litre sharps bins.
- Huntingdonshire had the greatest number of items prescribed (8,568) and Cambridge City had the least (3,534).
- There are over 43,000 patients with diabetes registered with GPs in Cambridgeshire and Peterborough.
- Peterborough has the greatest number of patients with diabetes (10,684) and East Cambridgeshire (4,635) has the least.

1. Number of sharps disposal items prescribed

Using GP prescribing data, information on the number of sharps bins that are prescribed was collated. This can be used as a marker of the scope of the service that will be needed. The NHS Electronic Drug Tariff, part IXA appliances, lists the various sharps appliances that can be prescribed. A search for the number of these appliances that are prescribed within the Cambridgeshire and Peterborough CCG was completed using Openprescribing.net.

The number of appliances prescribed was then categorised by the local authority (district and unitary level) which the postcode of the GP practice lies within. This data therefore presents an **estimate** only of the bins prescribed to residents living within the six local authorities within Cambridgeshire and Peterborough. The practices within these districts may prescribe bins to those living outside of the authorities' boundaries, and residents living within these areas may be prescribed sharps bins by GP practices which are located outside of the authorities' boundaries. **GPs which are part of the Cambridgeshire and Peterborough CCG but not located within the authorities' boundaries are not included in the data below.**

Figure 1 presents the total number of sharps bins prescribed for each local authority for the financial year 2017/18. This includes data on the following items in various sizes:

- Needle Clipping (Chopping Device)
- Sharpsafe (1L, 1.8L, 4L, 7L, 9L)
- Sharpsafety (8L)
- Sharpsguard (1L, 5L)

Figure 1 shows that **34,966** items were prescribed by general practices within the boundaries of the Cambridgeshire and Peterborough local authorities in 2017/18. Huntingdonshire had the greatest number of items prescribed (8,568) and Cambridge City had the least (3,534). This is likely to reflect the size, age and health of the population, as well as prescribing practices.

Appendix X

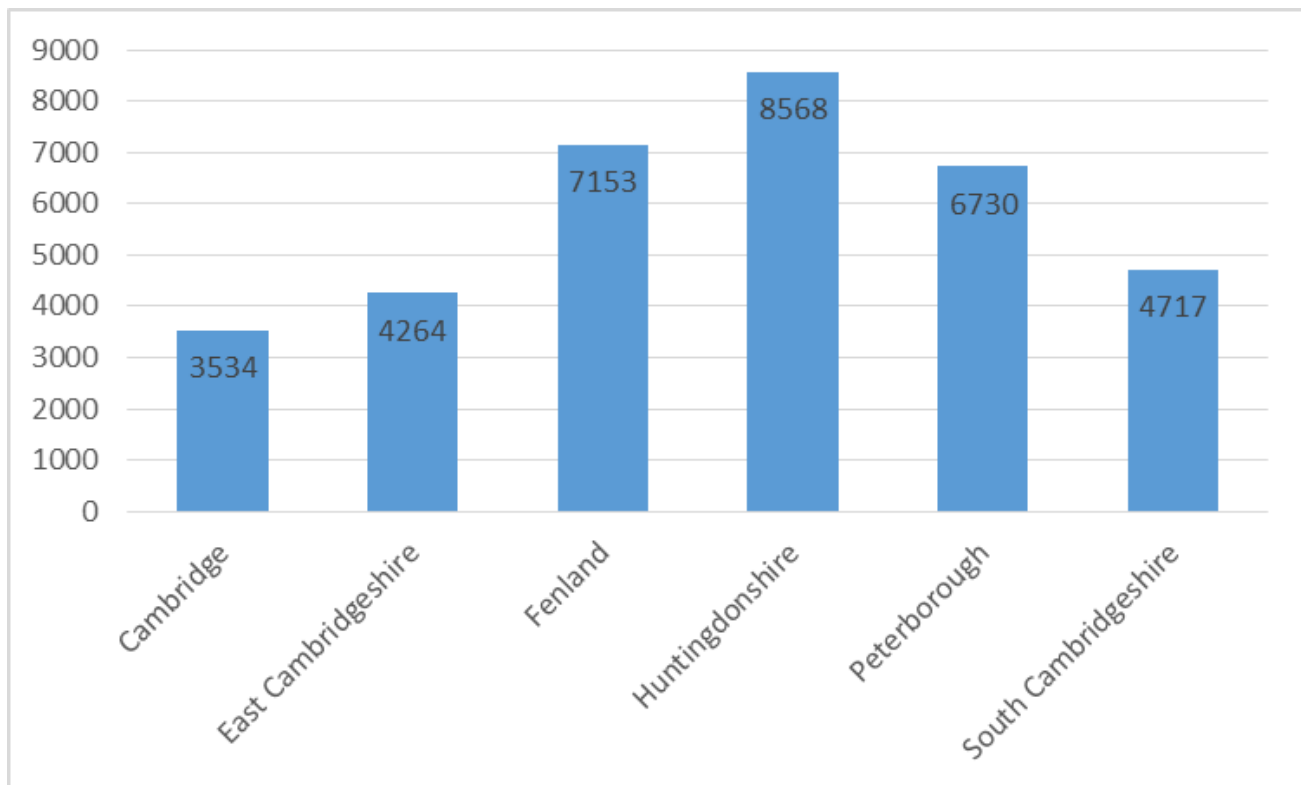


Figure. 1: Total sharps bins prescribed, by local authority, 2017/18 (Source: [OpenPrescribing.net](https://openprescribing.net), EBM DataLab, University of Oxford, 2017)

Table 1 below shows the breakdown of the number of items by size of item and local authority for the financial year 2017/18. It shows that the majority of items were sized 1 litre, which accounted for **33,981 items** or **97% of the total number of items**.

TABLE 1: Number of sharps items prescribed by type of item and local authority, 2017/18 (Source: [OpenPrescribing.net](https://openprescribing.net), EBM DataLab, University of Oxford, 2017)

	Needle clipping	1L	1.8L	4L	5L	7L	9L	Total
Cambridge	34	3373	30	36	29	29	3	3534
East Cambridgeshire	19	4176	11	21	32	5	0	4264
South Cambridgeshire	25	4506	65	36	49	35	1	4717
Peterborough	14	6583	47	27	47	9	2	6729
Fenland	15	7066	28	17	23	3	1	7153
Huntingdonshire	99	8277	45	70	60	16	1	8568
Total	206	33981	226	207	240	97	8	34965

2. Number of patients with diabetes

Diabetes is a disease that causes inadequate blood glucose control due to a lack of insulin. Patients with diabetes generate sharps waste through blood glucose monitoring and the use of needles for treatment with insulin injections. Figure 2 shows the number of people **aged 17 years and over** who were registered as having diabetes with their GP in 2016/17.

Appendix X

It is important to note that not all patients with diabetes inject insulin and patients with conditions other than diabetes may also generate sharps waste. However, diabetic patients are likely to be a significant contributor to the generation of sharps waste and so figure 2 below adds to our understanding of the number of patients generating household sharps waste.

The data used in figure 2 is once again practice level data that has been aggregated to district level by the postcode of the main surgery, and therefore the caveats described above also apply to this data.

Figure 2 shows that in 2016/17, there were **43,113 patients with diabetes** registered with general practices within the Cambridgeshire and Peterborough local authority boundaries. Peterborough has the greatest number of patients with diabetes (10,684) and East Cambridgeshire (4,635) has the least. This is likely to reflect the size, age and health of the population, as well as variation in diagnosis rates.

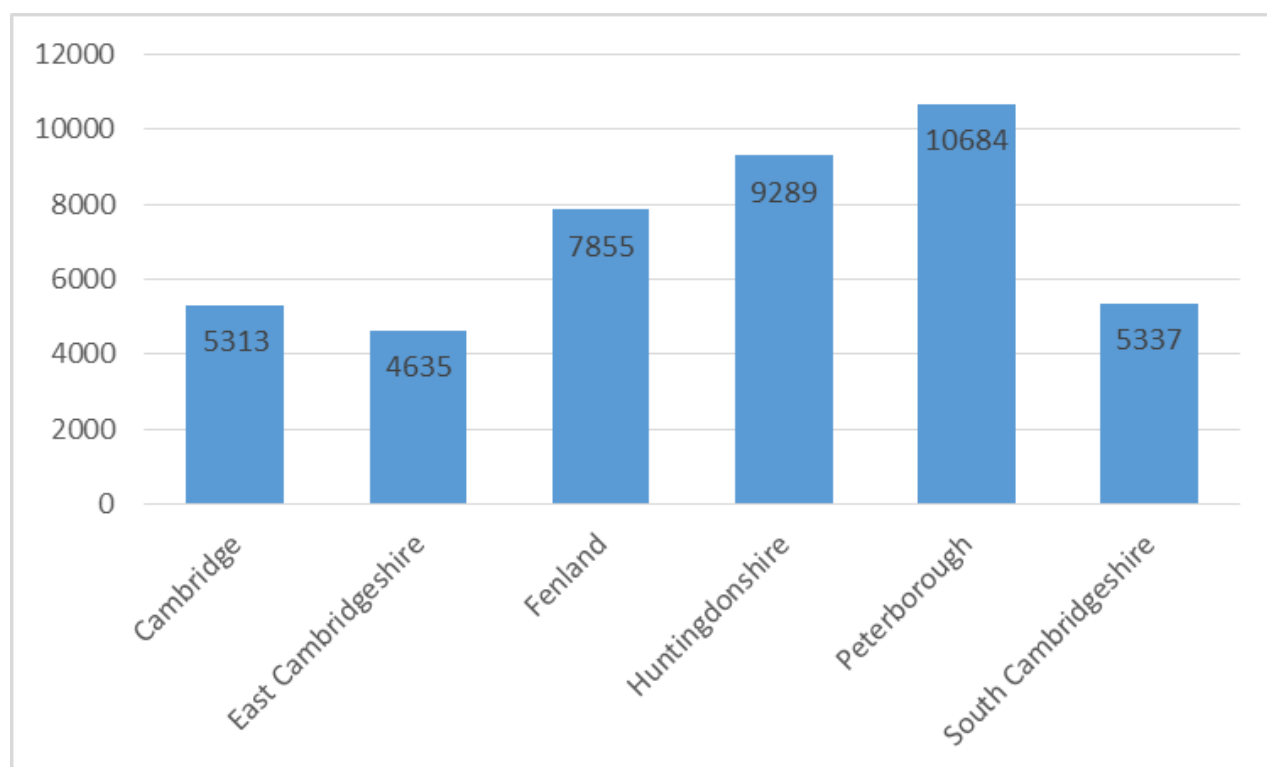


Figure 2: Number of patients aged 17+ with diabetes, 2016/17 (Source: Quality and Outcome Framework (QOF) data)

3. Acknowledgements

This report mirrors a previous report produced by the Norfolk County Council public health team who analysed Norfolk data on sharps bins and diabetic patients.

Appendix Y - Waste Service Standards **2018**

Fenland District Council provides an integrated refuse and recycling service that includes the collection of a broad range of dry recycling materials and garden waste. The Garden Waste Service is a subscription only service.

Points of note, supplementary service standards 2018 for Clinical Waste Service changes and Houses of Multiple Occupancy (HMO) legislative update.

1. Updated standards for Clinical Waste collection from April 2019 following NHS changes
2. Recognise that waste produced by the occupants of HMOs is domestic waste and waste produced in the management of the property is commercial waste.
3. Landlords of HMOs are responsible for ensuring that waste is managed appropriately by their tenants and in line with the service standards set out here.

	SERVICE ISSUE	SERVICE STANDARD	ACTION	CUSTOMER IMPACT
1	<p>Bin¹ out and no record on in-cab system of reason for non-collection, and in the case of Garden Waste Service, that there is a valid subscription for the bin.</p> <p>"Missed Bin"</p>	<p>Following customer contact –</p> <ul style="list-style-type: none"> • A return collection will be offered same or next day at the request of customer up to four working days from the day of collection <p>In cases of non-residual waste:</p> <ul style="list-style-type: none"> • Customer made aware that recycling cannot be guaranteed and materials might be sent for treatment at Mechanical Biological Treatment (MBT) plant with residual waste • Sacks offered as additional storage where customer does not want recycling disposed of at MBT plant <p>In cases of Garden Waste Service</p> <ul style="list-style-type: none"> • Subscription application details sent to customer where a subscription is not in place • Garden Waste collected on missed collections will be collected separately from other materials and will be processed for composting 	<ul style="list-style-type: none"> • Collection² same or next working day • Deliver by post, 2 appropriate sacks and system highlighted for collection on next scheduled collection • Advise customer that excess will be allowed at the next collection as an exception to our normal policy on additional waste • Garden Waste Service, check bin clearly displays subscription sticker and property in on collection record 	<ul style="list-style-type: none"> • Waste removed in a timely fashion • Responsive service delivery for customer • Efficient collection system • Customer ownership of bin collection system • Improved customer awareness of services • Encourage participation in Garden Waste Service

	SERVICE ISSUE	SERVICE STANDARD	ACTION	CUSTOMER IMPACT
2	Bin reported via in-cab system ³ as not at point of collection prior to time of collection. "Bin Not Out"	<ul style="list-style-type: none"> No repeat collection provided <p>Following customer contact –</p> <ul style="list-style-type: none"> Customer made aware that general waste can be taken to HWRC for disposal Sacks offered where customer will need to contain extra recycling or refuse until the next collection Bin can be presented on next scheduled collection. 	<ul style="list-style-type: none"> Record made on in-cab system Bin emptied on next scheduled collection day for that bin Deliver by post 2 clear or black sacks and system highlighted for collection on next scheduled collection 	<ul style="list-style-type: none"> Encourages responsible use of the refuse/recycling service Improved education and awareness about the service Effective use of resources Prevents misuse of the Garden Waste Service
3	Wrongly sorted ⁵ recycling or composting bin identified prior to collection	<ul style="list-style-type: none"> No repeat collection provided Information in relation to reason for non-collection attached to bin <p>Following customer contact –</p> <ul style="list-style-type: none"> Customer made aware that general waste can be taken to HWRC for disposal Sacks offered where customer will need to contain extra recycling Contaminated non-subscription brown bins removed within 5 working days 	<ul style="list-style-type: none"> Record made on in-cab system with detail of issue Educational leaflet or letter produced and sent where appropriate Bin emptied on next scheduled collection day for that bin Deliver by post, 2 recycling sacks and system highlighted for collection on next scheduled collection Arrange removal of any non-subscription bins identified and reported as presented and containing incorrect materials Educational visit offered where more than 2 occasions 	<ul style="list-style-type: none"> Encourages responsible use of the refuse/recycling service Maintains awareness about the service and value of recycling/composting Reduces chance of rejected loads at transfer station at a cost of ~£1000 per load. Removes unused brown bins from circulation

	SERVICE ISSUE	SERVICE STANDARD	ACTION	CUSTOMER IMPACT
			in 6 months. • Repeat occasions and deliberate misuse referred for enforcement	
4	Wrongly sorted recycling or composting bin identified after collection	• Customer made aware of issue with materials presented via letter, leaflet, card or personal visit	• Record made on in-cab system • Educational letter produced and sent next working day • Educational visit offered where more than 2 occasions in 6 months. • Repeat occasions and deliberate misuse referred for enforcement	• Encourages responsible use of the refuse/recycling service • Maintains awareness about the service and value of recycling/composting • Reduces chance of refused loads at transfer station at a cost of ~£1000 per load.
5	Customer identified by crew as not making effective use of recycling system	• Bin emptied • Customer made aware of issue with materials presented via letter, leaflet, card or personal visit	• Driver request Recycling Support visit in case of serious or repeat issues • Educational visit offered where more than 2 occasions in 6 months. • Repeat occasions and deliberate misuse referred for enforcement	• Enforces responsible use of the refuse/recycling service • Improved education and awareness about the service • Increased efficiency
6	Bin deemed to be beyond a reasonable weight by collection team “Heavy Bin”	• No repeat collection provided • Information in relation to reason for non-collection attached to bin Following customer contact – • Customer made aware that	• Record made on in-cab system with detail of issue • Educational letter produced and sent where appropriate • Bin emptied on next scheduled collection day for that bin if heavy items removed • Deliver by post, 2 appropriate	• Safe manual handling • Reduced potential for injury and compliance with local risk assessments and Health & Safety obligations

	SERVICE ISSUE	SERVICE STANDARD	ACTION	CUSTOMER IMPACT
		weight of bin needs reducing and that general waste can be taken to HWRC for disposal <ul style="list-style-type: none"> • Sacks offered where customer will need to contain extra recycling or refuse 	sacks and system highlighted for collection on next scheduled collection	
7	Bin reported by customer as damaged	<ul style="list-style-type: none"> • Bin replaced once fee paid. • Where bin damaged as the result of arson, this information will be shared with local fire safety team • Sacks offered where customer will need to contain extra waste or recycling • Bin replaced free of charge if damaged during collection and reported by crew 	<ul style="list-style-type: none"> • Crew record any issues on in-cab system • Replacement delivered within 5 working days following day of payment • New subscription issued where required 	<ul style="list-style-type: none"> • Maintain customer satisfaction with service • Continuity of service following damage to containers
8	Bin lost or Stolen	<ul style="list-style-type: none"> • Customer asked to complete form after bin remains lost for two weeks • Bin replaced for fee after such time • Sacks offered where customer will need to contain extra waste, recycling 	<ul style="list-style-type: none"> • Letter, bags and form delivered to customer for completion • Collection via bags arranged for subsequent two collections • Bin delivered 5 working days following return of payment 	<ul style="list-style-type: none"> • Maintain customer satisfaction with service • Reduce likelihood of unnecessary bin deliveries via two week wait
9	Waste in addition to the standard bins provided (or their sack equivalent). "Side Waste"	<ul style="list-style-type: none"> • Waste will not be collected unless contained within appropriate and approved bins supplied and authorised by this council • Information stickers attached to unauthorised containers¹ of 	<ul style="list-style-type: none"> • Exception – where cases 2,3,4 6, 7 or 8 above result in authorised sacks being used for one week only • Record of additional waste kept on in-cab system 	<ul style="list-style-type: none"> • Manual handling • Health & safety • Resident responsibility • Promotion of safe working practice

	SERVICE ISSUE	SERVICE STANDARD	ACTION	CUSTOMER IMPACT
		<p>additional waste</p> <p>Following customer contact –</p> <ul style="list-style-type: none"> • Customer made aware that general waste can be taken to HWRC for disposal • Customer made aware that additional blue bins are available for larger families who meet the criteria • Additional Residual bins for households of 6 or more who are recycling actively and cannot contain residual waste in bins supplied. Delivery charges apply. • Garden Waste Only See No.15 	<ul style="list-style-type: none"> • Information letter sent to customer where appropriate, including options around garden waste disposal • Additional and unauthorised containers will be removed and disposed of 	
10	Bin lid not closed to a reasonable degree	<ul style="list-style-type: none"> • Bin emptied where safe to do so • It may be appropriate to treat bags presented on top of wheeled bin, with lid open or closed as per additional waste (9) 	<ul style="list-style-type: none"> • Information letter sent to customer where appropriate • Driver request Recycling Support visit in case of serious or repeat issues 	<ul style="list-style-type: none"> • Health & safety compliance • Promotion of safe working practice • Prevent damage to bin
11	Street level access issue	<ul style="list-style-type: none"> • Every effort will be made by collection team to collect obstructed bins • Collection team return later same day to review access • Where feasible, bins will be walked to and collected 	<ul style="list-style-type: none"> • Arrangements made for return next working day upon failed second attempt • Where road construction or planned works prevents normal collection then temporary arrangements will 	<ul style="list-style-type: none"> • Maintain customer satisfaction with service

	SERVICE ISSUE	SERVICE STANDARD	ACTION	CUSTOMER IMPACT
		<ul style="list-style-type: none"> Upon failed later attempts record made on in-cab system <p>Vehicular obstruction</p> <ul style="list-style-type: none"> Notice left with vehicles that regularly cause an issue for collection teams Support for regular issues will be sought via local Police 	be made and customers affected informed by letter	
12	<p>Arrangements where customer cannot manage to move bins themselves.</p> <p>“Assisted Collection”</p>	<ul style="list-style-type: none"> Assisted collection provided from an agreed location on customer's property Application form to be completed Service commences week following first point of contact for a period of four weeks without completed application Bins will be collected, emptied and returned to the agreed point of collection Assisted collections will be reviewed a maximum of once every eighteen months via reapplication The council reserves the right to remove/refuse this service where other occupiers of the property can facilitate the presentation of waste An assisted collection can be 	<ul style="list-style-type: none"> Assisted collection recorded on in-cab system Crews can report requirement of and non requirement of service via in-cab system 	<ul style="list-style-type: none"> Maintains customer's ability to live independently in their own home

	SERVICE ISSUE	SERVICE STANDARD	ACTION	CUSTOMER IMPACT
		<p>refused where the nature or length of the surface over which the bin needs to be moved is considered unreasonable or unsafe. See Nos.18 and 21.</p> <ul style="list-style-type: none"> A reasonable limit will be placed on the number of garden waste subscription bins per property 		
13	Bins (and uncollected waste) not removed from collection point following collection	<ul style="list-style-type: none"> Bins/waste should be removed from the collection point by the end of the day following collection Information letters sent to repeat issues Bins removed and replaced with alternative arrangements where persistent problems are identified 	<ul style="list-style-type: none"> Letter sent to property and landlord where appropriate Officer visit as required Removal of bins a last resort solution 	<ul style="list-style-type: none"> Encourages responsible use of the refuse/recycling service Improved education and awareness about the service Increased efficiency
14	Bank holiday collection arrangements	<ul style="list-style-type: none"> One day holidays will usually result in the collection being performed one day in arrears unless other arrangements prove to be beneficial Arrangements for the Christmas and New Year will be advised each year 	<ul style="list-style-type: none"> Customers informed via website and delivery of bank holiday information. 	<ul style="list-style-type: none"> Customer well informed and confident with collection arrangements Effective service delivery
15	Request for extra waste containment	<ul style="list-style-type: none"> Families of five or more will be entitled to an additional blue bin upon application Unused or abused bins will be removed Additional clear sacks for recycling can be requested and 	<ul style="list-style-type: none"> Additional blue and green bins can be supplied upon criteria being met Blue bin supply is expected to take precedence over green bin. A record will be kept of such 	<ul style="list-style-type: none"> Increase recycling where possible Reduce impact of additional waste on local environmental quality Option of additional

	SERVICE ISSUE	SERVICE STANDARD	ACTION	CUSTOMER IMPACT
		<p>presented next to blue bins</p> <ul style="list-style-type: none"> • Garden Waste Only bins can be supplied and charged in line with Fees and Charges • Home composting promoted • Unauthorised bins will not be emptied and will be removed and disposed of. 	<p>bins supplied and regularly reviewed</p> <ul style="list-style-type: none"> • Annual charges will need to be paid in advance or bins will not be collected • Where bins are presented and not identified as authorised on the system then a record will be made on the in-cab system, the bins will be removed and an information letter will be sent to customer 	<p>waste collection for properties of multiple occupancy</p> <ul style="list-style-type: none"> • Demonstrate changes to policy as a result of customer request • To adhere to the objective of increasing recycling and reducing waste to landfill
16	Private access driveways	<ul style="list-style-type: none"> • With the exception of existing custom and practice collections are made at the Highway boundary with each property • New dwellings where this might be an issue will be considered on their individual merits and where possible, agreement sought with developer to resolve any potential issues at the planning stages in line with Recap waste guidelines • With the authority of all concerned parties and receipt of suitable indemnity appropriate private roads can be included within collections • Where access is narrow or not appropriate then an agreed point of collection will be 	<ul style="list-style-type: none"> • Supervisors will visit • General principle adhered to is that we offer a collection from the boundary of private property with the Highway, but each case is examined on its merits 	<ul style="list-style-type: none"> • Waste collection issues planned out of future developments • Service provided where possible and suitable

	SERVICE ISSUE	SERVICE STANDARD	ACTION	CUSTOMER IMPACT
		established		
17	Clinical Waste Collection Service	<ul style="list-style-type: none"> Local collection points will be advertised through shops, website and with local healthcare professionals. Where a customer qualifies for a Clinical (Hygiene) Waste Collection on medical grounds then this will be provided in addition to the standard three bin system collections. Service implemented upon request within 5 working days Service commenced for a period of three weeks prior to receipt of qualification materials Clinical Waste does not include offensive waste (Hygiene Waste) which can reasonably be accommodated with other residual waste services offered. As set out in 22 below, charges can be made for the collection of Clinical Waste. 	<ul style="list-style-type: none"> Qualification criteria may be required Weekly collection of waste in specific clinical waste containers/bins Service implemented at request within 5 working days of request Clinical Waste resulting from treatment by medical professionals will not be collected Customer offered option of an additional residual waste container where required to contain Hygiene Waste. Where charges apply, these will be waived where customers, through care in their own home, require collection of large amounts of Clinical Waste on a weekly or two-weekly basis. 	<ul style="list-style-type: none"> Compliance with duty of care Equality of service provision Enable care within their own home for those who require it Efficient and effective Clinical Waste Service Work in partnership with local business to provide the best service options
18	Bin not presented in appropriate location for collection	<ul style="list-style-type: none"> Recorded on system as 'not on boundary' One courtesy collection possible same or next working day Further occasions will result in non-collection of bin 	<ul style="list-style-type: none"> Information letter sent Location of collection to be agreed by supervisor 	<ul style="list-style-type: none"> Service efficiency

	SERVICE ISSUE	SERVICE STANDARD	ACTION	CUSTOMER IMPACT
19	Bins not present at property at change of occupier	<ul style="list-style-type: none"> Where bins have previously been delivered to a property and one or more is missing following a change of occupier then replacements will be charged for at a set fee. Current fee is set out in Fees and Charges New builds and first sets of bins are supplied at reasonable charge or purchased and provided by the developer 	<ul style="list-style-type: none"> Letter sent to new occupier Bin delivered five working days from day of payment receipt Details of Garden Waste subscription sent 	<ul style="list-style-type: none"> Reduce incidence of bins being removed from properties as customers move within or outside of the district Increased efficiencies Promote Garden Waste Service
20	Change of occupier waste issues	<ul style="list-style-type: none"> A one off courtesy collection for new occupiers is available where customers find bins full following a change of occupier at a property. 	<ul style="list-style-type: none"> Collection provided same or next working day of suitable contents of approved bins at property all waste sent for processing at Mechanical Biological Treatment plant Local household waste recycling centres will take a range of household waste delivered by householder Courtesy collection available only to property occupiers and reasonable limits apply 	<ul style="list-style-type: none"> Maintain customer satisfaction with service
21	Collections from properties on or near poor quality or extraordinary roadways including isolated and inaccessible properties	<ul style="list-style-type: none"> Where roadway, adopted or otherwise, present a risk to staff; an exceptional cost or could damage council vehicles, then the roadway will not be utilised. 	<ul style="list-style-type: none"> Alternative locations for collection will be given to customers by supervisors. 	<ul style="list-style-type: none"> Reduced risk of accident Providing an efficient and effective service to all customers

	SERVICE ISSUE	SERVICE STANDARD	ACTION	CUSTOMER IMPACT
22	Charges for waste collection	<ul style="list-style-type: none"> Where the Controlled Waste Regulations, as adopted by County Council and Fenland District Council, allow then charges will be applied and identified in Fees and Charges. 	<ul style="list-style-type: none"> Garden (organic) Waste Bulky Waste Commercial Waste Clinical Waste 	<ul style="list-style-type: none"> Service efficiency Reduced costs of collection Users of service pay for those services
23	Waste generated by Houses of Multiple Occupancy (HMO) ⁸	<ul style="list-style-type: none"> In keeping with the Council's support of recycling and the waste hierarchy, and in keeping with the license for the property, landlords of HMOs must ensure that their tenants understand and comply with the waste collection arrangements at their property, as set out within these service standards. As set out in 3, 4, 6, 9 and 10 of these service standards, waste must be contained in the containers provided and sorted and presented to allow for the maximum amount of recycling to be achieved. In line with 15 of these service standards, household of five or more will be entitled to an additional blue bin upon application and unused or abused [recycling] bins will be removed. In line with 9 of these service standards, households of 6 or 	<ul style="list-style-type: none"> Additional blue and green bins can be supplied upon criteria being met Blue bin (recycling) supply is expected to take precedence over residual waste bin A record will be kept of such bins supplied and regularly reviewed Where bins are presented and not identified as authorised on the system then a record will be made on the in-cab system, the bins will be removed 	<ul style="list-style-type: none"> Increase recycling where possible Reduce impact of additional waste on local environmental quality Option of additional waste collection for properties of multiple occupancy Provide clarity to landlords on their responsibilities To adhere to the objective of increasing recycling and reducing waste to landfill Ensure domestic waste and waste as a result of commercial activities is separate and appropriately disposed of.

	SERVICE ISSUE	SERVICE STANDARD	ACTION	CUSTOMER IMPACT
		<p>more who are recycling actively and cannot contain residual waste in bins will be supplied with an additional residual waste bin. Delivery charges apply.</p> <ul style="list-style-type: none">• Waste accumulations at properties, waste outside of these service standards, construction waste and waste generated as property occupier(s) change are not domestic waste and will need collection by approved waste carriers at the instruction of the landlord.		

Footnotes –

1. **Bins** – this term is to include all types of refuse containment approved by FDC for customer use in this system; normally historically 240lt and 140lt wheeled bins, or 90lt sacks, and can include 180lt or other size containers as the preferred waste container size. In relation to the subscription garden waste service, the container is a 240lt wheeled bin only.
2. **Collection** – attend property or normal collection point or the purpose of collecting waste as presented. The collection will be considered as having been completed by attendance regardless of whether waste is presented or not.
3. **In-cab system** – primarily on board electronic systems for the recording of events and property attributes, although the term to also include back-up paper based systems.
4. **Offensive Waste** – a category of waste including sanitary waste, nappies and incontinence pads.
5. **Wrongly sorted** – also known as incorrectly sorted and contaminated. This is to be any material deemed by the collection staff to be outside of the materials suitable for collection in the supplied container, and as a result designates the entire contents of the bin as wrongly sorted. Collection staff will use their best judgement in determining sensible levels, but will act to preserve the quality of the materials collected.
6. **Containers** – bins, sacks, boxes or otherwise that are used with or without authority to contain and present waste.
7. **Subscription** – refers to the charge identified within Fees and Charges for the collection of brown bins as part of the Fenland Garden Waste Service.
8. **HMOs** - are subject to mandatory licensing in line with section 55(2)(a) of the Housing Act 2004 and the Licensing of Houses in Multiple Occupation (Mandatory Conditions of Licences) (England) Regulations 2018. As defined in legislation, an HMO (including flats) is a property occupied by five or more persons, from two or more separate households.

«Title» «Last_Name»
«Pharmacy_Name» «Company_Name»
«Address_Line_1»
«Address_Line_2»
«City»
«State»
«ZIP_Code»

Mark Mathews
Tel: 01354 602164
Email: mmathews@fenland.gov.uk

21 November 2018

Our Ref: MM/SE

Dear «Title» «Last_Name»

Community Pharmacy Enhanced Service for Domestic Returned Used Sharps

Following changes to the NHS contract and the collection of used sharps from pharmacies there is a potential issue for patients on how best to safely dispose of their used sharps.

As you will be aware, the storage, carriage and supply of waste are all subject to stringent controls designed to minimise the negative effects of waste on the environment, the public and people required to handle the waste. All community pharmacies provide patients with a service to dispose of unwanted medicines as part of the NHS contractual framework; this does not however cover the disposal of sharps generated by self-medicating patients who use lancets for blood testing, or needles and syringes for the administration of parenteral medicines.

It is important for sharps to be disposed of safely, as inappropriate disposal methods create a risk of accidental needle-stick injuries to pharmacy staff, people handling the waste and members of the public, potentially leading to infection with blood-borne diseases.

Local authorities are obliged to collect clinical waste from householders on request and under section 45(3)(b) of the Environmental Protection Act 1990 they may make a reasonable charge for this service.

The authorities represented by the Recap (Cambridgeshire and Peterborough) Waste Partnership wish to make arrangements for a collection and disposal service for self-medicating patients prescribed with sharps in order to facilitate safe disposal. The details are provided within the attached agreement which will run for 3 years, upon agreement from the pharmacy manager/pharmacist and the relevant local authority and will attract an annual payment for the service provided. The collection and the disposal of the returned sharps containers will be the responsibility of the local authority at a frequency decided in cooperation with the pharmacy manager/pharmacist locally.

Mark Mathews
Head of Environmental Services

Appendix Z

Enhanced Service in Community Pharmacy

Disposal of Used Sharps

1. Service Description

- 1.1 Community pharmacies will continue to supply sharps bins to patients in the usual manner when presented with a valid prescription from a prescriber. This service does not propose to circumvent this means of supply
- 1.2 Community pharmacies will subsequently provide a collection point service for these self-medicating patients generated sharps in order to facilitate its safe disposal. Self-medicating patients will return filled and sealed sharps bins to the pharmacy.
- 1.3 The community pharmacy will safely store the returned sealed sharps bins in a storage container provided by «Authority_Name» until the collection by the nominated waste disposal collection company.
- 1.4 A licensed waste management contractor has been commissioned by Cambridgeshire County Council and will collect on a regular / agreed basis. In cases of increased demand then arrangements will be put in place for increased frequency or collections upon agreement.

2. Service Aims

- 2.1 To provide self-medicating patients with a safe and convenient route for the disposal of sharps.
- 2.2 To support Cambridgeshire and Peterborough self-medicating patients to remain in their own homes and the NHS in reducing costs and patient journeys to centres of treatment.
- 2.3 To reduce the potential environmental damage and risk to public health caused by the use of inappropriate disposal methods for sharps.
- 2.4 To ensure customers understand the correct means of sharps disposal and reduce the risk of sharps being disposed of within unsuitable waste streams.
- 2.5 To reduce the volume of sharps stored in patients' homes, by providing convenient route for disposal, thus reducing the risk of accidental needle-stick injuries.
- 2.6 To improve the health of people within the waste industry locally and local communities by preventing the potential spread of blood-borne infections by enabling the safe disposal of sharps.

Appendix Z

- 2.7 To reduce the risk of needle stick injury in the community and inappropriate disposal of used injectable sharps.

3. Agreement Period

- 3.1 This agreement is between the Pharmacy Contractor and «Authority_Name» and will commence on «Contract_Start_Date» and will continue indefinitely provided the service continues to be commissioned.
- 3.2 It will be subject to a review on a 3 year basis by The Authority and Community Pharmacy Cambridgeshire and Peterborough.
- 3.3 The agreement may be terminated, without penalty, if the Pharmacy or The Authority provides the other with 3 months' notice in writing.
- 3.4 The frequency of waste collection by the waste disposal contractor will be on a regular / agreed basis to ensure there is not an unacceptable build-up of sharps on the pharmacy premises. The Pharmacy Contractor can request additional waste collections if there is an unexpected rise in patient returns.
- 3.5 The Pharmacy Contractor has a duty to ensure that pharmacists and staff involved in the provision of the service have relevant knowledge and are appropriately trained in the operation of the service, including sensitive, client-centred communication skills and data protection duties.
- 3.6 Whilst maintaining the confidentiality of the service users, the Pharmacy Contractor will maintain adequate records of sharps bins supplied, sharps bins returned, and sharps bins consigned for collection and disposal. As it will not be possible to assess the risk of infection from the sharps, all returned sharps containers will be consigned as hazardous waste.
- 3.7 The Pharmacy Contractor will comply with all relevant waste management legislation and its requirements; including Hazardous Waste Consignment Notes, and Consignee Returns to the producer where required.
- 3.8 The Pharmacy Contractor will have a standard operating procedure in place for this service. The Pharmacy Contractor has a duty to ensure that pharmacists and staff are aware of and operate within national and locally agreed protocols.
- 3.9 The Pharmacy Contractor will nominate a named individual to act as the lead for the service, who will oversee compliance with health and safety waste and environmental legislation.
- 3.10 The Pharmacy Contractor will ensure that their staff are made aware of the risk associated with the handling of returned used equipment and the correct procedures used to minimise those risks.
- 3.11 A needle stick injury procedure will be in place.
- 3.12 The Pharmacy Contractor will maintain appropriate records to ensure effective

Appendix Z

ongoing service delivery and audit.

- 3.13 Appropriate protective equipment, including gloves, overalls and materials to deal with spillages will be readily available close to the storage site.
- 3.14 The Pharmacy Contractor will complete required risk assessments and ensure adequate controls are in place, which may include provision of Hepatitis B injections for all staff involved in the handling of presented sharps containers, the safe storage of returned bins, and recording the transfer of bins to the disposal collection company.
- 3.15 Where required, and not covered by existing contracts or arrangements, «Authority_Name» will pay £120 towards required immunisations, records of which should be kept for the period of the agreement by the Pharmacy Contractor.
- 3.16 The Pharmacy Contractor provider of this service will comply with the General Pharmaceutical Council Standards of Conduct, ethics and performance at all times.

4. Training

- 4.1 The Pharmacy Contractor has a duty to ensure that pharmacists and staff involved in the provision of the service have relevant knowledge and are appropriately trained in the operation of the service.
- 4.2 This training must be recorded and updated annually. Evidence is to be recorded.
- 4.3 All Pharmacy Contractor staff will have read and signed the SOP, and reviewed annually.
- 4.4 All pharmacy contractor staff will have signed the needle stick injury policy, and reviewed annually.

5. Record Keeping

- 5.1 The Pharmacy Contractor will maintain records as specified by «Authority_Name» either in paper or electronic format and provide access to the records when reasonably requested to.
- 5.2 The Pharmacy Contractor will comply with any legal reporting requirements as required under the Health Technical Memorandum (HTM) 07-01, and retain consignment notes from the waste collection contractor. These should be retained and remain accessible for 5 years.

6. Quality Indicators

- 6.1 The Pharmacy Contractor will review its standard operating procedures and the referral pathways for the service on an annual basis.
- 6.2 The Pharmacy Contractor participates in a Recap authority audit of service

Appendix Z

provision.

7. Financial Details

The Pharmacy Contractor commissioned to provide this service will receive an **annual fee of £600** for each full year.

Bank	
Address	
Sort Code	
Account Number	

This will be paid by BACS by «Authority_Name» within the first quarter of each service year running from 1st April to 31st March each year (or 1/12 of the agreed annual fee for months forming part of an agreed year).

Authorisation

This document constitutes the agreement between the Pharmacy Contractor and «Authority_Name» in regards to the above service level agreement.

We agree to abide by the conditions laid out in the agreement:


Name of Pharmacy Contractor		
Address		
Signature on behalf of the Pharmacy Contractor	Name (please print)	Date
Signature of behalf of «Authority_Name»	Name (please print)	Date

Appendix Z

Appendix 1

Pharmacy record form

Pharmacy Name			Month		
Date of transaction	Medical condition generating sharps e.g. diabetes	Initials of patient or representative returning bin	Staff signature	Number and size of sharps box returned	
				Number	Size

Agenda Item No:	6	
Committee:	Cabinet	
Date:	13 December 2018	
Report Title:	Council Tax Reduction Scheme (CTRS) – 2019/20	

Cover sheet:

1 Purpose / Summary

Each year the Council is required to review its Council Tax Reduction (CTR) Scheme. This report advises Cabinet of this year's review and proposals for the CTRS to take effect from 1 April 2019.

2 Key issues

- No changes are being proposed to the CTRS for 2019-20.

3 Recommendations

It is recommended to Council that:

- The Council Tax Reduction Scheme effective from 1 April 2019 as set out in Section 2 and at Appendix A to this report be approved.

Wards Affected	All
Forward Plan Reference	This item is included in the Forward Plan
Portfolio Holder(s)	Cllr Chris Seaton – Leader of the Council Cllr Mrs Anne Hay – Portfolio Holder for Finance
Report Originator(s)	Sam Anthony – Head of HR & OD
Contact Officer(s)	Kamal Mehta – Interim Corporate Director and Chief Finance Officer Sam Anthony – Head of HR & OD
Background Paper(s)	None

Report:

1 Introduction

- 1.1 Before April 2013, Council Tax Benefit (CTB) was a nationally controlled scheme administered by District and Unitary Councils that give reductions from Council Tax to people on low incomes according to set criteria specified by regulations. The maximum reduction was 100%.
- 1.2 The costs of CTB were fully reimbursed to the Council by the DWP, so that if demand rose or fell, the Council did not bear the costs of these changes.
- 1.3 CTB was localised and replaced by CTR in April 2013. At the same time, Government funding was reduced and CTR was localised, coming under the control of District and Unitary Councils. Whilst pensioners were protected and regulations specified that they must still receive up to 100% CTR, this protection did not apply to working age people.
- 1.4 Unlike CTB, the costs of CTR are borne by Councils. Funding is given by the Government, but this is fixed each year so that Councils bear the costs of an increase in demand but gain from reduced demand.
- 1.5 The implementation of CTR left Fenland with a funding gap, that potentially saw working age customers only being entitled to 80% CTR. However, Members considered the options available to help increase CTR and were able to implement a scheme in 2013-14 that saw working age customers be entitled to up to 91.5% of CTR; in two ways.
- 1.6 Members primarily met the funding shortfall by revising Council Tax exemptions on empty properties, permitted by regulations that changed in 2013. This meant that the Council would no longer give a Council Tax reduction for most empty domestic properties.
- 1.7 The funding shortfall was further closed by a one-off transitional Government grant that applied in 2013-14 only.
- 1.8 In 2014-15 this grant was not available. With demand for CTR not growing as much as was predicted for 2013-14, Members were able to revise the CTRS to feature a reduction of 14% CTR for working age customers.
- 1.9 Further annual reviews determined that the CTR remained at 14% in 2015-16 and 2016-17.

- 1.10 As part of the FDC-CSR1 process, Members asked Officers to look at the option of increasing the reduction from 14% to 20%. This option was considered by Overview and Scrutiny Panel on 28 November 2016 as part of the review of the CTRS for 2017-18. Members decided to retain the 14% reduction for 2017-18 and this was formally approved by Council on 15 December 2016.
- 1.11 The annual review for 2018-19 retained the 14% CTRS.

2 Reviewing the current CTRS

- 2.1 Councils are required to review operation of their CTRS each year. Where a change is proposed, we are required to undertake customer consultation; the results of which assist in the final decision made by the Council regarding the CTRS next year.
- 2.2 The existing Scheme has provision to incorporate DWP welfare reforms and to uprate allowances etc in line with DWP so as to achieve harmonisation with the prescribed Local CTRS for Pensioners as well as Housing Benefit. Officers have reviewed the existing scheme and are recommending that it does not change for 2019-20.
- 2.3 The small changes made to the current scheme during the review for 2018-19 have worked well – harmonising to DWP welfare reforms and uprating, as well as removing the stipulation that customers must make a separate claim for Council Tax Reduction when claiming Universal Credit, thereby making the Scheme compatible with the introduction and planned expansion of Universal Credit.
- 2.4 Continuing with the existing Scheme enables compliance with DWP benefits and the introduction and planned expansion of Universal Credit.
- 2.5 Consequently, it is proposed not to change the existing 14% reduction level.

3 Consulting about our proposals

- 3.1 As there are no changes proposed to the CTRS for 2019-20, there is no requirement for any customer consultation.

4 The impact of CTRS to date

- 4.1 CTRS with its associated gap between Council Tax payable and the maximum help working age people can receive has been in operation now for four full years and we are mid-way through the fifth year of its operation.
- 4.2 The table below shows how the amount of CTR awarded and numbers of customers claiming it have changed since CTRS was introduced in 2013:-

CTRS cases and amount awarded			
Date	CTR awarded	Working age claims	Pensioner claims
1/11/13	£7.68 million	4,682	4,727
1/11/14	£7.49 million	4,641	4,539
1/11/15	£7.33 million	4,487	4,281
1/11/16	£7.10 million	4,063	4,064
1/11/17	£6.97 million	4,170	3,920
1/11/18	£7.05 million	4,232	3,702
Change in last year	1.15% £0.08 million	+1.49% +62	-5.56% -218

- 4.3 The reduction in pensioner claims above and similar increase in working age claims is primarily a result of the gradual increase in the state retirement age, resulting in there being fewer pensioners.

5 Overview and Scrutiny

- 5.1 A report detailing the annual review of CTRS and proposals for the 2019-20 CTRS will be presented to the Overview and Scrutiny Panel at its meeting on 10 December 2018.
- 5.2 Members will be updated at the meeting of any comments Overview and Scrutiny have on the proposed scheme for 2019-20.

6 The Final Council Tax Support Scheme for 2019-20

- 6.1 The Council is required under the Local Government Finance Act 2012 to make a Council Tax reduction scheme each year. The Council will refer to this scheme as a Council Tax Reduction Scheme.
- 6.2 The scheme for 1 April 2019 onwards for determination by Council is attached as Appendix A to this report.

APPENDIX A



Fenland District Council

Council Tax Reduction Scheme 2019/2020

S13A and Schedule 1a of the Local Government Finance Act 1992

1.0	Introduction to the Council Tax Reduction Scheme (Council tax reduction)	8
2.0	Interpretation	9
3.0	Application of scheme: pensioners and persons who are not pensioners	16
4.0	Meaning of “couple”	16
5.0	Polygamous marriages	17
6.0	Meaning of “family”	16
7.0	Circumstances in which a person is to be treated as responsible or not responsible for another ..	17
8.0	Households	17
9.0	Non-dependants	18
10.0	Remunerative work	19
	PART 3 Procedural Matters	21
11.0	Procedure for reduction applications and appeals against reduction decisions	21
	PART 4 Classes of person entitled to a reduction under this scheme	21
12.0	Classes of person entitled to a reduction under this scheme	21
13.0	Class A: pensioners whose income is no greater than the applicable amount	21
14.0	Class B: pensioners whose income is greater than the applicable amount	21
15.0	Class C: alternative maximum council tax reduction – pensioners	22
16.0	Class D: persons who are not pensioners whose income is less than the applicable amount	22
17.	Class E: persons who are not pensioners whose income is greater than the applicable amount ...	22
18.0	Class F: alternative maximum council tax reduction – persons who are not pensioners	23
A19.	No longer used.....	23
19.0	Periods of absence from a dwelling	23
19A	Transitional Provision	27
	PART 5 Classes of person excluded from this scheme	28
20.0	Classes of person excluded from this scheme	28
21.0	Class of person excluded from this scheme: persons treated as not being in Great Britain	28
22.0	Class of person excluded from this scheme: persons subject to immigration control	29
23.0	Class of person excluded from this scheme: capital limit.....	30
24.0	Class of person excluded from this scheme: students	30
	PART 6 Applicable amounts.....	30
25.0	Applicable amounts: pensioners	30
26.0	Applicable amounts: persons who are not pensioners	30
27.0	Polygamous marriages: persons who are not pensioners.....	31
27A	Transitional provisions for restrictions on amounts children and young persons.....	32
28.0	Applicable amount: persons who are not pensioners who have an award of universal credit	33
	PART 7 Maximum council tax reduction for the purposes of calculating eligibility for a reduction under this scheme and amount of reduction	34
29.0	Maximum council tax reduction amount under this scheme: pensioners and war pensioners	34
30.0	Non-dependant deductions: pensioners and persons who are not pensioners	34
	PART 8 Alternative maximum council tax reduction for the purposes of calculating eligibility for a reduction under this scheme and amount of reduction	36

31.0 Alternative maximum council tax reduction under this scheme: pensioners and persons who are not pensioners.....	36
PART 9 Amount of reduction under this scheme	37
32.0— Amount of reduction under this scheme: Classes A to F	37
PART 10 Income and capital for the purposes of calculating eligibility for a reduction under this scheme and amount of reduction	38
CHAPTER 1 Income and capital: general	38
33.0 Calculation of income and capital: applicant's family and polygamous marriages	38
34.0 Circumstances in which income and capital of non-dependant is to be treated as applicant's	38
CHAPTER 2 Income and capital: pensioners in receipt of guarantee credit or savings credit.....	38
35.0 Applicant in receipt of guarantee credit: pensioners	38
36.0 Calculation of applicant's income and capital in savings credit only cases: pensioners	38
CHAPTER 3 Income and capital where there is an award of universal credit	40
37.0 Calculation of income and capital: persons who are not pensioners who have an award of universal credit.....	40
CHAPTER 4 Income: other pensioners.....	40
38.0 Calculation of income and capital where state pension credit is not payable: pensioners	40
39.0 Meaning of “income”: pensioners.....	40
40.0 Calculation of weekly income: pensioners	43
41.0 Earnings of employed earners: pensioners	44
42.0 Calculation of net earnings of employed earners: pensioners.....	45
43.0 Calculation of earnings of self-employed earners: pensioners	46
44.0 Earnings of self-employers earners: pensioners	47
45.0 Notional income: pensioners.....	47
46.0 Income paid to third parties: pensioners	49
CHAPTER 5 Income: persons who are not pensioners	49
47.0 Average weekly earnings of employed earners: persons who are not pensioners.....	49
48.0 Average weekly earnings of self-employed earners: persons who are not pensioners.....	50
49.0 Average weekly income other than earnings: persons who are not pensioners	50
50.0 Calculation of weekly income of employed earners: persons who are not pensioners.....	50
51.0 Earnings of employed earners: persons who are not pensioners	51
52.0 Calculation of net earnings of employed earners: persons who are not pensioners.....	52
53.0 Earnings of self-employed earners: persons who are not pensioners	53
54.0 Calculation of income other than earnings: persons who are not pensioners	53
55.0 Capital treated as income: persons who are not pensioners	55
56.0 Notional income: persons who are not pensioners	55
CHAPTER 6 Income: further provisions applying to pensioners and persons who are not pensioners ..	58
57.0 Calculation of income on a weekly basis	58
58.0 Treatment of child care charges	58
59.0 Calculation of weekly income from tax credits	63
60.0 Disregard of changes in tax, contributions etc.	63

61.0 Calculation of net profit of self-employed earners	64
62.0 Calculation of deduction of tax and contributions of self-employed earners	66
CHAPTER 7 Capital	66
63.0 Calculation of capital	66
64.0 Income treated as capital: persons who are not pensioners	67
65.0 Calculation of capital in the United Kingdom	67
66.0 Calculation of capital outside the United Kingdom	67
67.0 Notional capital	68
68.0 Diminishing notional capital rule: pensioners	69
69.0 Diminishing notional capital rule: persons who are not pensioners	72
70.0 Capital jointly held	74
71.0 Calculation of tariff income from capital: pensioners	74
72.0 Calculation of tariff income from capital: persons who are not pensioners	74
PART 11 Students	75
CHAPTER 1 General	75
73.0 Interpretation	75
74.0 Treatment of students	78
75.0 Students who are excluded from entitlement to a reduction under this scheme	78
CHAPTER 2 Income	80
76.0 Calculation of grant income	80
77.0 Calculation of covenant income where a contribution is assessed	81
78.0 Covenant income where no grant income or no contribution is assessed	81
79.0 Relationship with amounts to be disregarded under Schedule 8	81
80.0 Other amounts to be disregarded	82
81.0 Treatment of student loans	82
82.0 Treatment of payments from access funds	83
83.0 Disregard of contribution	84
84.0 Further disregard of student's income	84
85.0 Income treated as capital	84
86.0 Disregard of changes occurring during summer vacation	84
PART 12 Extended reductions	85
CHAPTER 1 Extended reductions: pensioners	85
87.0 Extended reductions: pensioners	85
88.0 Extended reductions (qualifying contributory benefits): pensioners	85
89.0 Duration of extended reduction period (qualifying contributory benefits): pensioners	85
90.0 Amount of extended reduction (qualifying contributory benefits): pensioners	86
91.0 Extended reductions (qualifying contributory benefits)—movers: pensioners	86
92.0 Relationship between extended reduction (qualifying contributory benefits) and entitlement to a reduction by virtue of classes A to C	86
93.0 Continuing reductions where state pension credit claimed: pensioners	87
CHAPTER 2 Extended reductions: persons who are not pensioners	87

94.0 Extended reductions: persons who are not pensioners	87
95.0 Extended reductions: persons who are not pensioners	87
96.0 Duration of extended reduction period: persons who are not pensioners.....	89
97.0 Amount of extended reduction: persons who are not pensioners	89
98.0 Extended reductions—movers: persons who are not pensioners	89
99.0 Relationship between extended reduction and entitlement to a reduction by virtue of classes D to F.....	89
100.0— Extended reductions (qualifying contributory benefits): persons who are not pensioners	89
101.0 Duration of extended reduction period (qualifying contributory benefits): persons who are not pensioners	90
102.0— Amount of extended reduction (qualifying contributory benefits): persons who are not pensioners	90
103.0 Extended reductions (qualifying contributory benefits)—movers: persons who are not pensioners	91
104.0 Relationship between extended reduction (qualifying contributory benefits) and entitlement to reduction by virtue of classes D to F	91
CHAPTER 3 Extended reductions: movers in the authority's area	91
105.0 Extended reductions: applicant moving into the authority's area	91
PART 13 When entitlement begins and change of circumstances	92
106.0 Date on which entitlement begins	92
107.0 Date on which change of circumstances is to take effect	92
107A When beneficial changes of circumstances take effect	93
107B Conditions for accepting a delay in notification of a change	93
108.0 Change of circumstances where state pension credit in payment.....	94
PART 14 Application (including duties to notify authority of change of circumstances)	96
109.0 Making an application	96
110.0 Date on which an application is made.....	97
111.0 Back-dating of applications: pensioners.....	99
112.0 Back-dating of applications: persons who are not pensioners.....	99
113.0 Information and evidence	99
113A SUSPENSION AND TERMINATION OF REDUCTION AND OTHER MATTERS, : persons who are not pensioners	101
114.0 Amendment and withdrawal of application.....	102
114A Nil award of Council Tax Reduction.....	102
115.0 Duty to notify changes of circumstances	102
PART 15 Decisions by authority.....	104
116.0 Decision by authority.....	104
117.0 Notification of decision	104
PART 16 Circumstances in which a payment may be made	105
118.0— Payment where there is joint and several liability.....	105
Schedule 1	106
Procedural matters.....	106

PART 1 Procedure by which a person may apply for a reduction under this scheme	107
PART 2 Procedure by which a person may make an appeal against certain decisions of the authority	108
PART 3 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act.....	108
PART 4 Electronic communication	108
Schedule 2	111
Applicable amounts: pensioners	111
1. Personal allowance	112
2.— Child or young person amounts	112
3. Family premium	113
4. Premiums.....	113
6.— Severe disability premium	114
7.Enhanced disability premium	115
8. Disabled child premium	116
9. Carer premium	116
10. Persons in receipt of concessionary payments	116
11. Person in receipt of benefit	116
12.Amounts of premium specified	116
Schedule 3	118
Applicable amounts: persons who are not pensioners	118
Personal allowances	119
Family premium.....	120
Premiums.....	121
9. Disability premium	122
10. Additional condition for the disability premium	122
11. Severe disability premium	124
12. Enhanced disability premium	125
13. Disabled child premium.....	125
14. Carer premium	126
15. Persons in receipt of concessionary payments	126
16. Persons in receipt of benefit for another	126
17. Amounts of Premiums Specified	126
18. The components	128
Schedule 4	131
Amount of alternative maximum council tax reduction: pensioners and persons who are not pensioners	132
Schedule 5	134
Sums disregarded from applicant's earnings: pensioners.....	135
Schedule 6	139
Amounts to be disregarded in the calculation of income other than earnings: pensioners	140

Schedule 7	144
Sums disregarded in the calculation of earnings: persons who are not pensioners	145
Schedule 8	150
Sums disregarded in the calculation of income other than earnings: persons who are not pensioners	150
Schedule 9	162
Capital disregards: pensioners	163
Capital disregarded only for the purposes of determining deemed income	169
Schedule 10	170
Capital disregards: persons who are not pensioners	171
Schedule 11	181
Additional awards due to exceptional and/or extreme Hardship	182

PART 1 Introduction

1.0 Introduction to the Council Tax Reduction Scheme (Council tax reduction)

This document details how the scheme will operate for both pension credit age and working age applicants and in accordance with Section 13a of the Local Government Finance Act 1992 specifies the classes of person who are to be entitled to a reduction under the scheme and is effective from 1st April 2019.

This Council Tax Reduction Scheme has been adopted by the council and takes effect for the year commencing 1st April 2019. The Council reserves the right to review the scheme in respect of subsequent years.

The scheme in respect of pension age applicants is defined by Central Government within the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 and the Local Government Finance Act 1992 (as amended). The Council has **no** discretion in relation to the calculation of council tax reduction in respect of the pension age scheme and it is designed to provide broadly the same level of support provided within the previous (Council Tax Benefit) scheme.

The rates for pensioners will be up-rated by the relevant Statutory Instrument each year in line with the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) as applicable. Further amendments to the Scheme for pensioners may also be prescribed and will therefore have to be adopted. With effect from 6th December 2018 further changes to Applicable Amounts will come into force due to the rising pensionable age`.

The rates for non-pensioners will be up-rated each year in line with Department for Work & Pensions social security benefit up-ratings issued each year by the relevant Statutory Instrument.

PART 2 Interpretation

2.0 Interpretation

(1) In this scheme—

“the 1992 Act” means the Local Government Finance Act 1992;

“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 1996⁴;

“an AFIP” means an armed forces independence payment payable in accordance with an armed and reserve forces compensation scheme established under section 1(2) of the Armed Forces (Pensions and Compensation) Act 2004;

“alternative maximum council tax reduction” means the amount determined in accordance with paragraph 31 and Schedule 4:

“applicable amount” means

(a) in relation to a pensioner, the amount calculated in accordance with paragraph 25 and Schedule 2; and

(b) in relation to a person who is not a pensioner, the amount calculated in accordance with

(i) paragraph 26 and Schedule 3; or

(ii) paragraph 28, as the case may be;

“applicant” means a person who has made an application;

“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

(a) in relation to pensioners:

(i) in relation to the earnings of a self-employed earner, the period determined in accordance with paragraph 43 for the purpose of calculating the weekly earnings of the applicant; or

(ii) in relation to any other income, the period determined in accordance with paragraph 40 for the purpose of calculating the weekly income of the applicant;

(b) in relation to persons who are not pensioners, such period as is set out in paragraphs 47 to 49 over which income falls to be calculated;

“attendance allowance” means

(a) an attendance allowance under Part 3 of the SSCBA;

(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;

“the authority” means a billing authority in relation to whose area this scheme has effect by virtue of paragraph 4(6) of Schedule 1A to the 1992 Act;

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

“the benefit Acts” means the SSCBA, the Jobseekers Act 1995, the State Pension Credit Act 2002, 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 SSCBA;

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

“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 are charged;

“contributory employment and support allowance” means an allowance under Part 1 of the Welfare Reform Act 2007(d) as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the Welfare Reform Act 2012(e) that remove references to an income-related allowance and a contributory allowance under Part 1 of the Welfare Reform Act 2007 as that Part has effect apart from those provisions;

“council tax benefit” means council tax benefit under Part 7 of the SSCBA;

“couple” has the meaning given by paragraph 4;

“designated office” means the office of the authority designated by it for the receipt of application;

(a) by notice upon or with a form supplied by it for the purpose of making an application; or

(b) by reference upon or with such a form to some other document available from it and sent by electronic means or otherwise on application 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 SSCBA;

“earnings” has the meaning given by paragraph 41, 44, 51 or 53 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 SSCBA 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;

“the Employment, Skills and Enterprise Scheme” means a scheme under section 17A (schemes for assisting persons to obtain employment: ““work for your benefit”” schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to assist claimants for jobseekers allowance to obtain employment, including self-employment, and which may include for any individual work-related activity (including work experience or job search);

“employment zone” means an area within Great Britain designated for the purposes of section 60 of the Welfare Reform and Pensions Act 1999 and an **“employment zone programme”** means a programme established for such an area or areas designed to assist claimants for a jobseeker's allowance to obtain sustainable employment;

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

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

under Part 12 (extended reductions);

“extended reduction period” means the period for which a person is in receipt of an extended reduction in accordance with paragraph 89, 96 or 101;

“extended reduction (qualifying contributory benefits)” means a reduction under this scheme for which a person is eligible in accordance with paragraph 88 or 95;

“family” has the meaning given by paragraph 6;

“the Fund” means moneys made available from time to time by the Secretary of State for the benefit of persons eligible for payment in accordance with the provisions of a scheme established by him on 24th April 1992 or, in Scotland, on 10th April 1992;

“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) (injury benefits) or 29(1)(a) (death benefits) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011;

“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; and
- (c) in Scotland means an independent health care service as defined by section 10F of the National Health Service (Scotland) Act 1978;

“the Independent Living Fund (2006)” means the Trust of that name established by a deed dated 10th April 2006 and made between the Secretary of State for Work and Pensions of the one part and Margaret Rosemary Cooper, Michael Beresford Boyall and Marie Theresa Martin of the other part;

“invalid carriage or other vehicle” means a vehicle propelled by a petrol engine or by electric power supplied for use on the road and to be controlled by the occupant;

“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 paragraph 29;

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

“member of the work-related activity group” means a person who has or is treated as having limited capability for work under either—

(a) Part 5 of the Employment and Support Allowance Regulations 2008 other than by virtue of regulation 30 of those Regulations; or

(b) Part 4 of the Employment and Support Allowance Regulations 2013 other than by virtue of regulation 26 of those Regulations;

“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) in relation to pensioners, a supplement to which paragraph 5(1)(a)(vii) of Schedule 5 refers;

(b) in relation to persons who are not pensioners, a supplement to which paragraph 13 of Schedule 8 refers;

“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 the authority to a dwelling in the area of a second authority;

“net earnings” means such earnings as are calculated in accordance with paragraph 42 or 52, as the case may be;

“net profit” means such profit as is calculated in accordance with paragraph 61;

“new dwelling” means, for the purposes of the definition of “second authority” and paragraphs 91, 98 and 103, 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 paragraph 9;

“occasional assistance” means any payment or provision made by a local authority, the Welsh Ministers or the Scottish Ministers for the purposes of:

(a) meeting, or helping to meet an immediate short-term need—

(i) arising out of an exceptional event or exceptional circumstances, or

(ii) that needs to be met to avoid a risk to the well-being of an individual, and

(b) enabling qualifying individuals to establish or maintain a settled home, and—

(i) **“local authority”** has the meaning given by section 270(1) of the Local Government Act 1972; and

(ii) **“qualifying individuals”** means individuals who have been, or without the assistance might otherwise be

(aa) in prison, hospital, an establishment providing residential care or other institution, or

(bb) homeless or otherwise living an unsettled way of life; and **“local authority”** means a local authority in England within the meaning of the Local Government Act 1972;

“occupational pension” means any pension or other periodical payment under an occupational pension scheme but does not include any discretionary payment out of a fund established for relieving hardship in particular cases;

“occupational pension scheme” has the same meaning as in section 1 of the Pension Schemes Act 1993;

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

(a) where that person is a member of a couple, the other member of that couple;

(b) subject to paragraph (c), where that person is polygamously married to two or more members of his household, any such member to whom he is married; or

(c) where that person is polygamously married and has an award of universal credit with the other party to the earliest marriage that still subsists, that other party to the earliest marriage;

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

“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 paragraph 3(2)(a);

“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 paragraph 21;

“person who is not a pensioner” has the meaning given by paragraph 3(2)(b);

“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 paragraph 5 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 person” means a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, 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;

“reduction week” means a period of seven consecutive days beginning with a Monday and ending with a Sunday;

“relative” means a close relative, grandparent, grandchild, uncle, aunt, nephew or niece;

“relevant benefit”, is to be construed in accordance with Regulation 7(2)(i) of The Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001

“relevant week”, in relation to any particular day, means the week within which the day in question falls;

“remunerative work” has the meaning given by paragraph 10;

“rent” means **“eligible rent”** to which regulation 12 of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 ³⁷ refer, less any deductions in respect of non-dependants which fall to be made under paragraph 30 (non-dependant deductions);

“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(e);

“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(f);

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

“self-employed earner” is to be construed in accordance with section 2(1)(b) of the SSCBA;

“self-employment route” means assistance in pursuing self-employed earner's employment whilst participating in:

(a) an employment zone programme;

(b) a programme provided by or under arrangements made pursuant to section 2 of the Employment and Training Act 1973 (functions of the Secretary of State) or section 2 of the Enterprise and New Towns (Scotland) Act 1990 (functions in relation to training for employment, etc.); or

(c) the Employment, Skills and Enterprise Scheme;

“shared parental leave” means leave under section 75E or 75G of the Employment Rights Act 1996;

“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 ⁴⁸ out of sums allocated to it for distribution under that section;

“the SSCBA” means the Social Security Contributions and Benefits Act 1992;

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

“student” has the meaning given by paragraph 73;

“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, 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;

“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 pensioner” means a person in receipt of a war 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 ⁵¹, 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;

“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 SSCBA.

(2) In this scheme, where an amount is to be rounded to the nearest penny, a fraction of a penny must be disregarded if it is less than half a penny and must otherwise be treated as a whole penny.

(3) For the purpose of this scheme, a person is on an income-based jobseeker's allowance on any day in respect of which an income-based jobseeker's allowance is payable to him and on any day:

(a) in respect of which he satisfies the conditions for entitlement to an income-based jobseeker's allowance but where the allowance is not paid 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);

(b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income-based jobseeker's allowance is payable to him or would be payable to him but for section 19 or 19A or regulations made under section 17A or 19B of that Act; or

(c) 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).

(4) For the purposes of this scheme, a person is on an income-related employment and support allowance on any day in respect of which an income-related employment and support allowance is payable to him and on any day:

(a) in respect of which he satisfies the conditions for entitlement to an income-related employment and support allowance but where the allowance is not paid in accordance with section 18 of the Welfare Reform Act 2007 (disqualification); or

(b) which is a waiting day for the purposes of paragraph 2 of Schedule 2 to that Act (employment and support allowance: supplementary provisions) 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.

(5) For the purposes of this scheme, two persons must be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.

- (6) In this scheme, references to any person in receipt of state pension credit includes a person who would be in receipt of state pension credit but for regulation 13 of the State Pension Credit Regulations 2002 (small amounts of state pension credit).
- (7) In these Regulations, references to a person in class A, B or C (as the case may be) is a reference to class A, B or C described in paragraphs 2 to 4 of Schedule 1
- (8) References in these Regulations to an applicant participating as a service user are to—
 - (a) a person who is being consulted by or on behalf of—
 - (i) a body which has a statutory duty to provide services in the field of health, social care or social housing; or
 - (ii) 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;
 - (aa) a person who is being consulted by or on behalf of—
 - (i) the Secretary of State in relation to any of the Secretary of State's functions in the field of social security or child support or under section 2 of the Employment and Training Act 1973(d); or
 - (ii) a body which conducts research or undertakes monitoring for the purpose of planning or improving such functions, in their capacity as a person affected or potentially affected by the exercise of those functions or the carer of such a person; or
 - (b) the carer of a person consulted as described in sub-paragraph (a) or (aa) where the carer is not being consulted as described in that sub-paragraph.

3.0 Application of scheme: pensioners and persons who are not pensioners

- (1) This scheme applies to—
 - (a) pensioners who fall within any of classes A to C; and
 - (b) persons who are not pensioners who fall within any of classes D to F.
- (2) In this scheme:
 - (a) a person is a "pensioner" if—
 - (i) he has attained the qualifying age for state pension credit; and
 - (ii) he is not and, if he has a partner, his partner is not—
 - (aa) a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance, or
 - (bb) a person with an award of universal credit; and
 - (b) a person is a "person who is not a pensioner" if—
 - (i) he has not attained the qualifying age for state pension credit; or
 - (ii) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is—
 - (aa) a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance, or
 - (bb) a person with an award of universal credit.

4.0 Meaning of "couple"

- (1) In this scheme "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 a married couple.

5.0 Polygamous marriages

- (1) This paragraph applies to any case where—
 - (a) a person is a husband or wife by virtue of a marriage entered into under a law which permits polygamy; and
 - (b) either party to the marriage has for the time being any spouse additional to the other party.
- (2) For the purposes of paragraph 4 (meaning of “couple”) neither party to the marriage is to be taken to be a member of a couple.

6.0 Meaning of “family”

- (1) In this scheme “family” means
 - (a) a couple;
 - (b) 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
 - (c) 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.
- (2) The references to a child or young person in sub-paragraph (1)(b) and (c) include a child or young person in respect of whom section 145A of the SSCBA applies for the purposes of entitlement to child benefit, but only for the period prescribed under section 145A(1).
- (3) The references to a young person in sub-paragraph (1)(b) and (c) do not include a young person who is—
 - (a) on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, or has an award of universal credit;
 - (b) a person to whom section 6 of the Children (Leaving Care) Act 2000 (exclusion from benefits) applies; or
 - (c) entitled to an award of universal credit.

7.0 Circumstances in which a person is to be treated as responsible or not responsible for another

- (1) 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 paragraph 6(2) applies.
- (2) Where a child or young person spends equal amounts of time in different households, or where there is a question as to which household he is living in, the child or young person must be treated for the purposes of sub-paragraph (1) as normally living with—
 - (a) the person who is receiving child benefit in respect of that child or young person, or
 - (b) if there is no such person—
 - (i) where only one claim for child benefit has been made in respect of him, the person who made that claim, or
 - (ii) in any other case the person who has the primary responsibility for him.
- (3) For the purposes of this scheme 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.

8.0 Households

- (1) Subject to sub-paragraphs (2) and (3), an applicant and any partner and, where the applicant or his partner is treated (by virtue of paragraph 7) 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.

- (2) A child or young person is not be treated as a member of the applicant's household where he is—
- (a) placed with the applicant or his partner by a local authority under section 22C 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 looked after children are to be accommodated and maintained) or in Scotland boarded out or placed with the applicant or his partner under a relevant enactment or in Wales, placed with the applicant or the applicant's partner by a local authority under section 81 of the Social Services and Wellbeing (Wales) Act 2014 or by a voluntary organisation under section 59(1)(a) of the Children Act 1989; or
 - (b) placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or
 - (c) placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009 or the Adoption (Northern Ireland) Order 1987.
- (3) Subject to sub-paragraph (4), sub-paragraph (1) does not apply to a child or young person who is not living with the applicant and who—
- (a) is being looked after by, or in Scotland is in the care of, a local authority under a relevant enactment; or
 - (b) has been placed, or in Scotland boarded out, with a person other than the applicant prior to adoption; or
 - (c) has been placed for adoption in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009.
- (4) The authority must treat a child or young person to whom sub-paragraph (3)(a) applies as being a member of the applicant's household in any reduction week where—
- (a) that child or young person lives with the applicant for part or all of that reduction week; and
 - (b) the authority considers that it is reasonable to do so taking into account the nature and frequency of that child's or young person's visits.
- (5) In this paragraph "relevant enactment" means:
- (a) the Army Act 1955;
 - (b) the Air Force Act 1955;
 - (c) the Naval Discipline Act 1957;
 - (d) the Matrimonial Proceedings (Children) Act 1958;
 - (e) the Social Work (Scotland) Act 1968;
 - (f) the Family Law Reform Act 1969;
 - (g) the Children and Young Persons Act 1969;
 - (h) the Matrimonial Causes Act 1973;
 - (i) the Children Act 1975;
 - (j) the Domestic Proceedings and Magistrates' Courts Act 1978;
 - (k) the Adoption and Children (Scotland) Act 2007;
 - (l) the Family Law Act 1986;
 - (m) the Children Act 1989;
 - (n) the Children (Scotland) Act 1995;
 - (na) the Children's Hearings (Scotland) Act 2011(3); and
 - (o) the Legal Aid, Sentencing and Punishment of Offenders Act 2012.

9.0 Non-dependants

- (1) In this scheme, "non-dependant" means any person, except someone to whom sub-paragraph (2) applies, who normally resides with an applicant or with whom an applicant

normally resides.

- (2) This paragraph applies to—
- (a) any member of the applicant's family;
 - (b) if the applicant is polygamously married—
 - (i) where the applicant has (alone or jointly with his partner) an award of universal credit, any:
 - (aa) party to such a marriage other than the applicant's partner; and
 - (bb) any child or young person who is a member of his household and for whom he or his partner or another party to the polygamous marriage is responsible; or
 - (ii) in any other case, 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 paragraph 8 (households);
 - (d) subject to sub-paragraph (3), any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under section 6 or 7 of the 1992 Act (persons liable to pay council tax);
 - (e) subject to sub-paragraph (3), any person who is liable to make payments on a commercial basis to the applicant or the applicant's partner in respect of the occupation of the dwelling;
 - (f) a person who lives with the applicant in order to care for him or a partner of his and who is engaged by a charitable or voluntary organisation which makes a charge to the applicant or his partner for the services provided by that person.
- (3) Excepting persons to whom sub-paragraph (2)(a) to (c) and (f) refer, a person to whom any of the following paragraphs applies is a non-dependant:
- (a) a person who resides with the person to whom he is liable to make payments in respect of the dwelling and either—
 - (i) that person is a close relative of his or his partner; or
 - (ii) the tenancy or other agreement between them is other than on a commercial basis;
 - (b) a person whose liability to make payments in respect of the dwelling appears to the authority to have been created to take advantage of a council tax reduction scheme except someone who was, for any period within the eight weeks prior to the creation of the agreement giving rise to the liability to make such payments, otherwise liable to make payments of rent in respect of the same dwelling;
 - (c) a person who becomes jointly and severally liable with the applicant for council tax in respect of a dwelling and who was, at any time during the period of eight weeks prior to his becoming so liable, a non-dependant of one or more of the other residents in that dwelling who are so liable for the tax, unless the change giving rise to the new liability was not made to take advantage of a council tax reduction scheme.

10.0 Remunerative work

- (1) Subject to the following provisions of this paragraph, a person must be treated for the purposes of this scheme as engaged in remunerative work if he is engaged, or, where his hours of work fluctuate, he is engaged on average, for not less than 16 hours a week, in work for which payment is made or which is done in expectation of payment.
- (2) Subject to sub-paragraph (3), in determining the number of hours for which a person is engaged in work where his hours of work fluctuate, regard must be had to the average of hours worked over

- (a) if there is a recognisable cycle of work, the period of one complete cycle (including, where the cycle involves periods in which the person does no work, those periods but disregarding any other absences);
 - (b) in any other case, the period of 5 weeks immediately prior to 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.
- (3) Where, for the purposes of sub-paragraph (2)(a), a person's recognisable cycle of work at a school, other educational establishment or other place of employment is one year and includes periods of school holidays or similar vacations during which he does not work, those periods and any other periods not forming part of such holidays or vacations during which he is not required to work must be disregarded in establishing the average hours for which he is engaged in work.
- (4) Where no recognisable cycle has been established in respect of a person's work, regard must 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.
- (5) A person must be treated as engaged in remunerative work during any period for which he is absent from work referred to in sub-paragraph (1) if the absence is either without good cause or by reason of a recognised, customary or other holiday.
- (6) A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any reduction week is to be treated as not being in remunerative work in that week.
- (7) A person must not be treated as engaged in remunerative work on any day on which the person is on maternity leave, paternity leave, shared parental leave or adoption leave, or is absent from work because he is ill.
- (8) A person must not be treated as engaged in remunerative work on any day on which he is engaged in an activity in respect of which—
 - (a) a sports award has been made, or is to be made, to him; and
 - (b) no other payment is made or is expected to be made to him.

PART 3 Procedural Matters

11.0 Procedure for reduction applications and appeals against reduction decisions

Schedule 1 contains provisions about the procedure

- (a) by which a person may apply for a reduction under this scheme;
- (b) by which a person may make an appeal against certain decisions of the authority;
- (c) by which a person can apply to the authority for a reduction under section 13A(1)(c) of the 1992 Act.

PART 4 Classes of person entitled to a reduction under this scheme

12.0 Classes of person entitled to a reduction under this scheme

- (1) The classes of person described in paragraphs 13 to 18 are entitled to a reduction under this scheme.
- (2) In those paragraphs, references to the applicant's income or capital include, in a case where that income or capital cannot accurately be determined, references to the applicant's estimated income or capital.

13.0 Class A: pensioners, or those in receipt of a war pension, whose income is no greater than the applicable amount

On any day class A consists of any person who is a pensioner or person in receipt of a war pension

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 19 (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;
- (d) who does not fall within a class of person not entitled to a reduction under this scheme;
- (e) whose income (if any) for the relevant week does not exceed his applicable amount, and
- (f) who has made an application.

14.0 Class B: pensioners, or those in receipt of a war pension, whose income is greater than the applicable amount

On any day class B consists of any person who is a pensioner or person in receipt of a war pension

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 19 (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;
- (d) who does not fall within a class of person not entitled to a reduction under 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 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount, and
- (g) who has made an application.

15.0 Class C: alternative maximum council tax reduction – pensioners

- (1) On any day class C consists of any person who is a pensioner
 - (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
 - (b) who, subject to paragraph 19 (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;
 - (d) who does not fall within a class of person not entitled to a reduction under this scheme;
 - (e) who has made an application; and
 - (f) in relation to whom the condition in sub-paragraph (2) is met.
- (2) The condition referred to in sub-paragraph (1)(f) is that no other resident of the dwelling is liable to pay rent to the applicant in respect of the dwelling and there is an alternative maximum council tax reduction in respect of the day in the case of that person which is derived from the income, or aggregate incomes, of one or more residents to whom this sub-paragraph applies.
- (3) Sub-paragraph (2) applies to any other resident of the dwelling who:
 - (a) is not a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount;
 - (b) is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
 - (c) is not a person who is residing with a couple or with the members of a polygamous marriage where the applicant is a member of that couple or of that marriage and
 - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act (persons disregarded for the purposes of discount), falls to be disregarded for the purposes of discount; or
 - (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;
 - (d) is not a person who jointly with the applicant falls within the same paragraph of section 6(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant; or
 - (e) is not a person who is residing with two or more persons both or all of whom fall within the same paragraph of section 6(2)(a) to (e) of the 1992 Act where two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

16.0 Class D: persons who are not pensioners whose income is less than the applicable amount

On any day class D consists of any person who is not a pensioner:

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 19 (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;
- (d) who does not fall within a class of person not entitled to a reduction under this scheme;
- (e) whose income (if any) for the relevant week is less than his applicable amount, and
- (f) who has made an application.

17. Class E: persons who are not pensioners whose income is greater than the applicable amount

On any day class E consists of any person who is not a pensioner:

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;

- (b) who, subject to paragraph 19 (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;
- (d) who does not fall within a class of person not entitled to a reduction under 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 his case; and
 - (ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount, and
- (g) who has made an application.

18.0 Class F: alternative maximum council tax reduction – persons who are not pensioners

- (1) On any day class F consists of any person who is not a pensioner—
 - (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
 - (b) who, subject to paragraph 19 (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;
 - (d) who does not fall within a class of person not entitled to a reduction under this scheme;
 - (e) who has made an application; and
 - (f) in relation to whom the condition in sub-paragraph (2) is met.
- (2) The condition referred to in sub-paragraph (1)(f) is that no other resident of the dwelling is liable to pay rent to the person in question 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.
- (3) Sub-paragraph (2) applies to any other resident of the dwelling who:
 - (a) is not a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; and
 - (b) is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
 - (c) is not a person who is residing with a couple or with the members of a polygamous marriage where the applicant for the reduction is a member of that couple or of that marriage and—
 - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or
 - (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;
 - (d) is not a person who jointly with the applicant for reduction falls within the same paragraph of section 6(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant; or
 - (e) is not a person who is residing with two or more persons both or all of whom fall within the same paragraph of section 6(2)(a) to (e) of the 1992 Act where two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

A19. No longer in use

19.0 Periods of absence from a dwelling

- (1) A person is not absent from a dwelling in relation to any day which falls within a period of

temporary absence from that dwelling.

(2) In sub-paragraph (1), a “period of temporary absence” means

(a) a period of absence not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation in Great Britain where and for so long as—

- (i) the person resides in that accommodation;
- (ii) the part of the dwelling in which he usually resided is not let or sub-let; and
- (iii) that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,

where he has entered the accommodation for the purpose of ascertaining whether it suits his needs and with the intention of returning to the dwelling if it proves not to suit his needs;

(b) subject to sub-paragraph (2B), 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:

- (i) the person intends to return to the dwelling;
- (ii) the part of the dwelling in which he usually resided is not let or sub-let; and
- (iii) that period is unlikely to exceed 13 weeks; and

(c) subject to sub-paragraph (2D), 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:

- (i) the person intends to return to the dwelling;
- (ii) the part of the dwelling in which he usually resided is not let or sub-let;
- (iii) the person is a person to whom sub-paragraph (3) applies; and
- (iv) the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period ; and

(d) subject to sub-paragraphs (2F), (3C), (3E) and (3G) and where sub-paragraph (2E) 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—

- (i) the person intends to return to the dwelling;
- (ii) the part of the dwelling in which he usually resides is not let or sub-let; and
- (iii) the period of absence from Great Britain is unlikely to exceed 4 weeks.

(2A) The period of 13 weeks referred to in sub-paragraph (2)(b) shall run or continue to run during any period of absence from Great Britain.

(2B) Where—

(a) a person returns to Great Britain after a period of absence from Great Britain (period A);

(b) 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

(c) 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 (2)(b).

(2C) The period of 52 weeks referred to in sub-paragraph (2)(c) shall run or continue to run during any period of absence from Great Britain.

(2D) Where —

(a) a person returns to Great Britain after a period of absence from Great Britain (period A);

(b) 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

(c) 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 (2)(c).

- (2E) This sub-paragraph applies where—
- (a) a person is temporarily absent from Great Britain;
 - (b) immediately before that period of absence from Great Britain, the person was not absent from the dwelling.
- (2F) If the temporary absence referred to in sub-paragraph (2)(d) is in connection with the death of—
- (a) the person's partner or a child or young person for whom the person or the person's partner is responsible;
 - (b) the person's close relative;
 - (c) the close relative of the person's partner; or
 - (d) 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 (2)(d) 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 subparagraph (iii) 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).
- (3) This sub-paragraph applies to a person who—
- (a) is a person to whom sub-paragraph (3A) applies;
 - (i) in a dwelling, other than the dwelling referred to in sub-paragraph (1), or
 - (ii) in premises approved under section 13 of the Offender Management Act 2007, or is detained in custody pending sentence upon conviction;
 - (b) is resident in a hospital or similar institution as a patient;
 - (c) is undergoing, or whose partner or dependent child is undergoing, in the United Kingdom or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
 - (d) is following, in the United Kingdom or elsewhere, a training course;
 - (e) is undertaking medically approved care of a person residing in the United Kingdom or elsewhere;
 - (f) 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;
 - (g) is, in the United Kingdom or elsewhere, receiving medically approved care provided in accommodation other than residential accommodation;
 - (h) is a student;
 - (i) is receiving care provided in residential accommodation and is not a person to whom sub-paragraph (2)(a) applies; or
 - (j) has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.
- (3A) This sub-paragraph applies to a person ("P") who is—
- (a) detained in custody on remand pending trial;
 - (b) detained pending sentence upon conviction; or
 - (c) as a condition of bail required to reside—
 - (i) in a dwelling, other than a dwelling P occupies as P's home; or
 - (ii) in premises approved under section 13 of the Offender Management Act 2007(a), and who is not also detained in custody following sentence upon conviction.
- (3B) This sub-paragraph applies where—
- (a) a person is temporarily absent from Great Britain;
 - (b) the person is a member of Her Majesty's forces posted overseas, a mariner or a continental shelf worker;
 - (c) immediately before that period of absence from Great Britain, the person was not absent from the dwelling.
- (3C) Where sub-paragraph (3B) 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—

- (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 period of absence from Great Britain is unlikely to exceed 26 weeks.
- (3D) This sub-paragraph applies where—
- (a) a person is temporarily absent from Great Britain;
 - (b) the person is a person described in any of paragraphs (b), (c), (g) or (j) of subparagraph
 - (c) immediately before that period of absence from Great Britain, the person was not absent from the dwelling.
- (3E) Where sub-paragraph (3D) 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—
- (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 period of absence is unlikely to exceed 26 weeks, or in exceptional circumstances, is unlikely substantially to exceed that period.
- (3F) This sub-paragraph applies where—
- (a) a person is temporarily absent from Great Britain;
 - (b) the person is a person described in any of paragraphs (a), (d), (e), (f), (h) or (i) of subparagraph (3);
 - (c) immediately before that period of absence from Great Britain, the person was not absent from the dwelling.
- (3G) Where sub-paragraph (3F) 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—
- (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 period of absence is unlikely to exceed 4 weeks, or in exceptional circumstances, is unlikely substantially to exceed that period.
- (4) This sub-paragraph applies to a person who is
- (a) detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983, or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995 or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986); and
 - (b) on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952 or the Prisons (Scotland) Act 1989.
- (5) Where sub-paragraph (4) applies to a person, then, for any day when he is on temporary release—
- (a) if such temporary release was immediately preceded by a period of temporary absence under sub-paragraph (2)(b) or (c), he must be treated, for the purposes of sub-paragraph (1), as if he continues to be absent from the dwelling, despite any return to the dwelling;
 - (b) for the purposes of sub-paragraph (3)(a), he must be treated as if he remains in detention;
 - (c) if he does not fall within paragraph (a), 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.
- (6) In this paragraph—
- “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(a);
 - “designated area” means any area which may from time to time be designated by Order in Council under the Continental Shelf Act 1964(b) as an area within which the rights

of the United Kingdom with respect to the seabed and subsoil and their natural resources may be exercised;

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

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

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

“residential accommodation” means accommodation which is provided in

- (a) a care home;
- (b) an independent hospital;
- (c) an Abbeyfield Home; or
- (d) 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.

19A - Transitional provision

- (1) Subject to paragraph (2), the amendments made to paragraph 19 of this scheme by regulation 2(3)(a) of SI 2016 1262 The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016, shall not apply in respect of a person who is temporarily absent from Great Britain on 1st April 2017 until the day that person returns to Great Britain, in such cases paragraph 19 of the 2016/17 Council Tax Reduction Scheme shall apply instead.
- (2) Paragraph (1) does not apply to a person who, on 1st April 2017, is temporarily absent from Great Britain and 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.
- (3) In this regulation—

“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—

(a) the employment in that capacity is for the purposes of that ship or vessel or its crew or any passengers or cargo or mails carried by the ship or vessel; and

(b) the contract is entered into in the United Kingdom with a view to its performance (in whole or in part) while the ship or vessel is on its voyage;

“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 dwelling that the person normally occupies as his home 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; and

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

PART 5 Classes of person excluded from this scheme

20.0 Classes of person excluded from this scheme

The classes of person described in paragraphs 21 to 24 are not entitled to a reduction under this scheme.

21.0 Class of person excluded from this scheme: persons treated as not being in Great Britain

- (1) The class of person described in this paragraph consists of any person treated as not being in Great Britain.
- (2) Except where a person falls within sub-paragraph (5) or (6), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.
- (3) A person must not be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland unless the person has a right to reside in one of those places.
- (4) For the purposes of sub-paragraph (3), a right to reside does not include a right which exists by virtue of, or in accordance with—
 - (a) regulation 13 of the EEA Regulations or Article 6 of Council Directive No 2004/38/EC;
 - (aa) regulation 14 of the EEA Regulations, but only in a case where the right exists under that regulation because the person is—
 - (i) a jobseeker for the purpose of the definition of “qualified person” in regulation 6(1) of those Regulations, or
 - (ii) a family member (within the meaning of regulation 7 of those Regulations) of such a jobseeker;
 - (ab) Article 45 of the Treaty on the functioning of the European Union⁽⁴⁾ (in a case where the person is seeking work in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland);or
 - (b) regulation 15A(1) of the EEA Regulations, but only in a case where the right exists under that regulation because the applicant satisfies the criteria in paragraph (4A) of that regulation or Article 20 of the Treaty on the Functioning of the European Union (in a case where the right to reside arises because a British citizen would otherwise be deprived of the genuine enjoyment of their rights as a European Union citizen).
- (5) A person falls within this sub-paragraph if the person is:
 - (a) a qualified person for the purposes of regulation 6 of the EEA Regulations as a worker or a self-employed person;

- (b) a family member of a person referred to in paragraph (a) within the meaning of regulation 7(1)(a), (b) or (c) of the EEA Regulations;
- (c) a person who has a right to reside permanently in the United Kingdom by virtue of regulation 15(1)(c), (d) or (e) of the EEA Regulations;
- (d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;
- (e) a person who has been granted, or who is deemed to have been granted, leave outside the rules made under section 3(2) of the Immigration Act 1971(5) where that leave is—
 - (i) discretionary leave to enter or remain in the United Kingdom,
 - (ii) leave to remain under the Destitution Domestic Violence concession(6) which came into effect on 1st April 2012, or
 - (iii) leave deemed to have been granted by virtue of regulation 3 of the Displaced Persons (Temporary Protection) Regulations 2005(7);
- (f) a person who has humanitarian protection granted under those rules;
- (g) a person who is not a person subject to immigration control within the meaning of section 115(9) of the Immigration and Asylum Act 1999 and who is in the United Kingdom as a result of his deportation, expulsion or other removal by compulsion of law from another country to the United Kingdom.
- (h) in receipt of income support, an income-related employment and support allowance; or an award of Universal Credit
- (ha) in receipt of an income-based jobseeker's allowance and has a right to reside other than a right to reside falling within paragraph (4); or
- (i) a person who is treated as a worker for the purpose of the definition of "qualified person" in regulation 6(1) of the EEA Regulations pursuant to regulation 5 of the Accession of Croatia (Immigration and Worker Authorisation) Regulations 2013(8) (right of residence of a Croatian who is an "accession State national subject to worker authorisation")

(6) A person falls within this sub-paragraph if the person is a Crown servant or member of Her Majesty's forces posted overseas.

(7) A person mentioned in sub-paragraph (6) is posted overseas if the person is performing overseas the duties of a Crown servant or member of Her Majesty's forces and was, immediately before the posting or the first of consecutive postings, habitually resident in the United Kingdom.

(8) In this paragraph—
 "claim for asylum" has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999;
 "EEA Regulations" means the Immigration (European Economic Area) Regulations 2006.

22.0 Class of person excluded from this scheme: persons subject to immigration control

(1) Subject to paragraph (1A), Persons subject to immigration control are not entitled to a reduction under this scheme.

(1A) A person who is a national of a state which has ratified the European Convention on Social and Medical Assistance(9) (done in Paris on 11th December 1953) or a state which has ratified the Council of Europe Social Charter (signed in Turin on 18th October 1961) and who is lawfully present in the United Kingdom is not a person subject to immigration control for the purpose of paragraph (1).

(2) "Person subject to immigration control" has the meaning given in section 115(9) of the

Immigration and Asylum Act 1999.

23.0 Class of person excluded from this scheme: capital limit

- (1) The class of person described in this paragraph consists of any person whose capital exceeds £16,000.
- (2) Capital for the purposes of sub-paragraph (1) is to be calculated in accordance with Part 10 of this scheme.

24.0 Class of person excluded from this scheme: students

The class of person described in this paragraph consists of any student to whom paragraph 75(1) applies (except to the extent that a student may be entitled to an alternative maximum council tax reduction by virtue of paragraph 18).

PART 6 Applicable amounts

25.0 Applicable amounts: pensioners

- (1) The applicable amount for a pensioner for a week is the aggregate of such of the following amounts as apply in his case—
 - (a) an amount in respect of his personal allowance, determined in accordance with paragraph 1 of Schedule 2 (personal allowance);
 - (b) an amount determined in accordance with paragraph 2 of that Schedule in respect of up to two individuals who are either children or young persons and who are members of his family;
 - (c) if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of that Schedule (family premium);
 - (d) the amount of any premiums which may be applicable to him, determined in accordance with Parts 3 and 4 of that Schedule (premiums).
- (1A) For the purposes of sub-paragraph (1)(b) as it applies apart from sub-paragraph (1C), where the family includes more than two individuals who are either children or young persons and under paragraph 2 of that Schedule a different amount applies to different individuals, the two amounts to be included in the applicable amount shall be those that result in the greatest possible total amount.
- (1B) Sub-paragraph (1C) applies where—
 - (a) (whether or not as part of a tax credit couple as defined in section 3(5A) of the Tax Credits Act 2002) the applicant has an award of child tax credit (whether or not any amount is payable by way of such credit) in respect of a child or young person who is a member of his family; and
 - (b) the total amount to be included in the applicable amount under sub-paragraph (1)(b) as substituted by sub-paragraph (1C) would be higher than the total amount that would be included under paragraph (1)(b) apart from sub-paragraph (1C).
- (1C) Where this paragraph applies, for sub-paragraph (1)(b) substitute—
 - (c) an amount determined in accordance with paragraph 2 of that Schedule in respect of any child or young person who is a member of his family and in respect of whom the individual element of child tax credit has been included in the determination of the maximum rate of that credit;
- (2) In Schedule 2—

“additional spouse” means a spouse of either party to the marriage who is additional to the other party to the marriage;

“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.

26.0 Applicable amounts: persons who are not pensioners

26. (1) Subject to paragraphs 27 and 28, the applicable amount for a week for a person who is not a pensioner is the aggregate of such of the following amounts (as stated in Schedule 3) as may apply in his case-

(a) an amount in respect of himself or, if he is a member of a couple, an amount in respect of both of them, determined in accordance with

paragraph 1 of Schedule 3;

(b) an amount determined in accordance with paragraph 3 of Schedule 3 in respect of up to two individuals who are either children or young persons and who are members of his family;

(c) if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with Part 2 of that Schedule (family premium);

(d) the amount of any premiums which may be applicable to him, determined in accordance with Parts 3 and 4 of that Schedule (premiums);

(e) the amount of either the –

(i) work-related activity component; or

(ii) support component,

which may be applicable to him in accordance with Parts 5 and 6 of that Schedule (the components);(f) the amount of any transitional addition

which may be applicable to him in accordance with Parts 7 and 8 of that Schedule (transitional addition).

(2) In Schedule 3-

“additional spouse” means a spouse by the party to the marriage who is additional to the party to the marriage;

“converted employment and support allowance” means an employment and support allowance which is not income-related and to which a person is entitled as a result of a conversion decision within the meaning of the Employment and Support Allowance (Existing Awards) Regulations 2008;

“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.

(3) For the purposes of paragraph (1)(b), as it applies apart from paragraph (5), where the family includes more than two individuals who are either children or young persons, and, under paragraph 3 of Schedule 3, a different amount applies to different individuals, the two amounts to be included in the applicable amount shall be those that result in the greatest possible total amount.

(4) Paragraph (5) applies where—

(a) (whether or not as part of a tax credit couple as defined in section 3(5A) of the Tax Credits Act 2002) the claimant has an award of child tax credit (whether or not any amount is payable by way of such credit) in respect of a child or young person who is a member of his family; and

(b) the total amount to be included in the applicable amount under paragraph (1)(b) as substituted by paragraph (5) would be higher than the total amount that would be included under paragraph (1)(b) apart from paragraph (5).

(5) Where this paragraph applies, for paragraph (1)(b) substitute—

“(b) an amount determined in accordance with paragraph 3 of Schedule 3 in respect of any child or young person who is a member of his family and in respect of whom the individual element of child tax credit has been included in the determination of the maximum rate of that credit;”.

27.0 Polygamous marriages: persons who are not pensioners

27. (1) This paragraph applies where an applicant who is not a pensioner is a member of a polygamous marriage and does not have (alone or jointly with a party to a marriage), an award of universal credit.

(2) The applicable amount for a week of an applicant where this paragraph applies is the aggregate of such of the following amounts as may apply in his case:

(a) the amount applicable to him and one of his partners determined in accordance with paragraph 1(3) of Schedule 3 as if he and that partner were a couple;

(b) an amount equal to the difference between the amounts specified in subparagraphs (3) and (1)(b) of paragraph 1 of that Schedule in respect of each of his other partners;

(c) an amount determined in accordance with paragraph 3 of Schedule 3 in respect of up to two individuals who are either children or young persons and for whom he or a partner of his is responsible and who are members of the same household;

(d) if he or another partner of the polygamous marriage is responsible for a child or young person who is a member of the same household, the amount specified in Part 2 of that Schedule (family premium);

(e) the amount of any premiums which may be applicable to him determined in accordance with Parts 3 and 4 of that Schedule (premiums);

(f) the amount of either the—

(i) work-related activity component; or

(ii) support component, which may be applicable to him in accordance with Parts 5 and 6 of that Schedule (the components);

(g) the amount of any transitional addition which may be applicable to him in accordance with Parts 7 and 8 of that Schedule (transitional addition).

(3) For the purposes of paragraph (2)(c), as it applies apart from paragraph (5), where the claimant and his partners are between them responsible for more than two individuals who are either children or young persons and who are members of the same household, and, under paragraph 3 of Schedule 3, a different amount applies to different individuals, the two amounts to be included in the applicable amount shall be those that result in the greatest possible total amount.

(4) Paragraph (5) applies where—

(a) (as part of a polygamous unit) the claimant has an award of child tax credit (whether or not any amount is payable by way of such credit) in respect of any child or young person for whom he or a partner of his is responsible and who is a member of his family; and

(b) the total amount to be included in the applicable amount under paragraph (1)(c) as substituted by paragraph (5) would be higher than the total amount that would be included under paragraph (2)(c) apart from paragraph (5).

(5) Where this paragraph applies, for paragraph (2)(c) substitute—

“(c) an amount determined in accordance with paragraph 3 of Schedule 3 in respect of any child or young person for whom he or a partner of his is responsible and who is a member of the same household and in respect of whom the individual element of child tax credit has been included in the determination of the maximum rate of that credit;”.

(6) In this regulation, “polygamous unit” has the same meaning as in regulation 2 of the Tax Credits (Polygamous Marriages) Regulations 2003(b).

27A Transitional provisions for restrictions on amounts for children and young persons

27A.—(1) This regulation applies where -

- a) on 31st March 2018, a person is entitled to a council tax reduction under this scheme, and
 - b) the person is, or the person and the person's partner are between them, responsible for more than two individuals who are either children or young persons and who are members of the same household (each such individual is referred to as a "protected individual").
- (2) Where this regulation applies, Paragraphs 26(1)(b) and 27(2)(c) do not apply to the person entitled to a reduction referred to in paragraph (1) until—
- (a) the person makes a new application for a council tax reduction under this scheme; or
 - (b) the person or the person's partner (if any) becomes responsible for a new individual, whichever is the first to occur.
- (3) Paragraphs (4) to (8) apply where—
- (a) Paragraphs 26(1)(b) and 27(2)(c) apply by virtue of paragraph (2)(b);
 - (b) the child tax credit provisions do not apply; and
 - (c) the person has not made a new claim for council tax reduction under this scheme.
- (4) Notwithstanding the default provisions, a child amount shall be included in the applicable amount in relation to any protected individual, in relation to any time when the person or the person's partner (if any) is responsible for the individual and the individual is a member of the same household.
- (5) Paragraph (6) applies where—
- (a) the person or the person's partner (if any) is responsible for one or more protected individuals who are members of the same household; and
 - (b) either of them is responsible for one or more new individuals who are members of the same household.
- (6) Where this paragraph applies, any protected individual for whom the person or the person's partner is responsible is to be counted for the purpose of deciding whether, under the default provisions, an additional child amount is to be included in the applicable amount with respect to the new individual or individuals referred to in paragraph (5)(b).
- (7) Paragraph (8) applies where—
- (a) the number of protected individuals for whom either the person or the person's partner (if any) is responsible, and who are members of the same household, is one;
 - (b) the number of new individuals for whom either the person or the person's partner is responsible, and who are members of the same household, is two or more; and
 - (c) a different child amount would apply to different individuals.
- (8) Where this paragraph applies, the child amounts to be included in the applicable amount shall be—
- (a) the child amount in relation to the protected individual; and
 - (b) a child amount in relation to such one of the new individuals as will result in the greatest possible total amount.
- (9) Under paragraph (3), for the purposes of determining whether the child tax credit provisions apply, by virtue of Paragraph 25(1B), 26(4) or 27(4) of these regulations where the person or the person's partner is responsible for one or more protected individuals, the total amount that would be included in the applicable amount under the default provisions shall be taken to be the total that would be included under paragraphs (4), (6) and (8).
- (10) For the purposes of this regulation—
- (a) "child amount" means the amount determined under whichever is relevant of paragraph 2 of Schedule 2 of these regulations for pensioners and paragraph 3 of

Schedule 3 of these regulations for persons who are not pensioners

- (b) “child tax credit provisions” means the provisions of paragraph 25(1)(b) (as substituted by paragraph 25(1C) for pensioners; the provisions of paragraph of paragraph 26(1)(b) (as substituted by paragraph 26(5) for persons who are not pensioners; the provisions of 27(2)(c) (as substituted by paragraph 27(5) for persons who are not pensioners and in a polygamous marriage.
- (c) “default provisions” means the provisions of paragraph 25(1)(b) (as substituted by paragraph 25(1C) for pensioners; the provisions of paragraph of paragraph 26(1)(b) (as substituted by paragraph 26(5) for persons who are not pensioners; the provisions of 27(2)(c) (as substituted by paragraph 27(5) for persons who are not pensioners and in a polygamous marriage
- (d) “new individual” means a child or young person who is not a protected individual;
- (e) any reference to an individual being part of the same household means being part of the same household with the person who is entitled to a council tax reduction under this scheme and the person’s partner (if any);
- (f) a person is to be treated as responsible for a child or young person in the circumstances set out in paragraph 7 of this scheme.

28.0 Applicable amount: persons who are not pensioners who have an award of universal credit

- (1) Subject to sub-paragraph (2), in determining the applicable amount for a week of an applicant who is not a pensioner:
 - (a) who has, or
 - (b) who (jointly with his partner) has,

an award of universal credit, the authority must use the calculation or estimate of the maximum amount of the applicant, or the applicant and his partner jointly (as the case may be), subject to the adjustment described in sub-paragraph (3).

- (2) 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:
 - (a) one of them is a party to an earlier marriage that still subsists; and
 - (b) the other party to that earlier marriage is living in the same household.
- (3) The adjustment referred to in sub-paragraph (1) is to multiply the maximum amount by 12 and divide the product by 52.
- (4) In this paragraph “maximum amount” means the maximum amount calculated by the Secretary of State in accordance with section 8(2) of the Welfare Reform Act 2012 ³³.

PART 7 Maximum council tax reduction for the purposes of calculating eligibility for a reduction under this scheme and amount of reduction

29.0 Maximum council tax reduction amount under this scheme: pensioners and persons who are not pensioners

- (1) Subject to sub-paragraphs (2) to (4), a person's maximum council tax reduction amount in respect of a day is 100 per cent of the amount A/B where:
 - (a) 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 discount which may be appropriate to that dwelling under the 1992 Act; and
 - (b) B is the number of days in that financial year, less any deductions in respect of non-dependants which fall to be made under paragraph 30 (non-dependant deductions: pensioners and persons who are not pensioners).

- (2) 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 1992 Act (other than a reduction under this scheme), is to be taken into account.
- (3) where a person's daily award of Council Tax Reduction does not meet 100% of their Council Tax liability, the Council may consider a further award of Council Tax Reduction;
 - (a) where the conditions in Schedule 11 are satisfied and
 - (b) where in the Council's opinion a person or persons would otherwise suffer extreme or exceptional hardship
- (4) Subject to sub-paragraph (5), 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 sub-paragraph (1), the amount A is to be divided by the number of persons who are jointly and severally liable for that tax.
- (5) Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, sub-paragraph (4) does not apply in his case.
- (6) The reference in sub-paragraph (4) to a person with whom an applicant is jointly and severally liable for council tax, does not include a student to whom paragraph 75(1) (entitlement of students to a reduction under this scheme) applies.
- (7) In this paragraph "relevant financial year" means, in relation to any particular day, the financial year within which the day in question falls.

30.0 Non-dependant deductions: pensioners and persons who are not pensioners

- 30. (1) Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in paragraph 29 for pensioners are as prescribed in the relevant "Council Tax Reduction Schemes (Prescribed Requirements) England (Amendment) Regulations produced each year up-rating the amounts for the forth-coming financial year.
- (2) Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in paragraph 29 for persons who are not pensioners will be adopted from the relevant "Council Tax Reduction Schemes (Prescribed Requirements) England (Amendment) Regulations produced each year up-rating the amounts for the forth-coming financial year.
- (3) Only one deduction is to be made under this paragraph in respect of a couple or, as the case may be, members of a polygamous marriage (other than where there is an award of universal credit) 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 is to be deducted.
- (4) In applying the provisions of sub-paragraph (2) in the case of a couple or, as the case may be, a polygamous marriage, regard must 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.
- (5) Where in respect of a day—
 - (a) a person is a resident in a dwelling but is not himself liable for council tax in respect of that dwelling and that day;
 - (b) other residents in that dwelling (the liable persons) have joint and several liability for council tax in respect of that dwelling and that day otherwise than by virtue of section 9 of the 1992 Act (liability of spouses and civil partners); and

- (c) the person to whom paragraph (a) refers is a non-dependant of two or more of the liable persons,
the deduction in respect of that non-dependant must be apportioned equally between those liable persons.
- (6) No deduction is to be made in respect of any non-dependants occupying an applicant's dwelling if the applicant or his partner is—
- (a) severely sight-impaired or blind or treated as such by virtue of paragraph 10 of Schedule 3 (additional condition for the disability premium); or
 - (b) receiving in respect of himself—
 - (i) attendance allowance, or would be receiving that allowance but for—
 - (aa) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or
 - (bb) an abatement as a result of hospitalisation; or
 - (ii) the care component of the disability living allowance, or would be receiving that component but for—
 - (aa) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or
 - (bb) an abatement as a result of hospitalisation; or
 - (iii) 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
 - (iv) an AFIP, or would be receiving that payment but for a suspension of it in accordance with any terms of the armed and reserve forces compensation scheme which allows for a suspension because a person is undergoing medical treatment in a hospital or similar institution.
- (7) No deduction is to be made in respect of a non-dependant if:
- (a) although he resides with the applicant, it appears to the authority that his normal home is elsewhere; or
 - (b) he is in receipt of a training allowance paid in connection with 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
 - (c) he is a full-time student within the meaning of Part 11 (students); or
 - (d) he is not residing with the applicant because he has been a patient for a period in excess of 52 weeks, and for these purposes—
 - (i) “patient” has the meaning given in paragraph 19(6), and
 - (ii) 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.
 - (e) 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(10)) who is absent, while on operations, from the dwelling usually occupied as their home.
- (8) No deduction is to be made in respect of a non-dependant:
- (a) who is on income support, state pension credit, an income-based jobseeker's allowance or an income-related employment and support allowance;
 - (b) to whom Schedule 1 to the 1992 Act 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
 - (c) who is entitled to an award of universal credit where the award is calculated on the basis that the person does not have any earned income.

- (9) In the application of sub-paragraph 2) there is to be disregarded from the non-dependent'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 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 Independent Living Fund (2006) which are paid as income in kind (see sub-paragraph (13)); and
 - (c) the payments set out in sub-paragraph (10).
- (10) The payments mentioned in sub-paragraph (9) are—
- (a) any payment 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 or the Independent Living Fund (2006);
 - (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 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 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 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
 - (aa) to that person's parent or step-parent, or
 - (bb) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian, but only for a period from the date of the payment until the end of two years from that person's death;
 - (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 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 has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and
 - (ii) the payment is made either
 - (aa) to that person's parent or step-parent, or
 - (bb) 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 subparagraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.
 - (g) 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 disability was caused by their mother having taken a preparation containing the drug known as Thalidomide during her pregnancy.
- (11) An applicant or his partner is severely sight-impaired or blind or treated as such for the purposes of sub-paragraph (6)(a) if the applicant or his partner—
- (a) is registered as severely sight-impaired in a register kept by a local authority in Wales under section 18(1) of the Social Services and Well-being (Wales) Act 2014; or
 - (b) is registered as severely sight-impaired in a register kept by a local authority in England under section 77(1) of the Care Act 2014 (registers of sight-impaired adults); or
 - (c) in Scotland, has been certified as blind and in consequence he is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994.
- (11A) For the purposes of sub paragraph (8) “earned income” has the meaning given in regulation 52 of the Universal Credit Regulations 2013
- (12) For the purposes of sub-paragraph (11), a person who has ceased to be registered as severely sight-impaired or blind on regaining his eyesight is nevertheless to be treated as such for a period of 28 weeks following the date on which he ceased to be so registered.
- (13) The reference in sub-paragraph (9)(b) 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.

PART 8 Alternative maximum council tax reduction for the purposes of calculating eligibility for a reduction under this scheme and amount of reduction

31.0 Alternative maximum council tax reduction under this scheme: pensioners and persons who are not pensioners

- (1) Subject to sub-paragraphs (2) and (3), the alternative maximum council tax reduction in respect of a day where the conditions set out in paragraph 15 (alternative maximum council tax reduction: pensioners) or 18 (alternative maximum council tax reduction: persons who are not pensioners) are fulfilled, is the amount determined in accordance with Schedule 4 (amount of alternative council tax reduction).
- (2) Subject to sub-paragraph (3), where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the alternative maximum council tax reduction in his case, the amount determined in accordance with Schedule 4 must be divided by the number of persons who are jointly and severally liable for that tax.

- (3) Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, solely by virtue of section 9 of the 1992 Act (liability of spouses and civil partners), sub-paragraph (2) does not apply in his case.

PART 9 Amount of reduction under this scheme

32.0— Amount of reduction under this scheme: Classes A to F

- (1) 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.
- (2) Where the person is within class A that amount is the amount which is the maximum council tax reduction in respect of the day in the applicant's case as prescribed in paragraph 29 and 30 of this scheme.
- (3) Where the person is within class B, that amount is the amount found by deducting amount B from amount A, where "amount A" and "amount B" have the meanings given in paragraph 14(f).
- (4) Where the person is within class D, that amount is the amount which is 86% of the maximum council tax reduction in respect of the day in the applicant's case.
- (5) Where the person is within class E, that amount is 86% of the amount found by deducting amount B from amount A, where "amount A" and "amount B" have the meanings given in paragraph 17(f).
- (6) Where the person is within class C or class F, that amount is the amount which is the alternative maximum council tax reduction in respect of the day in the applicant's case.
- (7) Sub-paragraph (8) applies where both:
- (a) sub-paragraphs (2),(3),(4) or (5), and
 - (b) sub-paragraph (6), apply to a person.
- (8) The amount of the reduction to which the person is entitled is whichever the greater is of:
- (a) the amount of the reduction given by sub-paragraphs (2), (3), (4) or (5) as the case may be, and
 - (b) the amount of the reduction given by sub-paragraph (6).

PART 10 Income and capital for the purposes of calculating eligibility for a reduction under this scheme and amount of reduction

CHAPTER 1 Income and capital: general

33.0 Calculation of income and capital: applicant's family and polygamous marriages

- (1) The income and capital of—
 - (a) an applicant; and
 - (b) any partner of that applicant,is to be calculated in accordance with the provisions of this Part.
- (2) The income and capital of any partner of the applicant is to be treated as income and capital of the applicant, and in this Part any reference to the applicant applies equally to any partner of that applicant.
- (3) Except where paragraph 37 applies, where an applicant or the partner of an applicant is married polygamously to two or more members of his household—
 - (a) the applicant must be treated as possessing capital and income belonging to each such member; and
 - (b) the income and capital of that member is to be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

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

- (1) Sub-paragraph (2) 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.
- (2) Except where—
 - (a) the applicant is a pensioner and is on a guarantee credit, or
 - (b) the applicant is not a pensioner and is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance,the authority must 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 is to be disregarded.
- (3) Where an applicant is treated as possessing income and capital belonging to a non-dependant under sub-paragraph (2) the income and capital of that non-dependant must be calculated in accordance with the following provisions of this Part in like 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.

CHAPTER 2 Income and capital: pensioners in receipt of guarantee credit or savings credit

35.0 Applicant in receipt of guarantee credit: pensioners

In the case of an applicant who is a pensioner and who is in receipt, or whose partner is in receipt, of a guarantee credit, the whole of his capital and income must be disregarded.

36.0 Calculation of applicant's income and capital in savings credit only cases: pensioners

- (1) In determining the income and capital of an applicant who is a pensioner and who has, or

whose partner has, an award of state pension credit comprising only the savings credit, subject to the following provisions of this paragraph, the authority must use the calculation or estimate of the applicant's or as the case may be, the applicant's partner's income and capital made by the Secretary of State for the purpose of determining the award of state pension credit ⁷⁵.

- (2) Where the calculation or estimate provided by the Secretary of State includes the amount taken into account in that determination in respect of net income, the authority may only adjust that amount so far as necessary to take into account—
 - (a) the amount of any savings credit payable;
 - (b) in respect of any dependent children of the applicant, child care charges taken into account under paragraph 57(1)(c) (calculation of income on a weekly basis);
 - (c) the higher amount disregarded under this scheme in respect of—
 - (i) lone parent's earnings; or
 - (ii) payments of maintenance, whether under a court order or not, which is made or due to be made by
 - (aa) the applicant's former partner, or the applicant's partner's former partner; or
 - (bb) the parent of a child or young person where that child or young person is a member of the applicant's family except where that parent is the applicant or the applicant's partner;
 - (d) any amount to be disregarded by virtue of paragraph 10(1) of Schedule 5 (sums disregarded from applicant's earnings: pensioners);
 - (e) the income and capital of any partner of the applicant who is treated as a member of the applicant's household under paragraph 8, to the extent that it is not taken into account in determining the net income of the person claiming state pension credit;
 - (f) paragraph 34 (circumstances in which capital and income of a non-dependant is to be treated as applicant's), if the authority determines that that provision applies in the applicant's case;
 - (g) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act (power of billing authority to reduce amount of council tax payable);
 - (h) any amount to be disregarded by virtue of paragraph 6 of Schedule 5 (exempt work).
- (3) Paragraphs 39 to 46 (calculation of income: pensioners) and 57 to 61 (calculation of income: pensioners and persons who are not pensioners) do not apply to the amount of the net income to be taken into account under sub-paragraph (1), but do apply (so far as relevant) for the purpose of determining any adjustments to that amount which the authority makes under sub-paragraph (2).
- (4) If sub-paragraph (5) applies, the authority must calculate the applicant's capital in accordance with paragraphs 63, 65 to 68 and 70 (calculation of capital: pensioners).
- (5) This sub-paragraph applies if:
 - (a) the Secretary of State notifies the authority that the applicant's capital has been determined as being £16,000 or less or the authority determines his capital as being £16,000 or less;
 - (b) subsequent to that determination the applicant's capital rises to more than £16,000; and
 - (c) the increase occurs whilst there is in force an assessed income period within the meaning of sections 6 and 9 of the State Pension Credit Act 2002.

CHAPTER 3 Income and capital where there is an award of universal credit

37.0 Calculation of income and capital: persons who are not pensioners who have an award of universal credit

- (1) In determining the income of an applicant:
 - (a) who has, or
 - (b) who (jointly with his partner) has,
an award of universal credit the authority must, subject to the following provisions of this paragraph, use the calculation or estimate of the amount of the income of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.
- (2) The authority must adjust the amount of the income referred to in sub-paragraph (1) by multiplying the amount by 12 and dividing the product by 52.
- (3) The authority may only adjust the amount of the income as adjusted in accordance with sub-paragraph (2) so far as necessary to take into account—
 - (a) the amount of the award of universal credit, determined in accordance with sub-paragraph (3);
 - (b) paragraph 34 (circumstances in which income and capital of non-dependant is to be treated as applicant's), if the authority determines that the provision applies in the applicant's case;
 - (c) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act (power of billing authority to reduce amount of council tax payable).
- (4) The amount for the award of universal credit to be taken into account for the purposes of sub-paragraph (3)(a) is to be determined by multiplying the amount of the award of universal credit by 12 and dividing the product by 52.
- (5) Paragraph 34 (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 sub-paragraph (3).
- (6) In determining the capital of an applicant—
 - (a) who has, or
 - (b) who (jointly with his partner) has,
an award of universal credit, the authority must use the calculation or estimate of the capital of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.

CHAPTER 4 Income: other pensioners

38.0 Calculation of income and capital where state pension credit is not payable: pensioners

Where neither paragraph 35 (applicant in receipt of guarantee credit: pensioners) nor 36 (applicant in receipt of savings credit only: pensioners) applies in the applicant's case, his income and capital is to be calculated or estimated in accordance with paragraphs 39 to 46 and 57 to 62 (calculation of income) and Chapter 7 of this Part (calculation of capital).

39.0 Meaning of “income”: pensioners

- (1) For the purposes of classes A to C in this scheme, “income” means income of any of the following descriptions:
 - (a) earnings;
 - (b) working tax credit;

- (c) retirement pension income within the meaning of the State Pension Credit Act 2002;
- (d) income from annuity contracts (other than retirement pension income);
- (e) a war disablement pension or war widow's or widower's pension;
- (f) a foreign war disablement pension or war widow's or widower's pension;
- (g) a guaranteed income payment;
- (h) a payment made under article 29(1)(c) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011, in any case where article 31(2)(c) applies;
- (i) income from capital other than capital disregarded under Part 1 of Schedule 9;
- (j) social security benefits, other than retirement pension income or any of the following benefits:
 - (i) disability living allowance;
 - (ii) personal independence payment;
 - (iii) an AFIP;
 - (iv) attendance allowance payable under section 64 of the SSCBA (entitlement to attendance allowance);
 - (v) an increase of disablement pension under section 104 (increase for constant attendance) or 105 of that Act (increase for exceptionally severe disablement);
 - (vi) child benefit;
 - (vii) any guardian's allowance payable under section 77 of the SSCBA (guardian's allowance);
 - (viii) any increase for a dependant, other than the applicant's partner, payable in accordance with Part 4 of that Act (increases for dependants);
 - (ix) any:
 - (aa) social fund payment made under Part 8 of the SSCBA (the social fund), or
 - (bb) occasional assistance;
- (x) Christmas bonus payable under Part 10 of that Act (Christmas bonus for pensioners);
- (xi) housing benefit;
- (xii) council tax benefit;
- (xiii) bereavement support payment under section 30 of the Pensions Act 2014;
- (xiv) statutory sick pay;
- (xv) statutory maternity pay;
- (xvi) statutory paternity pay payable under Part 12ZA of the SSCBA;
- (xvii) statutory shared parental pay under Part 12ZC of that Act;
- (xviii) deleted by SI2014/3255
- (xix) statutory adoption pay payable under Part 12ZB of that Act (statutory adoption pay);
- (xix) any benefit similar to those mentioned in the preceding provisions of this paragraph payable under legislation having effect in Northern Ireland;
- (k) all foreign social security benefits which are similar to the social security benefits mentioned above;
- (l) a payment made:
 - (i) under article 30 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 ⁷⁹ (award for children who have reached the child's age limit), in any case where article 30(1)(b) applies; or
 - (ii) under article 12(8) of that Order (unemployability allowances: children who have reached the child's age limit), in any case where sub-paragraph (b) of that article applies;
- (m) a pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria;
- (n) payments under a scheme made under the Pneumoconiosis etc. (Worker's Compensation) Act 1979;
- (o) payments made towards the maintenance of the applicant by his spouse, civil partner, former spouse or former civil partner or towards the maintenance of the applicant's partner by his spouse, civil partner, former spouse or former civil

- partner, including payments made—
 - (i) under a court order;
 - (ii) under an agreement for maintenance; or
 - (iii) voluntarily;
 - (p) payments due from any person in respect of board and lodging accommodation provided by the applicant;
 - (q) royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark;
 - (r) any payment in respect of any—
 - (i) book registered under the Public Lending Right Scheme 1982; or
 - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982;
 - (s) any payment, other than a payment ordered by a court or made in settlement of a claim, made by or on behalf of a former employer of a person on account of the early retirement of that person on grounds of ill-health or disability;
 - (t) any sum payable by way of pension out of money provided under—
 - (i) the Civil List Act 1837,
 - (ii) the Civil List Act 1937,
 - (iii) the Civil List Act 1952,
 - (iv) the Civil List Act 1972, or
 - (v) the Civil List Act 1975;
 - (u) any income in lieu of that specified in paragraphs (a) to (r);
 - (v) any payment of rent made to an applicant who:
 - (i) owns the freehold or leasehold interest in any property or is a tenant of any property;
 - (ii) occupies part of the property; and
 - (iii) has an agreement with another person allowing that person to occupy that property on payment of rent;
 - (w) any payment made at regular intervals under an equity release scheme;
 - (x) PPF periodic payments within the meaning of section 17(1) of the State Pension Credit Act 2002.
- (2) Where the payment of any social security benefit referred to in sub-paragraph (1) or retirement pension income to which section 16(1)(za) to (e) of the State Pension Credit Act 2002 applies, is subject to any deduction (other than an adjustment specified in sub-paragraph (4)) the amount to be taken into account under sub-paragraph (1) is to be the amount before the deduction is made.
- (3) Where an award of any working tax credit or child tax credit 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 sub-paragraph (1) is to be the amount of working tax credit or child tax credit awarded less the amount of that deduction.
- (4) The adjustments specified in this sub-paragraph are those made in accordance with—
- (a) the Social Security (Overlapping Benefits) Regulations 1979;
 - (b) the Social Security (Hospital In-Patients) Regulations 1975;
 - (c) section 30DD or section 30E of the SSCBA (reductions in incapacity benefit in respect of pensions and councillor's allowances);
 - (d) section 3 of the Welfare Reform Act 2007 (deductions from contributory employment and support allowance in respect of pensions and councillor's allowances) and regulations made under it.
 - (e) section 14 of the Pensions Act 2014 (pension sharing: reduction in sharer's section 4 pension)
 - (f) section 45B or 55B of the Social Security Contributions and Benefits Act 1992 (reduction in additional pension in Category A retirement pension and shared

- (5) In sub-paragraph (1)(w), “equity release scheme” means a loan:
- (a) made between a person (“the lender”) and the applicant;
 - (b) by means of which a sum of money is advanced by the lender to the applicant by way of payments at regular intervals; and
 - (c) which is secured on a dwelling in which the applicant owns an estate or interest and which he occupies as his home.

40.0 Calculation of weekly income: pensioners

- (1) Except in a case within sub-paragraph (2), (3A), (4A) or (5),, for the purposes of calculating the weekly income of an applicant who is a pensioner, where the period in respect of which a payment is made:
- (a) does not exceed a week, the whole of that payment is to be included in the applicant's weekly income;
 - (b) exceeds a week, the amount to be included in the applicant's weekly income is to be determined:
 - (i) in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;
 - (ii) in a case where that period is three months, by multiplying the amount of the payment by 4 and dividing the product by 52;
 - (iii) in a case where that period is a year, by dividing the amount of the payment by 52;
 - (iv) in any other case, by multiplying the amount of the payment by 7 and dividing the product by the number of days in the period in respect of which it is made.
- (2) Sub-paragraph (3) applies where:
- (a) the applicant's regular pattern of work is such that he does not work the same hours every week; or
 - (b) the amount of the applicant's income fluctuates and has changed more than once.
- (3) The weekly amount of that applicant's income is to be determined:
- (a) if, in a case to which sub-paragraph (2)(a) applies, there is a recognised cycle of work, by reference to his average weekly income over the period of the complete cycle (including, where the cycle involves periods in which the applicant does no work, those periods but disregarding any other absences); or
 - (b) in any other case, on the basis of:
 - (i) the last two payments if those payments are one month or more apart;
 - (ii) the last four payments if the last two payments are less than one month apart; or
 - (iii) calculating or estimating such other payments as may, in the particular circumstances of the case, enable the applicant's average weekly income to be determined more accurately.
- (3A) Income calculated pursuant to sub-paragraphs (2) and (3) must be taken into account—
- (a) in the case of an application, on the date on which the application was made or treated as made, and the first day of each reduction week thereafter;
 - (b) in the case of an application or a reduction under a scheme where the applicant commences employment, the first day of the reduction week following the date the applicant commences that employment, and the first day of each reduction week thereafter; or
 - (c) in the case of an application or a reduction under a scheme where the applicant's average weekly earnings from employment change, the first day of the reduction week following the date the applicant's earnings from employment change so as to

require recalculation under this paragraph, and the first day of each reduction week thereafter,
regardless of whether those earnings were actually received in that reduction week.

(4) For the purposes of sub-paragraph (3)(b) the last payments are the last payments before the date the application was made or treated as made.

(4A) An applicant's earnings from employment as an employed earner not calculated pursuant to sub-paragraphs (2) and (3) must be taken into account—

(a) in the case of an application, on the date on which the application was made or treated as made, and the first day of each reduction week thereafter;

(b) in the case of an application or a reduction under a scheme where the applicant commences employment, the first day of the reduction week following the date the applicant commences that employment, and the first day of each reduction week thereafter; or

(c) in the case of an application or a reduction under a scheme where the applicant's average weekly earnings from employment change, the first day of the reduction week following the date of the change, and the beginning of each reduction week thereafter,

regardless of whether those earnings were actually received in that reduction week.

(5) If the applicant is entitled to receive a payment to which sub-paragraph (6) applies, the amount of that payment is to be treated as if made in respect of a period of a year.

(6) This sub-paragraph applies to:

(a) royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark;

(b) any payment in respect of any:

(i) book registered under the Public Lending Right Scheme 1982; or

(ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982; and

(c) any payment which is made on an occasional basis.

(7) The period under which any benefit under the benefit Acts is to be taken into account is to be the period in respect of which that benefit is payable.

(8) Where payments are made in a currency other than Sterling, the value of the payment is to be determined by taking the Sterling equivalent on the date the payment is made.

(9) The sums specified in Schedule 5 are to be disregarded in calculating—

(a) the applicant's earnings; and

(b) any amount to which sub-paragraph (6) applies where the applicant is the first owner of the copyright, design, patent or trademark, or an original contributor to the book or work referred to in sub-paragraph (6)(b).

(10) For the purposes of sub-paragraph (9)(b), and for that purpose only, the amounts specified in sub-paragraph (6) is to be treated as though they were earnings.

(11) Income specified in Schedule 6 is to be disregarded in the calculation of the applicant's income.

(12) Schedule 9 (capital disregards: pensioners) has effect so that

(a) the capital specified in Part 1 is disregarded for the purpose of determining an applicant's income; and

(b) the capital specified in Part 2 is disregarded for the purpose of determining an applicant's income under paragraph 71 (calculation of tariff income from capital: pensioners).

- (13) In the case of any income taken into account for the purpose of calculating a person's income any amount payable by way of tax is disregarded.

41.0 Earnings of employed earners: pensioners

- (1) Subject to sub-paragraph (2), "earnings", in the case of employment as an employed earner who is a pensioner, means any remuneration or profit derived from that employment and includes
- (a) any bonus or commission;
 - (b) any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
 - (c) any payment in lieu of notice;
 - (d) any holiday pay;
 - (e) any payment by way of a retainer;
 - (f) any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of—
 - (i) travelling expenses incurred by the applicant between his home and place of employment;
 - (ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;
 - (g) 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;
 - (h) statutory sick pay payable by the employer under the SSCBA;
 - (i) statutory maternity pay payable by the employer under the SSCBA;
 - (j) statutory paternity pay payable under Part 12ZA of that Act;
 - (ja) statutory shared parental pay under Part 12ZC of that Act;
 - (k) deleted by SI2014/3255
 - (l) statutory adoption pay payable under Part 12ZB of that Act;
 - (m) any sums payable under a contract of service—
 - (i) for incapacity for work due to sickness or injury; or
 - (ii) by reason of pregnancy or confinement.
- (2) Earnings does not include—
- (a) subject to sub-paragraph (3), any payment in kind;
 - (b) any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment;
 - (c) any occupational pension;
 - (d) any lump sum payment made under the Iron and Steel Re-adaptation Benefits Scheme;
 - (e) any payment of compensation made pursuant to an award by an employment tribunal established under the Employment Tribunals Act 1996 in respect of unfair dismissal or unlawful discrimination;
 - (f) any payment in respect of expenses arising out of the applicant participating as a service user.
- (3) Sub-paragraph (2)(a) does not apply in respect of any non-cash voucher referred to in sub-paragraph (1)(g).

42.0 Calculation of net earnings of employed earners: pensioners

- (1) For the purposes of paragraph 57 (calculation of income on a weekly basis), the earnings of an applicant who is a pensioner derived or likely to be derived from employment as an employed earner to be taken into account must, subject to paragraph 40(5) and Schedule 5 (sums to be disregarded from earnings: pensioners), be his net earnings.

- (2) For the purposes of sub-paragraph (1) net earnings must, except where sub-paragraph (5) applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less—
 - (a) any amount deducted from those earnings by way of:
 - (i) income tax;
 - (ii) primary Class 1 contributions under the SSCBA;
 - (b) one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;
 - (c) one-half of the amount calculated in accordance with sub-paragraph (4) in respect of any qualifying contribution payable by the applicant; and
 - (d) where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay, statutory shared parental pay, or statutory adoption 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 SSCBA.
- (3) In this paragraph “qualifying contribution” means any sum which is payable periodically as a contribution towards a personal pension scheme.
- (4) The amount in respect of any qualifying contribution is to 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 is to be determined—
 - (a) where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365 or 366 in a leap year;
 - (b) in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.
- (5) Where the earnings of an applicant are determined under paragraph 40(2)(b) (calculation of weekly income: pensioners) his net earnings is to be calculated by taking into account those earnings over the assessment period, less:
 - (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate of tax, or in the case of a Scottish taxpayer, the Scottish basic rate, applicable to the assessment period less only the personal reliefs 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 reliefs deductible under this sub-paragraph is to be calculated on a pro rata basis;
 - (b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the SSCBA in respect of those earnings if such contributions were payable; and
 - (c) one-half of any sum which would be payable by the applicant by way of a contribution towards an occupational or personal pension scheme, if the earnings so estimated were actual earnings.

43.0 Calculation of earnings of self-employed earners: pensioners

- (1) Where the earnings of an applicant who is a pensioner consist of earnings from employment as a self-employed earner, the weekly amount of his earnings is to be determined by reference to his average weekly earnings from that employment:
 - (a) over a period of one year; or
 - (b) where the applicant has recently become engaged in that employment or there has been a change which is likely to affect the normal pattern of business, over such

other period ("computation period") as may, in the particular case, enable the weekly amount of his earnings to be determined more accurately.

- (2) For the purposes of determining the weekly amount of earnings of an applicant to whom sub-paragraph (1)(b) applies, his earnings over the computation period are to be divided by the number equal to the number of days in that period and the product multiplied by 7.
- (3) The period over which the weekly amount of an applicant's earnings is calculated in accordance with this paragraph is to be his assessment period.

44.0 Earnings of self-employers earners: pensioners

- (1) Subject to sub-paragraph (2), "earnings", in the case of employment as a self-employed earner who is a pensioner, means the gross income of the employment.
- (2) "Earnings" in the case of employment as a self-employed earner does not include:
 - (a) where an applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation for which payment is made, those payments;
 - (b) any payment made by a local authority to an applicant—
 - (i) with whom a person is accommodated by virtue of arrangements made under section 22C of the Children Act 1989 or, as the case may be, section 26 or 26A of the Children (Scotland) Act 1995, or in Wales placed with the applicant or the applicant's partner by a local authority under section 81 of the Social Services and Well-being (Wales) Act 2014; or
 - (ii) with whom a local authority fosters a child under the Looked After Children (Scotland) Regulations 2009 or who is a kinship carer under those Regulations;
 - (c) any payment made by a voluntary organisation in accordance with section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations);
 - (d) 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—
 - (i) a local authority but excluding payments of housing benefit made in respect of the person concerned;
 - (ii) a voluntary organisation;
 - (iii) 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);
 - (iv) the National Health Service Commissioning Board or a clinical commissioning group established under section 14D of the National Health Service Act 2006;
 - (v) a Local Health Board established under section 11 of the National Health Service (Wales) Act 2006; or
 - (vi) the persons concerned where the payment is for the provision of accommodation to meet that person's needs for care and support under section 35 or 36 of the Social Services and Well-being (Wales) Act 2014 (respectively, duty and power to meet care and support needs of an adult)
 - (da) any payment or part of a payment made by a local authority in accordance with section 26A of the Children (Scotland) Act 1995 (duty to provide continuing care) to a person ("A") which A passes on to the applicant where A—
 - (i) was formerly in the applicant's care;
 - (ii) is aged 16 or over; and
 - (iii) continues to live with the applicant;
 - (db) any payments made to an applicant under section 73(1)(b) of the Children and Young People (Scotland) Act 2014 (kinship care assistance: further provisions)
 - (e) any sports award.

45.0 Notional income: pensioners

- (1) An applicant who is a pensioner is to be treated as possessing:
 - (a) subject to sub-paragraph (2), the amount of any retirement pension income—
 - (i) for which no claim has been made; and
 - (ii) to which he might expect to be entitled if a claim for it were made;
 - (b) income from an occupational pension scheme which the applicant elected to defer.
- (2) Sub-paragraph (1)(a) does not apply to the following where entitlement has been deferred—
 - (a) a Category A or Category B retirement pension payable under sections 43 to 55 of the SSCBA;
 - (b) a shared additional pension payable under section 55A or 55AA of the SSCBA;
 - (c) graduated retirement benefit payable under sections 36 and 37 of the National Insurance Act 1965.
 - (d) a state pension under Part 1 of the Pensions Act 2014.
- (3) For the purposes of sub-paragraph (2), entitlement has been deferred—
 - (a) in the case of a Category A or Category B pension, in the circumstances specified in section 55(3) of the SSCBA;
 - (b) in the case of a shared additional pension, in the circumstances specified in section 55C(3) of the SSCBA; and
 - (c) in the case of graduated retirement benefit, in the circumstances specified in section 36(4) and (4A) of the National Insurance Act 1965.
 - (d) in the case of a state pension under Part 1 of the Pensions Act 2014, in the circumstances specified in section 17(7) and (8) of that Act.
- (4) This sub-paragraph applies where a person who has attained the qualifying age for state pension credit:
 - (a) is entitled to oney purchase benefits under an occupational pension scheme or a personal pension scheme;
 - (b) fails to purchase an annuity with the funds available in that scheme; and
 - (c) either—
 - (i) defers in whole or in part the payment of any income which would have been payable to him by his pension fund holder, or
 - (ii) fails to take any necessary action to secure that the whole of any income which would be payable to him by his pension fund holder upon his applying for it, is so paid, or
 - (iii) income withdrawal is not available to him under that scheme.
- (5) Where sub-paragraph (4) applies, the amount of any income foregone is to be treated as possessed by that person, but only from the date on which it could be expected to be acquired were an application for it to be made.
- (6) The amount of any income foregone in a case where sub-paragraph (4)(c)(i) or (ii) applies is to be the rate of the annuity which may have been purchased with the fund and must be determined by the authority, taking account of information provided by the pension fund holder.
- (7) The amount of any income foregone in a case where sub-paragraph (4)(c)(iii) applies is to be the income that the applicant could have received without purchasing an annuity had the funds held under the relevant scheme been held under a personal pension scheme or occupational pension scheme where income withdrawal was available and is to be determined in the manner specified in sub-paragraph (6).
- (8) In sub-paragraph (4), “money purchase benefits” has the same meaning as in the Pension Schemes Act 1993.

- (9) Subject to sub-paragraphs (10), (11A), (11B) and (12), a person is to 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 the reduction.
- (10) Sub-paragraph (9) does not apply in respect of the amount of an increase of pension or benefit where a person, having made an election in favour of that increase of pension or benefit under Schedule 5 or 5A to the SSCBA or under Schedule 1 to the Social Security (Graduated Retirement Benefit) Regulations 2005, changes that election in accordance with regulations made under Schedule 5 or 5A to that Act in favour of a lump sum.
- (11) In sub-paragraph (10), "lump sum" means a lump sum under Schedule 5 or 5A to the SSCBA or under Schedule 1 to the Social Security (Graduated Retirement Benefit) Regulations 2005.
- (11A) Sub-paragraph (9) does not apply in respect of the amount of an increase of pension where a person, having made a choice in favour of that increase of pension under section 8(2) of the Pensions Act 2014, alters that choice in accordance with Regulations made under section 8(7) of that Act in favour of a lump sum.
- (11B) Sub-paragraph (9) does not apply in respect of the amount of an increase of pension where a person, having made a choice in favour of that increase of pension in accordance with Regulations made under section 10 of the Pensions Act 2014, which include provision corresponding or similar to section 8(2) of that Act, alters that choice in favour of a lump sum, in accordance with Regulations made under section 10 of that Act, which include provision corresponding or similar to Regulations made under section 8(7) of that Act.
- (11C) In sub-paragraph (11A), "lump sum" means a lump sum under section 8 of the Pensions Act 2014.
- (11D) In sub-paragraph (11B), "lump sum" means a lump sum under Regulations made under section 10 of the Pensions Act 2014 which include provision corresponding or similar to section 8 of that Act.
- (12) Sub-paragraph (9) does 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.
- (13) 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 authority must treat the applicant as possessing such benefit at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority selects to apply, to the date on which the altered rate is to take effect.
- (14) In the case of an applicant who has, or whose partner has, an award of state pension credit comprising only the savings credit, where the authority treats the applicant as possessing any benefit at the altered rate in accordance with sub-paragraph (13), the authority must—
- (a) determine the income and capital of that applicant in accordance with paragraph 36(1) (calculation of applicant's income in savings credit only cases: pensioners) where the calculation or estimate of that income and capital is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter; and
 - (b) treat that applicant as possessing such income and capital at the altered rate by reference to the date selected by the relevant authority to apply in its area, for the

purposes of establishing the period referred to in sub-paragraph (13).

(15) For the purposes of sub-paragraph (9), a person is not to be regarded as depriving himself of income where:

- (a) his rights to benefits under a registered pension scheme are extinguished and in consequence of this he receives a payment from the scheme, and
- (b) that payment is a trivial commutation lump sum within the meaning given by paragraph 7 of Schedule 29 to the Finance Act 2004 ⁹⁸.

(16) In sub-paragraph (15), "registered pension scheme" has the meaning given in section 150(2) of the Finance Act 2004.

46.0 Income paid to third parties: pensioners

(1) Any payment of income, other than a payment specified in sub-paragraph (2) or (3), to a third party in respect of an applicant who is a pensioner is to be treated as possessed by the applicant.

(2) Sub-paragraph (1) does not apply in respect of a payment of income made 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—

- (a) 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;
- (b) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
- (c) the person referred to in paragraph (a) and his partner does not possess, or is not treated as possessing, any other income apart from that payment.

(3) Sub-paragraph (1) does not apply in respect of any payment of income other than earnings, or earnings derived from employment as an employed earner, arising out of the applicant participating as a service user.

CHAPTER 5 Income: persons who are not pensioners

47.0 Average weekly earnings of employed earners: persons who are not pensioners

(1) Where the income of an applicant who is not a pensioner consists of earnings from employment as an employed earner his average weekly earnings must be estimated by reference to his earnings from that employment—

- (a) over a period immediately preceding the reduction week in which the application is made or treated as made and being a period of—
 - (i) 5 weeks, if he is paid weekly; or
 - (ii) 2 months, if he is paid monthly; or
- (b) whether or not paragraph (a)(i) or (ii) applies, where an applicant's earnings fluctuate, over such other period preceding the reduction week in which the application is made or treated as made as may, in any particular case, enable his average weekly earnings to be estimated more accurately.

(2) Where the applicant has been in his employment for less than the period specified in sub-paragraph (1)(a)(i) or (ii)—

- (a) if he has received any earnings for the period that he has been in that employment and those earnings are likely to represent his average weekly earnings from that employment his average weekly earnings must be estimated by reference to those earnings;
- (b) in any other case, the authority must estimate the applicant's average weekly

earnings⁹⁹.

- (3) Where the amount of an applicant's earnings changes the authority must estimate his average weekly earnings by reference to his likely earnings from the employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period must not in any case exceed 52 weeks.
- (4) For the purposes of this paragraph the applicant's earnings are to be calculated in accordance with paragraphs 51 and 52 (earnings of employed earners: persons who are not pensioners).

48.0 Average weekly earnings of self-employed earners: persons who are not pensioners

- (1) Where the income of an applicant who is not a pensioner consists of earnings from employment as a self-employed earner his average weekly earnings must 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 must not in any case exceed a year.
- (2) For the purposes of this paragraph the applicant's earnings must be calculated in accordance with paragraphs 53, 61 and 62 (earnings, and net profit, of self-employed earners).

49.0 Average weekly income other than earnings: persons who are not pensioners

- (1) The income of an applicant who is not a pensioner which does not consist of earnings must, except where sub-paragraph (2) applies, be estimated over such period as is appropriate in order that his average weekly income may be estimated accurately but the length of the period must not in any case exceed 52 weeks; and nothing in this paragraph authorises an authority to disregard any such income other than that specified in Schedule 8 (sums disregarded in the calculation of income other than earnings: persons who are not pensioners).
- (2) The period over which any benefit under the benefit Acts is to be taken into account is to be the period in respect of which that benefit is payable.
- (3) For the purposes of this paragraph income other than earnings is to be calculated in accordance with paragraph 54 (calculation of income other than earnings: persons who are not pensioners).

50.0 Calculation of weekly income of employed earners: persons who are not pensioners

- (1) For the purposes of paragraphs 47 (average weekly earnings of employed earners), 49 (average weekly income other than earnings) and 59 (calculation of average weekly income from tax credits), where the period in respect of which a payment is made—
 - (a) does not exceed a week, the weekly amount is to be the amount of that payment;
 - (b) exceeds a week, the weekly amount is to be determined—
 - (i) in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;
 - (ii) in any other case, by dividing the amount of the payment by the number equal to the number of days in the period to which it relates and multiplying the product by 7.
- (2) For the purposes of paragraph 48 (average weekly earnings of self-employed earners) the weekly amount of earnings of an applicant is to be determined by dividing his earnings over the assessment period by the number equal to the number of days in that period and multiplying the product by 7.

51.0 Earnings of employed earners: persons who are not pensioners

- (1) Subject to sub-paragraph (2), "earnings", in the case of employment as an employed

earner of a person who is not a pensioner, means any remuneration or profit derived from that employment and includes:

- (a) any bonus or commission;
- (b) any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
- (c) any payment in lieu of notice or any lump sum payment intended as compensation for the loss of employment but only in so far as it represents loss of income;
- (d) any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;
- (e) any payment by way of a retainer;
- (f) any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of—
 - (i) travelling expenses incurred by the applicant between his home and place of employment;
 - (ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;
- (g) any award of compensation made under section 112(4) or 117(3)(a) of the Employment Rights Act 1996 (remedies and compensation for unfair dismissal);
- (h) 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);
- (i) any such sum as is referred to in section 112 of the SSCBA (certain sums to be earnings for social security purposes);
- (j) any statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;
- (k) 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 is absent from work because he is ill;
- (l) 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.

(2) Earnings does not include—

- (a) subject to sub-paragraph (3), any payment in kind;
- (b) any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment;
- (c) any occupational pension;
- (d) any payment in respect of expenses arising out of the applicant's participation in a service user group.

(3) Sub-paragraph (2)(a) does not apply in respect of any non-cash voucher referred to in sub-paragraph (1)(l).

52.0 Calculation of net earnings of employed earners: persons who are not pensioners

- (1) For the purposes of paragraph 47 (average weekly earnings of employed earners: persons who are not pensioners), the earnings of an applicant who is not a pensioner derived or likely to be derived from employment as an employed earner to be taken into account must, subject to sub-paragraph (2), be his net earnings.
- (2) There is to be disregarded from an applicant's net earnings, any sum, where applicable, specified in paragraphs 1 to 16 of Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners).

- (3) For the purposes of sub-paragraph (1) net earnings must, except where sub-paragraph (6) applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less—
 - (a) any amount deducted from those earnings by way of—
 - (i) income tax;
 - (ii) primary Class 1 contributions under the SSCBA;
 - (b) one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;
 - (c) one-half of the amount calculated in accordance with sub-paragraph (5) in respect of any qualifying contribution payable by the applicant; and
 - (d) where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, any amount deducted 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 SSCBA.
- (4) In this paragraph “qualifying contribution” means any sum which is payable periodically as a contribution towards a personal pension scheme.
- (5) The amount in respect of any qualifying contribution is to 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 is to be determined—
 - (a) where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365 or 366 in a leap year;
 - (b) in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.
- (6) Where the earnings of an applicant are estimated under paragraph 47(2)(b) (average weekly earnings of employed earners: classes D to F), his net earnings is to be calculated by taking into account those earnings over the assessment period, less:
 - (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 35 to 37 of the Income Tax Act 2007 (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 is to be calculated on a pro rata basis;
 - (b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the SSCBA in respect of those earnings if such contributions were payable; and
 - (c) one-half of any sum which would be payable by the applicant by way of a contribution towards an occupational or personal pension scheme, if the earnings so estimated were actual earnings.

53.0 Earnings of self-employed earners: persons who are not pensioners

- (1) Subject to sub-paragraph (2), “earnings”, in the case of employment as a self-employed earner of a person who is not a pensioner, means the gross income of the employment.
- (2) “Earnings” does not include any payment to which paragraph 31 or 32 of Schedule 8 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 does it include any sports award.

- (3) This paragraph applies to:
- (a) royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark; or
 - (b) any payment in respect of any—
 - (i) book registered under the Public Lending Right Scheme 1982; or
 - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982, where the applicant is the first owner of the copyright, design, patent or trade mark, or an original contributor to the book or work concerned.
- (4) Where the applicant's earnings consist of any items to which sub-paragraph (3) applies, those earnings must be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction is to be treated as a corresponding fraction of a week) by dividing the earnings by:
- (a) the amount of reduction under this scheme to which the applicant would have been entitled had the payment not been made, plus
 - (b) an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners) as appropriate in the applicant's case.

54.0 Calculation of income other than earnings: persons who are not pensioners

- (1) For the purposes of paragraph 49 (average weekly income other than earnings: persons who are not pensioners), the income of an applicant who is not a pensioner which does not consist of earnings to be taken into account must, subject to sub-paragraphs (2) to (8), be his gross income and any capital treated as income under paragraph 55 (capital treated as income: persons who are not pensioners).
- (2) There is to be disregarded from the calculation of an applicant's gross income under sub-paragraph (1), any sum, where applicable, specified in Schedule 8.
- (3) Where the payment of any benefit under the benefit Acts is subject to any deduction by way of recovery the amount to be taken into account under sub-paragraph (1) must be the gross amount payable.
- (4) Where the applicant or, where he is a member of a couple, his partner is receiving a contributory employment and support allowance and that benefit has been reduced under regulation 63 of the Employment and Support Allowance Regulations 2008, the amount of that benefit to be taken into account is the amount as if it had not been reduced.
- (5) Where an award of any working tax credit or child tax credit under the Tax Credits Act 2002 is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under sub-paragraph (1) is to be the amount of working tax credit or child tax credit awarded less the amount of that deduction.
- (6) Sub-paragraphs (7) and (8) apply where—
- (a) a relevant payment has been made to a person in an academic year; and
 - (b) that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.
- (7) 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 sub-paragraph (1) in respect of a person to whom sub-paragraph (7) applies, is to be calculated by applying the formula—

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

D

Where

- (a) A = the total amount of the relevant payment which that person would have received had he remained a student until the last day of the academic term in which he abandoned, or was dismissed from, his course, less any deduction under paragraph 81(5) (costs of travel, books and equipment);
- (b) B = the number of reduction weeks from the reduction week immediately following that which includes the first day of that academic year to the reduction week which includes the day on which the person abandoned, or was dismissed from, his course;
- (c) C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under paragraph 81(2) (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 housing benefit;
- (d) D = the number of reduction weeks in the assessment period.

- (8) 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 sub-paragraph (1) in respect of a person to whom sub-paragraph (7) applies, is to be calculated by applying the formula in sub-paragraph (8) but as if—

A = the total amount of relevant payments which that person received, or would have received, from the first day of the academic year to the day the person abandoned the course, or was dismissed from it, less any deduction under paragraph 81(5).

- (9) In this paragraph—

“academic year” and “student loan” have the same meanings as in Part 11 (students);

“assessment period” means

- (a) in a case where a relevant payment is made quarterly, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person;
- (b) in a case where the relevant payment is made by two or more instalments in a quarter, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes—
 - (i) the day immediately before the day on which the next instalment of the relevant payment would have been due had the payments continued; or
 - (ii) the last day of the last quarter for which an instalment of the relevant payment was payable to that person,

whichever of those dates is earlier;

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

- (c) 1st January and ending on 31st March;

- (d) 1st April and ending on 30th June;

- (e) 1st July and ending on 31st August; or

- (f) 1st September and ending on 31st December;

“relevant payment” means either a student loan or an amount intended for the maintenance of dependants referred to in paragraph 76(7) or both.

- (10) For the avoidance of doubt there must be included as income to be taken into account under sub-paragraph (1)—

- (a) any payment to which paragraph 41(2) or 51(2) (payments not earnings) applies; or
- (b) in the case of an applicant who is receiving support under section 95 or 98 of the Immigration and Asylum Act 1999 including support provided by virtue of regulations made under Schedule 9 to that Act, the amount of such support provided in respect of essential living needs of the applicant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act 1999.

55.0 Capital treated as income: persons who are not pensioners

- (1) 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 revision or supersession, must, if the aggregate of the instalments outstanding and the amount of the applicant's capital otherwise calculated in accordance with Chapter 7 of this Part exceeds £16,000, be treated as income.
- (2) Any payment received under an annuity is to be treated as income.
- (3) Any earnings to the extent that they are not a payment of income is to be treated as income.
- (4) Any Career Development Loan paid pursuant to section 2 of the Employment and Training Act 1973 is to be treated as income.
- (5) Where an agreement or court order provides that payments must 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), is to be treated as income.

56.0 Notional income: persons who are not pensioners

- (1) An applicant who is not a pensioner is to be treated as possessing income of which he has deprived himself for the purpose of securing entitlement to a reduction under a council tax reduction scheme or increasing the amount of the reduction.
- (2) Except in the case of—
 - (a) a discretionary trust;
 - (b) a trust derived from a payment made in consequence of a personal injury;
 - (c) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund where the applicant has not attained the qualifying age for state pension credit;
 - (d) any sum to which paragraph 50(2)(a) of Schedule 10 (capital disregards: persons who are not pensioners) applies which is administered in the way referred to in paragraph 50(1)(a);
 - (e) any sum to which paragraph 51(a) of Schedule 10 refers;
 - (f) rehabilitation allowance made under section 2 of the Employment and Training Act 1973;
 - (g) child tax credit;
 - (h) working tax credit, or
 - (i) any sum to which sub-paragraph (11) applies,
 - any income which would become available to the applicant upon application being made, but which has not been acquired by him, is to 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.

- (3) Any payment of income, other than a payment of income specified in sub-paragraph (4), made—
- (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) must, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
 - (b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) must, where it is not a payment referred to in paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
 - (c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) must 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.
- (4) Sub-paragraph (3) does not apply in respect of a payment of income made—
- (a) 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);
 - (b) pursuant to section 19(1)(a) of the Coal Industry Act 1994 (concessionary coal);
 - (c) pursuant to section 2 of the Employment and Training Act 1973 in respect of a person's participation—
 - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996;
 - (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
 - (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
 - (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or
 - (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
 - (d) in respect of a person's participation in the Work for Your Benefit Pilot Scheme;
 - (e) in respect of a person's participation in the Mandatory Work Activity Scheme;
 - (f) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;
 - (g) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
 - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
 - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
 - (iii) the person referred to in sub-paragraph (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.
- (5) 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 authority must treat the applicant as possessing such benefit

at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority selects, to the date on which the altered rate is to take effect.

- (6) Subject to sub-paragraph (7), where—
- (a) an applicant performs a service for another person; and
 - (b) that person makes no payment of earnings or pays less than that paid for a comparable employment in the area,
the authority must treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.
- (7) Sub-paragraph (6) does not apply—
- (a) to an applicant who is engaged by a charitable or voluntary organisation or who is a volunteer if the authority is satisfied in any of those cases that it is reasonable for him to provide those services free of charge; or
 - (b) in a case where the service is performed in connection with—
 - (i) the applicant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations 1996, other than where the service is performed in connection with the applicant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations; or
 - (ii) the applicant's or the applicant's partner's participation in an employment or training programme as defined in regulation 19(3) of those Regulations for which a training allowance is not payable or, where such an allowance is payable, it is payable for the sole purpose of reimbursement of travelling or meal expenses to the person participating in that programme; or
 - (c) to an applicant who is participating in a work placement approved by the Secretary of State (or a person providing services to the Secretary of State) before the placement starts.
- (8) In sub-paragraph (7)(c) “work placement” means practical work experience which is not undertaken in expectation of payment.
- (9) Where an applicant is treated as possessing any income under any of sub-paragraphs (1) to (8), the foregoing provisions of this Part 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.
- (10) Where an applicant is treated as possessing any earnings under sub-paragraph (6) the foregoing provisions of this Part apply for the purposes of calculating the amount of those earnings as if a payment had actually been made and as if they were actual earnings which he does possess except that paragraph 42(2) or 52(3) (calculation of net earnings of employed earners: pensioners and persons who are not pensioners, respectively) do not apply and his net earnings are to be calculated by taking into account those earnings which he is treated as possessing, less—
- (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 35 to 37 of the Income Tax Act 2007 (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 is to be calculated on a pro rata basis;
 - (b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the SSCBA in respect of those earnings if such contributions were payable; and
 - (c) one-half of any sum payable by the applicant by way of a contribution towards an

occupational or personal pension scheme.

- (11) Sub-paragraphs (1), (2), (3) and (6) do not apply in respect of any amount of income other than earnings, or earnings of an employed earner, arising out of the applicant's participation in a service user group.

CHAPTER 6 Income: further provisions applying to pensioners and persons who are not pensioners

57.0 Calculation of income on a weekly basis

- (1) Subject to paragraph 60 (disregard of changes in tax, etc.), the income of an applicant is to be calculated on a weekly basis—
- (a) by estimating the amount which is likely to be his average weekly income in accordance with this Part;
 - (b) by adding to that amount the weekly income calculated—
 - (i) if the applicant is a pensioner, under paragraph 71 (tariff income: pensioners);
 - (ii) if the applicant is a person who is not a pensioner, under paragraph 72 (tariff income: persons who are not pensioners); and
 - (c) deducting from the sum of paragraphs (a) and (b) any relevant child care charges to which paragraph 58 (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 sub-paragraph (2) are met, from those earnings plus whichever credit specified in paragraph (b) of that sub-paragraph is appropriate, up to a maximum deduction in respect of the applicant's family of whichever of the sums specified in sub-paragraph (3) applies in his case.
- (2) The conditions of this paragraph are that—
- (a) the applicant's earnings which form part of his average weekly income are less than the lower of either his relevant child care charges or whichever of the deductions specified in sub-paragraph (3) otherwise applies in his case; and
 - (b) that applicant or, if he is a member of a couple either the applicant or his partner, is in receipt of either working tax credit or child tax credit.
- (3) The maximum deduction to which sub-paragraph (1)(c) above refers is to be—
- (a) where the applicant's family includes only one child in respect of whom relevant child care charges are paid, £175.00 per week;
 - (b) where the applicant's family includes more than one child in respect of whom relevant child care charges are paid, £300 per week.

58.0 Treatment of child care charges

- (1) This paragraph applies where an applicant (within the meaning in this paragraph) is incurring relevant child care charges and—
- (a) is a lone parent and is engaged in remunerative work;
 - (b) is a member of a couple both of whom are engaged in remunerative work; or
 - (c) is a member of a couple where one member is engaged in remunerative work and the other—
 - (i) is incapacitated;
 - (ii) is an in-patient in hospital; or
 - (iii) is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).

- (2) For the purposes of sub-paragraph (1) and subject to sub-paragraph (4), a person to whom sub-paragraph (3) applies must be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he—
- (a) is paid statutory sick pay;
 - (b) is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the SSCBA;
 - (c) is paid an employment and support allowance;
 - (d) is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support (General) Regulations 1987; or
 - (e) is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.
- (3) This sub-paragraph applies to a person who was engaged in remunerative work immediately before—
- (a) the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or
 - (b) the first day of the period in respect of which earnings are credited, as the case may be.
- (4) In a case to which sub-paragraph (2)(d) or (e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.
- (5) Relevant child care charges are those charges for care to which sub-paragraphs (6) and (7) apply, and are to be calculated on a weekly basis in accordance with sub-paragraph (10).
- (6) The charges are paid by the applicant for care which is provided—
- (a) in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or
 - (b) in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.
- (7) The charges are paid for care which is provided by one or more of the care providers listed in sub-paragraph (8) and are not paid—
- (a) in respect of the child's compulsory education;
 - (b) by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible in accordance with paragraph 7 (circumstances in which a person is treated as responsible or not responsible for another); or
 - (c) in respect of care provided by a relative of the child wholly or mainly in the child's home.
- (8) The care to which sub-paragraph (7) refers may be provided—
- (a) out of school hours, by a school on school premises or by a local authority—
 - (i) for children who are not disabled in respect of the period beginning on their eighth birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or
 - (ii) for children who are disabled in respect of the period beginning on their eighth birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or
 - (b) by a child care provider approved in accordance with the Tax Credit (New Category of Child Care Provider) Regulations 1999; or
 - (c) by persons registered under Part 2 of the Children and Families (Wales) Measure

- 2010; or
- (d) by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) Order 2010; or
- (e) by—
- (i) persons registered under section 59(1) of the Public Services Reform (Scotland) Act 2010; or
 - (ii) local authorities registered under section 83(1) of that Act, where the care provided is child minding or day care of children within the meaning of that Act; or
- (f) by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002; or
- (g) by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or
- (h) by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section 34(2) of that Act; or
- (i) by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or
- (j) by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of “childcare” for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or
- (k) by a foster parent or kinship carer under the Fostering Services Regulations 2011, the Fostering Services (Wales) Regulations 2003 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering or kinship carer is looking after; or
- (l) by a provider of personal care within the meaning of paragraph 1 of Schedule 1 to the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010 ¹⁰² and being a regulated activity prescribed by those Regulations; or
- (m) by a person who is not a relative of the child wholly or mainly in the child's home.
- (9) In sub-paragraphs (6) and (8)(a), “the first Monday in September” means the Monday which first occurs in the month of September in any year.
- (10) Relevant child care charges must 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.
- (11) For the purposes of sub-paragraph (1)(c) the other member of a couple is incapacitated where—
- (a) the applicant is a pensioner and the other member of the couple is aged not less than 80;
 - (b) the applicant is a pensioner and the other member of the couple is aged less than 80, and—
 - (i) the additional condition specified in paragraph 10 of Schedule 3 (additional condition for the disability premium) to this scheme is treated as applying in his case; and
 - (ii) he satisfies that conditions or would satisfy it 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 SSCBA;
 - (c) the applicant is not a pensioner, the applicant's applicable amount includes a disability premium on account of the other member's incapacity or the support component on account of his having limited capability for work, or the other member of the couple would be a member of the work-related activity group;

- (d) the applicant is not a pensioner, 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 SSCBA;
- (e) the other member of the couple would be a member of the support group or by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008 or the Employment and Support Allowance Regulations 2013(a);
- (f) he 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 SSCBA (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 must be treated as one continuous period;
- (g) he is, 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(a); 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;
- (h) there is payable in respect of him one or more of the following pensions or allowances—
 - (i) long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the SSCBA;
 - (ii) attendance allowance under section 64 of the SSCBA;
 - (iii) severe disablement allowance under section 68 of the SSCBA;
 - (iv) disability living allowance under section 71 of the SSCBA;
 - (v) personal independence payment;
 - (vi) an AFIP;
 - (vii) increase of disablement pension under section 104 of the SSCBA;
 - (viii) a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under sub-paragraph (ii), (iv), (v) or (vii) above;
- (ix) main phase employment and support allowance;
- (i) a pension OR allowance or payment to which sub-paragraph (v), (vii) or (viii) of paragraph (h) 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 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;
- (j) an attendance allowance under section 64 of the SSCBA or disability living allowance would be payable to that person but for—
 - (i) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or
 - (ii) an abatement as a consequence of hospitalisation;
- (k) the daily living component of personal independence payment would be payable to that person but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);
- (l) an AFIP would be payable to that person but for any suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;
- (m) paragraph (h), (i), (j) or (k) would apply to him if the legislative provisions referred to in those paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or
- (n) he has an invalid carriage or other vehicle provided to him by the Secretary of State

or a clinical commissioning group under paragraph 9 of Schedule 1 to the National Health Service Act 2006 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.

- (12) For the purposes of sub-paragraph (11), once sub-paragraph (11)(f) applies to the person, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that sub-paragraph is, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter to apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.
- (13) For the purposes of sub-paragraph (11), once sub-paragraph (11)(g) applies to the person, 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.
- (14) For the purposes of sub-paragraphs (6) and (8)(a), a person is disabled if he is a person—
- (a) to whom an attendance allowance or the care component of disability allowance is payable or would be payable but for—
 - (i) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or
 - (ii) an abatement as a consequence of hospitalisation;
 - (b) to whom the daily living component of personal independence payment is payable or has ceased to be payable by virtue of a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);
 - (c) who is registered as severely sight-impaired in a register kept under section 77(1) of the Care Act 2014 (registers of sight-impaired adults), in Scotland, has been certified as blind and in consequence he is registered as blind in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994 or is registered as severely sight-impaired in a register kept by a local authority in Wales under section 18(1) of the Social Services and Well-being (Wales) Act 2014; or
 - (d) who ceased to be registered as blind or severely sight-impaired in such a register within the period beginning 28 weeks before the first Monday in September following that person's fifteenth birthday and ending on the day preceding that person's sixteenth birthday.
- (15) For the purposes of sub-paragraph (1) a person on maternity leave, paternity leave, shared parental leave or adoption leave is to be treated as if he is engaged in remunerative work for the period specified in sub-paragraph (16) (“the relevant period”) provided that—
- (a) in the week before the period of maternity leave, paternity leave, shared parental leave, or adoption leave began he was in remunerative work;
 - (b) the applicant is incurring relevant child care charges within the meaning of sub-paragraph (5); and
 - (c) he is entitled to either statutory maternity pay under section 164 of the SSCBA ¹⁰⁵, statutory paternity pay by virtue of section 171ZA or 171ZB of that Act, statutory paternity pay by virtue of section 171ZEA or 171ZEB of that Act, statutory adoption pay by 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.
- (16) For the purposes of sub-paragraph (15) the relevant period begins on the day on which the person's maternity, paternity leave, shared parental leave, or adoption leave commences and ends on—

- (a) the date that leave ends;
- (b) if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay, ordinary or additional statutory paternity pay or statutory adoption pay ends, the date that entitlement ends; or
- (c) if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance or qualifying support, statutory maternity pay, Statutory paternity pay, statutory shared paternity pay or statutory adoption pay ends, or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credit ends, whichever occurs first.

(17) In sub-paragraphs (15) and (16)—

- (a) “qualifying support” means income support to which that person is entitled by virtue of paragraph 14B of Schedule 1B to the Income Support (General) Regulations 1987 ¹⁰⁶; and
- (b) “child care element” of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act 2002 (child care element).

(18) In this paragraph “applicant” does not include an applicant

- (a) who has, or
- (b) who (jointly with his partner) has,
an award of universal credit.

59.0 Calculation of weekly income from tax credits

- (1) This paragraph applies where an applicant receives a tax credit.
- (2) Where this paragraph applies, the period over which a tax credit is to be taken into account is the period set out in sub-paragraph (3).
- (3) Where the instalment in respect of which payment of a tax credit is made is—
 - (a) a daily instalment, the period is 1 day, being the day in respect of which the instalment is paid;
 - (b) a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;
 - (c) a two weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;
 - (d) a four weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.
- (4) For the purposes of this paragraph “tax credit” means child tax credit or working tax credit.

60.0 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;
- (aa) in the Scottish basic or other rates of income tax;
- (b) in the amount of any personal tax reliefs under Chapters 2, 3, and 3A of Part 3 of the Income Tax Act 2007;
- (c) in the rates of national insurance contributions payable under the SSCBA 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 (small profits threshold in relation to Class 2 contributions);
- (d) in the amount of tax payable as a result of an increase in the weekly rate of Category A, B, C or D retirement pension or any addition thereto or any graduated pension payable under the SSCBA, or a state pension under Part 1 of the Pensions

Act 2014,

- (e) in the maximum rate of child tax credit or working tax credit, for a period not exceeding 30 reduction weeks beginning with the reduction week immediately following the date from which the change is effective.

61.0 Calculation of net profit of self-employed earners

- (1) For the purposes of paragraphs 48 (average weekly earnings of self-employed earners: persons who are not pensioners) and 57 (calculation of income on a weekly basis) the earnings of an applicant to be taken into account must be—
 - (a) in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
 - (b) in the case of a self-employed earner who is a pensioner whose employment is carried on in partnership, his share of the net profit derived from that employment, less—
 - (i) an amount in respect of income tax and of national insurance contributions payable under the SSCBA calculated in accordance with paragraph 62 (deduction of tax and contributions of self-employed earners); and
 - (ii) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium;
 - (c) in the case of a self-employed earner who is not a pensioner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975, his share of the net profit derived from that employment, less—
 - (i) an amount in respect of income tax and of social security contributions payable under the SSCBA calculated in accordance with paragraph 62 (deduction of tax and contributions for self-employed earners); and
 - (ii) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.
- (2) There must be disregarded from the net profit of an applicant who is not a pensioner, any sum, where applicable, specified in paragraphs 1 to 16 of Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners).
- (3) For the purposes of sub-paragraph (1)(a) the net profit of the employment must, except where sub-paragraph (9) applies, be calculated by taking into account the earnings of the employment over the assessment period less—
 - (a) subject to sub-paragraphs (5) to (8), any expenses wholly and exclusively incurred in that period for the purposes of that employment;
 - (b) an amount in respect of—
 - (i) income tax; and
 - (ii) national insurance contributions payable under the SSCBA, calculated in accordance with paragraph 62 (deduction of tax and contributions for self-employed earners); and
 - (c) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.
- (4) For the purposes of sub-paragraph (1)(b) the net profit of the employment is to be calculated by taking into account the earnings of the employment over the assessment period less, subject to sub-paragraphs (5) to (8), any expenses wholly and exclusively incurred in that period for the purposes of the employment.
- (5) Subject to sub-paragraph (6), no deduction is to be made under sub-paragraph (3)(a) or (4), in respect of—
 - (a) any capital expenditure;
 - (b) the depreciation of any capital asset;
 - (c) any sum employed or intended to be employed in the setting up or expansion of the

- employment;
 - (d) any loss incurred before the beginning of the assessment period;
 - (e) the repayment of capital on any loan taken out for the purposes of the employment;
 - (f) any expenses incurred in providing business entertainment; and
 - (g) in the case of an applicant who is not a pensioner, any debts, except bad debts proved to be such, but this paragraph does not apply to any expenses incurred in the recovery of a debt.
- (6) A deduction is to be made under sub-paragraph (3)(a) or (4) in respect of the repayment of capital on any loan used for—
- (a) the replacement in the course of business of equipment or machinery; or
 - (b) the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.
- (7) The authority must refuse to make a deduction in respect of any expenses under sub-paragraph (3)(a) or (4) where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.
- (8) For the avoidance of doubt—
- (a) a deduction must not be made under sub-paragraph (3)(a) or (4) in respect of any sum unless it has been expended for the purposes of the business;
 - (b) a deduction must be made thereunder in respect of—
 - (i) the excess of any value added tax paid over value added tax received in the assessment period;
 - (ii) any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
 - (iii) any payment of interest on a loan taken out for the purposes of the employment.
- (9) Where an applicant is engaged in employment as a child minder the net profit of the employment is to be one-third of the earnings of that employment, less—
- (a) an amount in respect of—
 - (i) income tax; and
 - (ii) national insurance contributions payable under the SSCBA, calculated in accordance with paragraph 62 (deduction of tax and contributions for self-employed earners); and
 - (b) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.
- (10) For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments must not be offset against his earnings in any other of his employments.
- (11) The amount in respect of any qualifying premium is to 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 must be determined—
- (a) where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and dividing the product by 355 or 366 in a leap year;
 - (b) in any other case, by dividing the amount of the qualifying premium by the number equal to the number of days in the period to which the qualifying premium relates.
- (12) 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 application.

62.0 Calculation of deduction of tax and contributions of self-employed earners

- (1) The amount to be deducted in respect of income tax under paragraph 61(1)(b)(i), (3)(b)(i) or (9)(a)(i) (calculation of net profit of self-employed earners) must be calculated—
 - (a) on the basis of the amount of chargeable income, and
 - (b) as if that income were assessable to income tax at the basic rate or in the case of a Scottish taxpayer, the Scottish basic rate of tax applicable to the assessment period less only the personal reliefs 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.
- (2) 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 reliefs deductible under this paragraph must be calculated on a pro rata basis.
- (3) The amount to be deducted in respect of national insurance contributions under paragraph 60(1)(b)(i), (3)(b)(ii) or (9)(a)(ii) is the total of—
 - (a) the amount of Class 2 contributions payable under section 11(2) or, as the case may be, 11(8) of the SSCBA 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 must be reduced pro rata; and
 - (b) the amount of Class 4 contributions (if any) which would be payable under section 15 of the SSCBA (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 must be reduced pro rata.
- (4) In this paragraph “chargeable income” means
 - (a) except where paragraph (b) applies, the earnings derived from the employment less any expenses deducted under sub-paragraph (3)(a) or, as the case may be, (5) of paragraph 61;
 - (b) in the case of employment as a child minder, one-third of the earnings of that employment.

CHAPTER 7 Capital

63.0 Calculation of capital

- (1) The capital of an applicant to be taken into account must be, subject to sub-paragraph (2), the whole of his capital calculated in accordance with this Part and (in the case of persons who are not pensioners) any income treated as capital under paragraph 64 (income treated as capital: persons who are not pensioners).
- (2) There must be disregarded from the calculation of an applicant's capital under sub-paragraph (1), any capital, where applicable, specified in—
 - (a) Schedule 9, in relation to pensioners;
 - (b) Schedule 10, in relation to persons who are not pensioners.

- (3) In the case of an applicant who is a pensioner, his capital is to be treated as including any payment made to him by way of arrears of—
(a) child tax credit;
(b) working tax credit;
(c) state pension 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.
- (4) The capital of a child or young person who is a member of the family of an applicant who is not a pensioner must not be treated as capital of the applicant.

64.0 Income treated as capital: persons who are not pensioners

- (1) This paragraph applies in relation to persons who are not pensioners.
- (2) Any bounty derived from employment to which paragraph 9 of Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners) applies and paid at intervals of at least one year is to be treated as capital.
- (3) Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E is to be treated as capital.
- (4) Any holiday pay which is not earnings under paragraph 41(1)(d) or 51(1)(d) (earnings of employed earners) is to be treated as capital.
- (5) Except any income derived from capital disregarded under paragraphs 4, 5, 7, 11, 17, 30 to 33, 50 or 51 of Schedule 10 (capital disregards: persons who are not pensioners), any income derived from capital is to be treated as capital but only from the date it is normally due to be credited to the applicant's account.
- (6) In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer is to be treated as capital.
- (7) Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006) or the London Bombings Charitable Relief Fund, is to be treated as capital.
- (8) There is to be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self-employment route, but only in so far as those receipts were payable into a special account during the period in which that person was receiving such assistance.
- (9) Any arrears of subsistence allowance which are paid to an applicant as a lump sum must be treated as capital.
- (10) Any arrears of working tax credit or child tax credit must be treated as capital.

65.0 Calculation of capital in 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.

66.0 Calculation of capital outside the United Kingdom

Capital which an applicant possesses in a country outside the United Kingdom must be calculated—

- (a) in a case where there is no prohibition in that country against the transfer to the United Kingdom of an amount equal to its current market or surrender value in that country, at that value;
- (b) in a case where there is such a prohibition, at the price which it would realise if sold in the United Kingdom to a willing buyer, less, where there would be expenses attributable to sale, 10 per cent and the amount of any encumbrances secured on it.

67.0 Notional capital

- (1) An applicant is to be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to a reduction or increasing the amount of that reduction except to the extent that that capital is reduced in accordance with paragraph 68 (diminishing notional capital rule).
- (2) A person who is a pensioner who disposes of capital for the purpose of—
 - (a) reducing or paying a debt owed by the applicant; or
 - (b) 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.
- (3) Sub-paragraphs (4) to (6) apply in relation to applicants who are not pensioners.
- (4) Except in the case of—
 - (a) a discretionary trust; or
 - (b) a trust derived from a payment made in consequence of a personal injury; or
 - (c) any loan which would be obtained only if secured against capital disregarded under Schedule 9; or
 - (d) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund; or
 - (e) any sum to which paragraph 50(2)(a) of Schedule 10 (capital disregards: persons who are not pensioners) applies which is administered in the way referred to in paragraph 50(1)(a); or
 - (f) any sum to which paragraph 51(a) of Schedule 10 refers; or
 - (g) child tax credit; or
 - (h) working tax credit,
any capital which would become available to the applicant upon application being made, but which has not been acquired by him, is to be treated as possessed by him but only from the date on which it could be expected to be acquired were an application made.
- (5) Any payment of capital, other than a payment of capital specified in sub-paragraph (6), made—
 - (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) must, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
 - (b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) must, where it is not a payment referred to in paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case

- may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
- (c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of the family) must 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.
- (6) Sub-paragraph (5) does not apply in respect of a payment of capital made—
- (a) under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation, or the London Bombings Relief Charitable Fund;
 - (b) pursuant to section 2 of the Employment and Training Act 1973 in respect of a person's participation
 - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996;
 - (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;
 - (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
 - (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or
 - (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
 - (c) in respect of a person's participation in the Work for Your Benefit Pilot Scheme;
 - (d) in respect of a person's participation in the Mandatory Work Activity Scheme;
 - (e) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;
 - (f) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
 - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
 - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
 - (iii) the person referred to in sub-paragraph (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.
- (7) Where an applicant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he may be treated as if he were such sole owner or partner and in such a case—
- (a) the value of his holding in that company must, notwithstanding paragraph 63 (calculation of capital) be disregarded; and
 - (b) he must, subject to sub-paragraph (8), 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 Chapter apply for the purposes of calculating that amount as if it were actual capital which he does possess.
- (8) 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 sub-paragraph (7) is to be disregarded.
- (9) Where an applicant is treated as possessing capital under any of sub-paragraphs (1), (4) or (5) the foregoing provisions of this Chapter apply for the purposes of calculating its amount as if it were actual capital which he does possess.

68.0 Diminishing notional capital rule: pensioners

- (1) Where an applicant who is a pensioner is treated as possessing capital under paragraph 67(1) (notional capital), the amount which he is treated as possessing—
 - (a) in the case of a week that is subsequent to—
 - (i) the relevant week in respect of which the conditions set out in sub-paragraph (2) are satisfied; or
 - (ii) a week which follows that relevant week and which satisfies those conditions, is to be reduced by an amount determined under sub-paragraph (3);
 - (b) in the case of a week in respect of which sub-paragraph (1)(a) does not apply but where—
 - (i) that week is a week subsequent to the relevant week; and
 - (ii) that relevant week is a week in which the condition in sub-paragraph (4) is satisfied, is to be reduced by the amount determined under sub-paragraph (5).
- (2) This sub-paragraph applies to a reduction week where the applicant satisfies the conditions that—
 - (a) he is in receipt of a reduction under this scheme; and
 - (b) but for paragraph 67(1), he would have received a greater reduction in council tax under this scheme in that week.
- (3) In a case to which sub-paragraph (2) applies, the amount of the reduction in the amount of capital he is treated as possessing for the purposes of sub-paragraph (1)(a) must be equal to the aggregate of—
 - (a) an amount equal to the additional amount of the reduction in council tax to which sub-paragraph (2)(b) refers;
 - (b) where the applicant has also claimed state pension credit, the amount of any state pension credit or any additional amount of state pension credit to which he would have been entitled in respect of the reduction week to which sub-paragraph (2) refers but for the application of regulation 21(1) of the State Pension Credit Regulations 2002 (notional capital);
 - (c) 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 the reduction week to which sub-paragraph (2) refers but for the application of regulation 47(1) of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 (notional capital);
 - (d) where the applicant has also claimed a jobseeker's allowance, the amount of an income-based jobseeker's allowance to which he would have been entitled in respect of the reduction week to which sub-paragraph (2) refers but for the application of regulation 113 of the Jobseeker's Allowance Regulations 1996 (notional capital); and
 - (e) where the applicant has also claimed an employment and support allowance, the amount of an income-related employment and support allowance to which he would have been entitled in respect of the reduction week to which sub-paragraph (2) refers but for the application of regulation 115 of the Employment and Support Allowance Regulations 2008 (notional capital).
- (4) Subject to sub-paragraph (7), for the purposes of sub-paragraph (1)(b) the condition is that the applicant is a pensioner and would have been entitled to a reduction in council tax under this scheme in the relevant week but for paragraph 67(1).
- (5) In such a case the amount of the reduction in the amount of capital he is treated as possessing for the purposes of sub-paragraph (1)(b) is equal to the aggregate of—

- (a) the amount of the reduction in council tax to which the applicant would have been entitled in the relevant week but for paragraph 67(1);
 - (b) if the applicant would, but for regulation 21 of the State Pension Credit Regulations 2002, have been entitled to state pension credit in respect of the benefit week, within the meaning of regulation 1(2) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled;
 - (c) if the applicant would, but for regulation 47(1) of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the benefit week which includes the last day of the relevant week, the amount which is equal to—
 - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
 - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled;
 - (d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations 1996, have been entitled to an income-based jobseeker's allowance in respect of the 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
 - (e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations 2008, have been entitled to an income-related employment and support allowance in respect of the 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.
- (6) But if the amount mentioned in paragraph (a), (b), (c), (d) or (e) of sub-paragraph (5) ("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—
- (a) dividing the relevant amount by the number equal to the number of days in that part-week, and
 - (b) multiplying the result of that calculation by 7.
- (7) The amount determined under sub-paragraph (5) is to be re-determined under that sub-paragraph if the applicant makes a further application and the conditions in sub-paragraph (8) are satisfied, and in such a case—
- (a) paragraphs (a) to (e) of sub-paragraph (5) apply as if for the words "“relevant week”" there were substituted the words "“relevant subsequent week”"; and
 - (b) subject to sub-paragraph (9), the amount as re-determined has effect from the first week following the relevant subsequent week in question.
- (8) The conditions are that—
- (a) a further application is made 26 or more weeks after—
 - (i) the date on which the applicant made an application in respect of which he was first treated as possessing the capital in question under paragraph 67(1);
 - (ii) in a case where there has been at least one re-determination in accordance with sub-paragraph (11), the date on which he last made an application which resulted in the weekly amount being re-determined, or
 - (iii) the date on which he last ceased to be entitled to a reduction under this scheme,
 whichever last occurred; and
 - (b) the applicant would have been entitled to a reduction under this scheme but for paragraph 67(1).
- (9) The amount as re-determined pursuant to sub-paragraph (7) must 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 must continue to have effect.

(10) For the purposes of this paragraph—

“part-week” —

(a) in relation to an amount mentioned in sub-paragraph (5)(a), 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 (5)(b), means a period of less than a week for which housing benefit is payable;

(c) in relation to an amount mentioned in sub-paragraph (5)(c), (d) or (e), means—

(i) 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

(ii) any other period of less than a week for which it is payable;

“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 paragraph 67(1)—

(a) was first taken into account for the purpose of determining his entitlement to a reduction; or

(b) was taken into account on a subsequent occasion for the purpose of determining or re-determining 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;

and where more than one reduction week is identified by reference to 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 is the relevant week;

“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.

69.0 Diminishing notional capital rule: persons who are not pensioners

(1) Where an applicant who is not a pensioner is treated as possessing capital under paragraph 67(1) (notional capital), the amount which he is treated as possessing—

(a) in the case of a week that is subsequent to—

(i) the relevant week in respect of which the conditions set out in sub-paragraph (2) are satisfied; or

(ii) a week which follows that relevant week and which satisfies those conditions, is to be reduced by an amount determined under sub-paragraph (3);

(b) in the case of a week in respect of which sub-paragraph (1)(a) does not apply but where—

(i) that week is a week subsequent to the relevant week; and

(ii) that relevant week is a week in which the condition in sub-paragraph (4) is satisfied,

is to be reduced by the amount determined under sub-paragraph (5).

(2) This sub-paragraph applies to a reduction week (or, in the case of persons who are not pensioners, part-week) where the applicant satisfies the conditions that—

(a) he is in receipt of a reduction in council tax under this scheme; and

(b) but for paragraph 67(1), he would have received a greater reduction in council tax under this scheme in that week.

(3) In a case to which sub-paragraph (2) applies, the amount of the reduction in the amount of capital he is treated as possessing for the purposes of sub-paragraph (1)(a) is equal to the aggregate of—

(a) an amount equal to the additional amount of the reduction in council tax to which sub-paragraph (2)(b) refers;

- (b) where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of that benefit to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 49(1) of the Housing Benefit Regulations 2006 (notional capital);
 - (c) where the applicant has also claimed income support, the amount of income support to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 51(1) of the Income Support (General) Regulations 1987 (notional capital);
 - (d) where the applicant has also claimed a jobseeker's allowance, the amount of an income-based jobseeker's allowance to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 113 of the Jobseeker's Allowance Regulations 1996 (notional capital); and
 - (e) where the applicant has also claimed an employment and support allowance, the amount of an income-related employment and support allowance to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 115 of the Employment and Support Allowance Regulations 2008 (notional capital).
- (4) Subject to sub-paragraph (7), for the purposes of sub-paragraph (1)(b) the condition is that the applicant is not a pensioner and would have been entitled to a reduction in council tax in the relevant week but for paragraph 67(1).
- (5) In such a case the amount of the reduction in the amount of capital he is treated as possessing must be equal to the aggregate of—
- (a) the amount of council tax benefit to which the applicant would have been entitled in the relevant week but for paragraph 67(1);
 - (b) 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 benefit week which includes the last day of the relevant week, the amount which is equal to—
 - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
 - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled;
 - (c) if the applicant would, but for regulation 51(1) of the Income Support (General) Regulations 1987, have been entitled to income support 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;
 - (d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations 1996, have been entitled to an income-based jobseeker's allowance in respect of the 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
 - (e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations 2008, have been entitled to an income-related employment and support allowance in respect of the 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.
- (6) But if the amount mentioned in paragraph (a), (b), (c), (d) or (e) of sub-paragraph (5) ("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—
- (a) dividing the relevant amount by the number equal to the number of days in that

part-week, and
(b) multiplying the result of that calculation by 7.

(7) The amount determined under sub-paragraph (5) is to be re-determined under the appropriate sub-paragraph if the applicant makes a further application and the conditions in sub-paragraph (8) are satisfied, and in such a case—

- (a) paragraphs (a) to (e) of sub-paragraph (5) apply as if for the words ““relevant week”” there were substituted the words ““relevant subsequent week””; and
- (b) subject to sub-paragraph (9), the amount as re-determined has effect from the first week following the relevant subsequent week in question.

(8) The conditions are that—

(a) a further application is made 26 or more weeks after—

- (i) the date on which the applicant made an application for a reduction under this scheme in respect of which he was first treated as possessing the capital in question under paragraph 67(1);
- (ii) in a case where there has been at least one re-determination in accordance with sub-paragraph (7), the date on which he last made an application under this scheme which resulted in the weekly amount being re-determined, or
- (iii) the date on which he last ceased to be entitled to a reduction under this scheme, whichever last occurred; and

(b) the applicant would have been entitled to a reduction under this scheme but for paragraph 67(1).

(9) The amount as re-determined pursuant to sub-paragraph (6) must 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 must continue to have effect.

(10) For the purposes of this paragraph—
“part-week”

- (a) in relation to an amount mentioned in sub-paragraph (5)(a), means a period of less than a week for which a reduction under this scheme is allowed;
- (b) in relation to an amount mentioned in sub-paragraph (5)(b), means a period of less than a week for which housing benefit is payable;
- (c) in relation to an amount mentioned in sub-paragraph (5)(c), (d) or (e), means—
 - (i) 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
 - (ii) any other period of less than a week for which it is payable;

“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 paragraph 67(1)—

(a) was first taken into account for the purpose of determining his entitlement to a reduction; or

(b) was taken into account on a subsequent occasion for the purpose of determining or re-determining 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, and where more than one reduction week is identified by reference to 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 is the relevant week; “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.

70.0 Capital jointly held

Except where an applicant possesses capital which is disregarded under paragraph 67(7) (notional capital), where an applicant and one or more persons are beneficially entitled in

possession to any capital asset they must 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 Chapter 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.

71.0 Calculation of tariff income from capital: pensioners

The capital of an applicant who is a pensioner, calculated in accordance with this Part [107](#), is to be treated as if it were a weekly income of—

- (a) £1 for each £500 in excess of £10,000 but not exceeding £16,000; and
- (b) £1 for any excess which is not a complete £500.

72.0 Calculation of tariff income from capital: persons who are not pensioners

The capital of an applicant who is not a pensioner, calculated in accordance with this Part [109](#), is to be treated as if it were a weekly income of—

- (a) £1 for each £250 in excess of £6,000 but not exceeding £16,000;
- (b) £1 for any excess which is not a complete £250.

PART 11 Students

CHAPTER 1 General

73.0 Interpretation

(1) 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 is to be considered to begin in the autumn rather than the summer;

“access funds” means

(a) grants made under section 68 of the Further and Higher Education Act 1992 for the purpose of providing funds on a discretionary basis to be paid to students;

(b) grants made under sections 73(a) and (c) and 74(1) of the Education (Scotland) Act 1980;

(c) grants made under Article 30 of the Education and Libraries (Northern Ireland) Order 1993 or grants, loans or other payments made under Article 5 of the Further Education (Northern Ireland) Order 1997 in each case being grants, or grants, loans or other payments as the case may be, for the purpose of assisting students in financial difficulties;

(d) discretionary payments, known as “learner support funds”, which are made available to students in further education by institutions out of funds provided by the Secretary of State under section 14 of the Education Act 2002 under sections 100 and 101 of the Apprenticeships, Skills, Children and Learning Act 2009; or

(e) Financial Contingency Funds made available by the Welsh Ministers;

“college of further education” means a college of further education within the meaning of Part 1 of the Further and Higher Education (Scotland) Act 1992;

“contribution” means

(a) any contribution in respect of the income of a student or any person which the Secretary of State, the Scottish Ministers or an education authority takes into account in ascertaining the amount of a student's grant or student loan; or

(b) any sums, which in determining the amount of a student's allowance or bursary in Scotland under the Education (Scotland) Act 1980, the Scottish Ministers or education authority takes into account being sums which the Scottish Ministers or education authority considers that it is reasonable for the following persons to contribute towards the holder's expenses—

(i) the holder of the allowance or bursary;

(ii) the holder's parents;

(iii) the holder's parent's spouse, civil partner or a person ordinarily living with the holder's parent as if he or she were the spouse or civil partner of that parent;
or

(iv) the holder's spouse or civil partner;

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

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

“education authority” means a government department, a local authority as defined in section 579 of the Education Act 1996 (interpretation), a local education authority as defined in section 123 of the Local Government (Scotland) Act 1973, an education and library board established under Article 3 of the Education and Libraries (Northern Ireland) Order 1986, any body which is a research council for the purposes of the Science and Technology Act 1965 or any analogous government department, authority, board or body, of the Channel Islands, Isle of Man or any other country outside Great Britain;

“full-time course of study” means a full-time course of study which

- (a) is not funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, or under section 100 of the Apprenticeships, Skills, Children and Learning Act 2009 or by the Welsh Ministers or a full-time course of study which is not funded in whole or in part by the Scottish Ministers at a college of further education or a full-time course of study which is a course of higher education and is funded in whole or in part by the Scottish Ministers;
- (b) is funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, or under section 100 of the Apprenticeships, Skills, Children and Learning Act 2009 or by the Welsh Ministers if it involves more than 16 guided learning hours per week for the student in question, according to the number of guided learning hours per week for that student set out—
 - (i) in the case of a course funded by the Secretary of State in the student's learning agreement signed on behalf of the establishment which is funded by the Secretary of State for the delivery of that course; or
 - (ii) in the case of a course funded by the Welsh Ministers, in a document signed on behalf of the establishment which is funded by that Council for the delivery of that course; or
- (c) is not higher education and is funded in whole or in part by the Scottish Ministers at a college of further education and involves—
 - (i) more than 16 hours per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff according to the number of hours set out in a document signed on behalf of the college; or
 - (ii) 16 hours or less per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff and additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 hours per week, according to the number of hours set out in a document signed on behalf of the college;

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

“grant” (except in the definition of “access funds”) means any kind of educational grant or award and includes any scholarship, studentship, exhibition, allowance or bursary but does not include a payment from access funds or any payment to which paragraph 16 of Schedule 8 or paragraph 55 of Schedule 10 (allowances and payments for courses of study) applies;

“grant income” means

- (a) any income by way of a grant;
- (b) any contribution whether or not it is paid;

“higher education” means higher education within the meaning of Part 2 of the Further and Higher Education (Scotland) Act 1992;

“last day of the course” means

- (a) in the case of a qualifying course, the date on which the last day of that course falls or the date on which the final examination relating to that course is completed, whichever is the later;
- (b) in any other case, the date on which the last day of the final academic term falls in respect of the course in which the student is enrolled;

“period of study” means

- (a) in the case of a course of study for one year or less, the period beginning with the start of the course and ending with the last day of the course;
- (b) in the case of a course of study for more than one year, in the first or, as the case may be, any subsequent year of the course, other than the final year of the course, the period beginning with the start of the course or, as the case may be, that year's start and ending with either—
 - (i) the day before the start of the next year of the course in a case where the student's grant or loan is assessed at a rate appropriate to his studying throughout the year or, if he does not have a grant or loan, where a loan would have been assessed at such a rate had he had one; or

- (ii) in any other case, the day before the start of the normal summer vacation appropriate to his course;
 - (c) in the final year of a course of study of more than one year, the period beginning with that year's start and ending with the last day of the course;
- "periods of experience" means periods of work experience which form part of a sandwich course;
- "qualifying course" means a qualifying course as defined for the purposes of Parts 2 and 4 of the Jobseeker's Allowance Regulations 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
- (a) except where paragraph (b) or (c) applies, in the case of a student attending or undertaking a course of study at the University of London or an establishment within the area comprising the City of London and the Metropolitan Police District, the amount specified for the time being in paragraph 2(2)(a) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 ("the 2003 Regulations") for such a student;
 - (b) except where paragraph (c) applies, in the case of a student residing at his parent's home, the amount specified in paragraph 3 thereof;
 - (c) in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980, the amount of money specified as "standard maintenance allowance" for the relevant year appropriate for the student set out in the Student Support in Scotland Guide issued by the Student Awards Agency for Scotland, or its nearest equivalent in the case of a bursary provided by a college of further education or a local education authority;
 - (d) in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 2003 Regulations other than in sub-paragraph (a) or (b) thereof;
- "student" means a person, other than a person in receipt of a training allowance, who is attending or undertaking
- (a) a course of study at an educational establishment; or
 - (b) a qualifying course;
- "student loan" means a loan towards a student's maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998, section 73 of the Education (Scotland) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 and includes, in Scotland, a young student's bursary paid under regulation 4(1)(c) of the Students' Allowances (Scotland) Regulations 2007.
- (2) For the purposes of the definition of "full-time student" in sub-paragraph (1), a person must be regarded as attending or, as the case may be, undertaking a full-time course of study or as being on a sandwich course—(a) subject to sub-paragraph (3), in the case of a person attending or undertaking a part of a modular course which would be a full-time course of study for the purposes of this Part, for the period beginning on the day on which that part of the course starts and ending—
- (i) on the last day on which he is registered with the educational establishment as attending or undertaking that part as a full-time course of study; or
 - (ii) on such earlier date (if any) as he finally abandons the course or is dismissed from it;
- (b) in any other case, throughout the period beginning on the date on which he starts attending or undertaking the course and ending on the last day of the course or on such earlier date (if any) as he finally abandons it or is dismissed from it.
- (3) For the purposes of paragraph (a) of sub-paragraph (2), the period referred to in that paragraph includes—
- (a) where a person has failed examinations or has failed successfully to complete a module relating to a period when he was attending or undertaking a part of the

course as a full-time course of study, any period in respect of which he attends or undertakes the course for the purpose of retaking those examinations or that module;

- (b) any period of vacation within the period specified in that paragraph or immediately following that period except where the person has registered with the educational establishment to attend or undertake the final module in the course and the vacation immediately follows the last day on which he is required to attend or undertake the course.

- (4) In sub-paragraph (2), “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.

74.0 Treatment of students

This scheme has effect in relation to students who are not pensioners subject to the following provisions of this Part.

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

- (1) The students who are excluded from entitlement to a reduction under this scheme are, subject to sub-paragraphs (2) and (7)—
 - (a) full-time students, and
 - (b) students who are persons treated as not being in Great Britain.
- (2) Sub-paragraph (1)(b) does not apply to a student—
 - (a) who is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance;
 - (b) who is a lone parent;
 - (c) whose applicable amount would, but for this paragraph, include the disability premium or severe disability premium;
 - (d) whose applicable amount would include the disability premium but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the SSCBA;
 - (e) who is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the SSCBA (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 must be treated as one continuous period;
 - (f) who has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations 2008 for a continuous period of not less than 196 days, and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;
 - (g) who has a partner who is also a full-time student, if he or that partner is treated as responsible for a child or young person;
 - (h) who is a single applicant with whom a child is placed by a local authority or voluntary organisation within the meaning of the Children Act 1989 or, in Scotland, boarded out within the meaning of the Social Work (Scotland) Act 1968;
 - (i) who is—
 - (i) aged under 21 and whose course of study is not a course of higher education,
 - (ii) aged 21 and attained that age during a course of study which is not a course of higher education, or
 - (iii) a qualifying young person or child within the meaning of section 142 of the SSCBA (child and qualifying young person);

- (j) in respect of whom—
 - (i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;
 - (ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) of regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;
 - (iii) a payment has been made under or by virtue of regulations made under the Teaching and Higher Education Act 1998;
 - (iv) a grant has been made under regulation 13 of the Education (Student Support) Regulations 2005 or under regulation 13 of the Education (Student Support) Regulations (Northern Ireland) 2000; or
 - (v) a supplementary requirement has been determined under paragraph 9 of Schedule 6 to the Students Awards Regulations (Northern Ireland) 1999 or a payment has been made under Article 50(3) of the Education and Libraries (Northern Ireland) Order 1986, on account of his disability by reason of deafness.
- (3) Sub-paragraph (2)(i)(ii) only applies to an applicant until the end of the course during which the applicant attained the age of 21.
- (4) For the purposes of sub-paragraph (2), once sub-paragraph (2)(e) applies to a full-time student, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that sub-paragraph must, 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.
- (5) In sub-paragraph (2)(i) 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.
- (6) A full-time student to whom sub-paragraph (2)(i) applies must be treated as satisfying that sub-paragraph from the date on which he made a request for the supplementary requirement, allowance, bursary or payment as the case may be.
- (7) Sub-paragraph (1)(b) does not apply to a full-time student for the period specified in sub-paragraph (8) if—
 - (a) at any time during an academic year, with the consent of the relevant educational establishment, he ceases to attend or undertake a course because he is—
 - (i) engaged in caring for another person; or
 - (ii) ill;
 - (b) he has subsequently ceased to be engaged in caring for that person or, as the case may be, he has subsequently recovered from that illness; and
 - (c) he is not eligible for a grant or a student loan in respect of the period specified in sub-paragraph (8).
- (8) The period specified for the purposes of sub-paragraph (7) is the period, not exceeding one year, beginning on the day on which he ceased to be engaged in caring for that person or, as the case may be, the day on which he recovered from that illness and ending on the day before—
 - (a) the day on which he resumes attending or undertaking the course; or
 - (b) the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course, whichever first occurs.

CHAPTER 2 Income

76.0 Calculation of grant income

- (1) The amount of a student's grant income to be taken into account in assessing his income must, subject to sub-paragraphs (2) and (3), be the whole of his grant income.
- (2) There must be excluded from a student's grant income any payment—
 - (a) intended to meet tuition fees or examination fees;
 - (b) in respect of the student's disability;
 - (c) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;
 - (d) on account of the student maintaining a home at a place other than that at which he resides during his course;
 - (e) on account of any other person but only if that person is residing outside the United Kingdom and there is no applicable amount in respect of him;
 - (f) intended to meet the cost of books and equipment;
 - (g) intended to meet travel expenses incurred as a result of his attendance on the course;
 - (h) intended for the child care costs of a child dependant;
 - (i) of higher education bursary for care leavers made under Part 3 of the Children Act 1989.
- (3) Where a student does not have a student loan and is not treated as possessing such a loan, there must be excluded from the student's grant income—
 - (a) the sum of £303 per academic year in respect of travel costs; and
 - (b) the sum of £390 per academic year towards the costs of books and equipment, whether or not any such costs are incurred.
- (4) There must also be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.
- (5) Subject to sub-paragraphs (6) and (7), a student's grant income must be apportioned—
 - (a) subject to sub-paragraph (8), in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period of study and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study;
 - (b) in any other case, equally between the weeks in the period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period for which it is payable and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.
- (6) Any grant in respect of dependants paid under section 63(6) of the Health Services and Public Health Act 1968 (grants in respect of the provision of instruction to officers of hospital authorities) and any amount intended for the maintenance of dependants under Part 3 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 must be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.
- (7) In a case where a student is in receipt of a student loan or where he could have acquired a student loan by taking reasonable steps but had not done so, any amount intended for the maintenance of dependants to which neither sub-paragraph (6) nor paragraph 80(2) (other amounts to be disregarded) applies, must be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.

- (8) In the case of a student on a sandwich course, any periods of experience within the period of study must be excluded and the student's grant income must 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.

77.0 Calculation of covenant income where a contribution is assessed

- (1) Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account for that period and any summer vacation immediately following must be the whole amount of the covenant income less, subject to sub-paragraph (3), the amount of the contribution.
- (2) The weekly amount of the student's covenant must be determined—
- (a) by dividing the amount of income which falls to be taken into account under sub-paragraph (1) by 52 or 53, whichever is reasonable in the circumstances; and
 - (b) by disregarding £5 from the resulting amount.
- (3) For the purposes of sub-paragraph (1), the contribution must be treated as increased by the amount (if any) by which the amount excluded under paragraph 76(2)(g) falls short of the amount specified in paragraph 7(2) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (travel expenditure).

78.0 Covenant income where no grant income or no contribution is assessed

- (1) Where a student is not in receipt of income by way of a grant the amount of his covenant income must be calculated as follows—
- (a) any sums intended for any expenditure specified in paragraph 76(2)(a) to (e) necessary as a result of his attendance on the course must be disregarded;
 - (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, must be apportioned equally between the weeks of the period of study;
 - (c) there must be disregarded from the amount so apportioned the amount which would have been disregarded under paragraph 76(2)(f) and (3) had the student been in receipt of the standard maintenance grant; and
 - (d) the balance, if any, must be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 must be disregarded.
- (2) Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenanted income must be calculated in accordance with paragraphs (a) to (d) of sub-paragraph (1), except that—
- (a) the value of the standard maintenance grant must be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 76(2)(a) to (e); and
 - (b) the amount to be disregarded under sub-paragraph (1)(c) must be abated by an amount equal to the amount of any sums disregarded under paragraph 76(2)(f) and (g) and (3).

79.0 Relationship with amounts to be disregarded under Schedule 8

No part of a student's covenant income or grant income is to be disregarded under paragraph 19 of Schedule 8 (disregard of certain charitable and voluntary, etc., payments).

80.0 Other amounts to be disregarded

- (1) For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with paragraph 81 (treatment of student loans), any amounts intended for any expenditure specified in paragraph 76(2) (calculation of grant income), necessary as a result of his attendance on the course must be disregarded.
- (2) But sub-paragraph (1) applies only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under paragraph 76(2) or (3), 77(3), 78(1)(a) or (c) or 81(5) (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

81.0 Treatment of student loans

- (1) A student loan is to be treated as income.
- (2) In calculating the weekly amount of the loan to be taken into account as income—
 - (a) in respect of a course that is of a single academic year's duration or less, a loan which is payable in respect of that period is to be apportioned equally between the weeks in the period beginning with—
 - (i) except in a case where sub-paragraph (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of the single academic year;
 - (ii) where the student is required to start attending the course in August or where the course is less than an academic year's duration, the reduction week, the first day of which coincides with, or immediately follows, the first day of the course,
and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;
 - (b) in respect of an academic year of a course which starts other than on 1st September, a loan which is payable in respect of that academic year is to be apportioned equally between the weeks in the period—
 - (i) beginning with the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year, and
 - (ii) 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 paragraph, "quarter" has the same meaning as for the purposes of the Education (Student Support) Regulations 2005;
 - (c) in respect of the final academic year of a course (not being a course of a single year's duration), a loan which is payable in respect of that final academic year is to be apportioned equally between the weeks in the period beginning with—
 - (i) except in a case where sub-paragraph (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of that academic year;
 - (ii) where the final academic year starts on 1st September, the reduction week, the first day of which 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;
 - (d) in any other case, the loan is to be apportioned equally between the weeks in the period beginning with the earlier of—
 - (i) the first day of the first reduction week in September; or
 - (ii) the reduction week, the first day of which coincides with, or immediately

follows the first day of the autumn term,
and ending with the reduction week, the last day of which coincides with, or
immediately precedes, the last day of June,
and, in all cases, from the weekly amount so apportioned £10 is to be disregarded.

- (3) A student is to be treated as possessing a student loan in respect of an academic year where—
- (a) a student loan has been made to him in respect of that year; or
 - (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.
- (4) Where a student is treated as possessing a student loan under sub-paragraph (3), the amount of the student loan to be taken into account as income must be, subject to sub-paragraph (5)—
- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to—
 - (i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
 - (ii) any contribution whether or not it has been paid to him;
 - (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if—
 - (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
 - (ii) no deduction in that loan was made by virtue of the application of a means test.
- (5) There must be deducted from the amount of income taken into account under sub-paragraph (4)—
- (a) the sum of £303 per academic year in respect of travel costs; and
 - (b) the sum of £390 per academic year towards the cost of books and equipment, whether or not any such costs are incurred.
- (6) 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.

82.0 Treatment of payments from access funds

- (1) This paragraph applies to payments from access funds that are not payments to which paragraph 85(2) or (3) (income treated as capital) applies.
- (2) A payment from access funds, other than a payment to which sub-paragraph (3) applies, must be disregarded as income.
- (3) Subject to sub-paragraph (4) of this paragraph and paragraph 40 of Schedule 8 (disregards in the calculation of income other than earnings: persons who are not pensioners)—
- (a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family, and
 - (b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable,
- must be disregarded as income to the extent of £20 per week.
- (4) Where a payment from access funds is made—

- (a) on or after 1st September or the first day of the course, whichever first occurs, but before receipt of any student loan in respect of that year and that payment is intended for the purpose of bridging the period until receipt of the student loan; or
 - (b) before the first day of the course to a person in anticipation of that person becoming a student,
- that payment must be disregarded as income.

83.0 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 must be disregarded for the purposes of assessing that other partner's income.

84.0 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, the amount taken into account must be disregarded in assessing that student's income.

85.0 Income treated as capital

- (1) Any amount by way of a refund of tax deducted from a student's covenant income must be treated as capital.
- (2) An amount paid from access funds as a single lump sum must be treated as capital.
- (3) An amount paid from access funds as a single lump sum which is intended and used for an item other than food, ordinary clothing or footwear, household fuel or rent, or which is used for an item other than any council tax or water charges for which that applicant or member is liable, must be disregarded as capital but only for a period of 52 weeks from the date of the payment.

86.0 Disregard of changes occurring during summer vacation

In calculating a student's income the authority must 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.

PART 12 Extended reductions

CHAPTER 1 Extended reductions: pensioners

87.0 Extended reductions: pensioners

Paragraphs 88 to 93 apply in relation to applicants who are pensioners.

88.0 Extended reductions (qualifying contributory benefits): pensioners

- (1) Except in the case of an applicant who is in receipt of state pension credit, an applicant who is entitled to a reduction under this scheme by virtue of falling within any of classes A to C is entitled to an extended reduction (qualifying contributory benefits) where—
 - (a) the applicant or the applicant's partner was entitled to a qualifying contributory benefit;
 - (b) entitlement to a qualifying contributory benefit ceased because the applicant or the applicant's partner—
 - (i) commenced employment as an employed or self-employed earner;
 - (ii) increased their earnings from such employment; or
 - (iii) increased the number of hours worked in such employment, and that employment is or, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more;
 - (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and
 - (d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.
- (2) An applicant must be treated as entitled to a reduction under this scheme by virtue of falling within any of classes A to C where—
 - (a) the applicant ceased to be entitled to a reduction under this scheme because the applicant vacated the dwelling in which the applicant was resident;
 - (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying contributory benefit ceased, or in the preceding week; and
 - (c) entitlement to the qualifying contributory benefit ceased in any of the circumstances listed in sub-paragraph (1)(b).

89.0 Duration of extended reduction period (qualifying contributory benefits): pensioners

- (1) Where an applicant is entitled to an extended reduction (qualifying contributory benefits), the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying contributory benefit.
- (2) For the purpose of sub-paragraph (1), an applicant or an applicant's partner ceases to be entitled to a qualifying contributory benefit on the day immediately following the last day of entitlement to that benefit.
- (3) The extended reduction period ends—
 - (a) at the end of a period of four weeks; or
 - (b) on the date on which the applicant who is receiving the extended reduction (qualifying contributory benefits) has no liability for council tax, if that occurs first.

90.0 Amount of extended reduction (qualifying contributory benefits): pensioners

- (1) For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) the applicant is entitled to is the greater of—
 - (a) the amount of council tax reduction to which the applicant was entitled by virtue of falling within any of classes A to C in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;
 - (b) the amount of reduction under this scheme to which the applicant would be entitled under by virtue of falling within any of classes A to C for any reduction week during the extended reduction period, if paragraph 88 (extended reductions (qualifying contributory benefits): pensioners) did not apply to the applicant; or
 - (c) the amount of reduction under this scheme to which the applicant's partner would be entitled by virtue of falling within any of classes A to C, if paragraph 88 did not apply to the applicant.
- (2) Sub-paragraph (1) does not apply in the case of a mover.
- (3) Where an applicant is in receipt of an extended reduction (qualifying contributory benefits) under this paragraph and the applicant's partner makes an application for a reduction under this scheme, the authority must not award a reduction in pursuance of that application during the extended reduction period.

91.0 Extended reductions (qualifying contributory benefits)—movers: pensioners

- (1) This paragraph applies—
 - (a) to a mover; and
 - (b) from the Monday following the day of the move.
- (2) The amount of the extended reduction (qualifying contributory benefits) awarded from the Monday from which this paragraph applies until the end of the extended reduction period is to be the amount of reduction under this 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 contributory benefit.
- (3) Where a mover's liability to pay council tax in respect of the new dwelling is to a second authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from this authority to—
 - (a) the second authority; or
 - (b) the mover directly.

92.0 Relationship between extended reduction (qualifying contributory benefits) and entitlement to a reduction by virtue of classes A to C

- (1) Where an applicant's reduction under this scheme would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 88(1)(b), that reduction does not cease to have effect until the end of the extended reduction period.
- (2) Part 13 (when entitlement begins and change of circumstances) does not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 90(1)(a) or paragraph 91(2) (amount of extended reduction — movers: pensioners).

93.0 Continuing reductions where state pension credit claimed: pensioners

- (1) This paragraph applies where—
 - (a) the applicant is entitled to a reduction under this scheme;
 - (b) sub-paragraph (2) is satisfied; and
 - (c) either—
 - (i) the applicant has attained the qualifying age for state pension credit or, [up to and including 5th December 2018] 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
 - (ii) the applicant's partner has actually claimed state pension credit.
- (2) This sub-paragraph 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—
 - (a) the applicant's award of—
 - (i) income support has terminated because the applicant has attained the qualifying age for state pension credit; or
 - (ii) 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 [up to and including 5th December 2018] the age of 65; and
 - (b) the applicant has claimed or is treated as having claimed or is required to make a claim for state pension credit.
- (3) Subject to sub-paragraph (4), in a case to which this paragraph applies, a person continues to be entitled to a reduction under this scheme for the period of 4 weeks beginning on the day following the day the applicant's entitlement to income support or, as the case may be, income-based jobseeker's allowance, income-related employment and support allowance, ceased, if and for so long as the applicant otherwise satisfies the conditions for entitlement to a reduction under this scheme.
- (4) Where a reduction under this scheme is awarded for the period of 4 weeks in accordance with sub-paragraph (3) above, and the last day of that period falls on a day other than the last day of a reduction week, then a reduction under this scheme must continue to be awarded until the end of the reduction week in which the last day of that period falls.
- (5) Throughout the period of 4 weeks specified in sub-paragraph (3) and any further period specified in sub-paragraph (4)—
 - (a) the whole of the income and capital of the applicant is to be disregarded;
 - (b) the maximum council tax reduction amount of the applicant is to be that which was applicable in his case immediately before that period commenced.
- (6) The maximum reduction is to be calculated in accordance with paragraph 29(1) if, since the date it was last calculated—
 - (a) the applicant's council tax liability has increased; or
 - (b) a change in the deduction under paragraph 30 falls to be made.

CHAPTER 2 Extended reductions: persons who are not pensioners

94.0 Extended reductions: persons who are not pensioners

Paragraphs 95 to 104 apply in relation to applicants who are not pensioners.

95.0 Extended reductions: persons who are not pensioners

- (1) An applicant who is entitled to a reduction under this scheme by virtue of falling within

any of classes D to F is entitled to an extended reduction where—

- (a) the applicant or the applicant's partner was entitled to a qualifying income-related benefit;
 - (b) entitlement to a qualifying income-related benefit ceased because the applicant or the applicant's partner—
 - (i) commenced employment as an employed or self-employed earner;
 - (ii) increased their earnings from such employment; or
 - (iii) increased the number of hours worked in such employment,and that employment is or, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more; and
 - (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.
- (2) For the purpose of sub-paragraph (1)(c), an applicant or an applicant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the applicant or the applicant's partner was not entitled to any of those benefits because the applicant or the applicant's partner was engaged in remunerative work as a consequence of their participation in an employment zone programme.
- (3) For the purpose of this paragraph, where an applicant or an applicant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they must be treated as being entitled to and in receipt of jobseeker's allowance.
- (4) An applicant must be treated as entitled to a reduction under this scheme by virtue of falling within any of classes D to F where—
- (a) the applicant ceased to be entitled to a reduction under this scheme because the applicant vacated the dwelling in which the applicant was resident;
 - (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying income-related benefit ceased, or in the preceding week; and
 - (c) entitlement to the qualifying income-related benefit ceased in any of the circumstances listed in sub-paragraph (1)(b).
- (5) This paragraph does not apply where, on the day before an applicant's entitlement to income support ceased, regulation 6(5) of the Income Support (General) Regulations 1987 (remunerative work: housing costs) applied to that applicant.

96.0 Duration of extended reduction period: persons who are not pensioners

- (1) Where an applicant is entitled to an extended reduction, the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying income-related benefit.
- (2) For the purpose of sub-paragraph (1), an applicant or an applicant's partner ceases to be entitled to a qualifying income-related benefit on the day immediately following the last day of entitlement to that benefit.
- (3) The extended reduction period ends—
- (a) at the end of a period of four weeks; or
 - (b) on the date on which the applicant to whom the extended reduction is payable has no liability for council tax, if that occurs first.

97.0 Amount of extended reduction: persons who are not pensioners

- (1) For any week during the extended reduction period the amount of the extended reduction to which an applicant is entitled is to be the higher of—
 - (a) the amount of the reduction under this scheme to which the applicant was entitled by virtue of falling within any of classes D to F in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying income-related benefit;
 - (b) the amount of reduction under this scheme to which the applicant would be entitled by virtue of falling within any of classes D to F for any reduction week during the extended reduction period, if paragraph 95 (extended reductions: persons who are not pensioners) did not apply to the applicant; or
 - (c) the amount of reduction under this scheme to which the applicant's partner would be entitled by virtue of falling within any of classes D to F, if paragraph 95 did not apply to the applicant.
- (2) Sub-paragraph (1) does not apply in the case of a mover.
- (3) Where an applicant is in receipt of an extended reduction under this paragraph and the applicant's partner makes an application for a reduction under this scheme, no amount of reduction under this scheme is to be awarded by the authority during the extended reduction period.

98.0 Extended reductions—movers: persons who are not pensioners

- (1) This paragraph applies—
 - (a) to a mover; and
 - (b) from the Monday following the day of the move.
- (2) The amount of the extended reduction awarded from the Monday from which this paragraph applies until the end of the extended reduction period is to be the amount of reduction under this scheme to which the mover would have been entitled had they, or their partner, not ceased to be entitled to a qualifying income-related benefit.
- (3) Where a mover's liability to pay council tax in respect of the new dwelling is to a second authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from this authority to—
 - (a) the second authority; or
 - (b) the mover directly.

99.0 Relationship between extended reduction and entitlement to a reduction by virtue of classes D to F

- (1) Where an applicant's entitlement to a reduction under this scheme would have ended when the applicant ceased to be entitled to a qualifying income-related benefit in the circumstances listed in paragraph 95(1)(b), that entitlement does not cease until the end of the extended reduction period.
- (2) Paragraphs 106 and 107 do not apply to any extended reduction payable in accordance with paragraph 95(1)(a) or 98(2) (amount of extended reduction—movers: persons who are not pensioners).

100.0— Extended reductions (qualifying contributory benefits): persons who are not pensioners

- (1) An applicant who is entitled to a reduction under this scheme by virtue of falling within any of classes D to F is entitled to an extended reduction (qualifying contributory benefits)

where—

- (a) the applicant or the applicant's partner was entitled to a qualifying contributory benefit;
 - (b) entitlement to a qualifying contributory benefit ceased because the applicant or the applicant's partner—
 - (i) commenced employment as an employed or self-employed earner;
 - (ii) increased their earnings from such employment; or
 - (iii) increased the number of hours worked in such employment,and that employment is or, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more;
 - (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and
 - (d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.
- (2) An applicant must be treated as entitled to a reduction under this scheme by virtue of falling within any of classes D to F where—
- (a) the applicant ceased to be entitled to a reduction under this scheme because the applicant vacated the dwelling in which the applicant was resident;
 - (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying contributory benefit ceased, or in the preceding week; and
 - (c) entitlement to the qualifying contributory benefit ceased in any of the circumstances listed in sub-paragraph (1)(b).

101.0 Duration of extended reduction period (qualifying contributory benefits): persons who are not pensioners

- (1) Where an applicant is entitled to an extended reduction (qualifying contributory benefits), the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying contributory benefit.
- (2) For the purpose of sub-paragraph (1), an applicant or an applicant's partner ceases to be entitled to a qualifying contributory benefit on the day immediately following the last day of entitlement to that benefit.
- (3) The extended reduction period ends—
- (a) at the end of a period of four weeks; or
 - (b) on the date on which the applicant entitled to the extended reduction (qualifying contributory benefits) has no liability for council tax, if that occurs first.

102.0— Amount of extended reduction (qualifying contributory benefits): persons who are not pensioners

- (1) For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) payable to an applicant is to be the greater of—
- (a) the amount of reduction under this scheme to which the applicant was entitled by virtue of falling within any of classes D to F in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;
 - (b) the amount of reduction under this scheme to which the applicant would be entitled by virtue of falling within any of classes D to F for any reduction week

- during the extended reduction period, if paragraph 100 (extended reductions (qualifying contributory benefits): persons who are not pensioners) did not apply to the applicant; or
- (c) the amount of reduction under this scheme to which the applicant's partner would be entitled by virtue of falling within any of classes D to F, if paragraph 100 did not apply to the applicant.

- (2) Sub-paragraph (1) does not apply in the case of a mover.
- (3) Where an applicant is in receipt of an extended reduction (qualifying contributory benefits) under this paragraph and the applicant's partner makes an application for a reduction under this scheme, no amount of reduction may be allowed by the appropriate authority during the extended reduction period.

103.0 Extended reductions (qualifying contributory benefits)—movers: persons who are not pensioners

- (1) This paragraph applies—
 - (a) to a mover; and
 - (b) from the Monday following the day of the move.
- (2) The amount of the extended reduction (qualifying contributory benefit) payable from the Monday from which this paragraph applies until the end of the extended reduction period is to be the amount of reduction under this scheme which was awarded to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.
- (3) Where a mover's liability to pay council tax in respect of the new dwelling is to a second authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from this authority to—
 - (a) the second authority; or
 - (b) the mover directly.

104.0 Relationship between extended reduction (qualifying contributory benefits) and entitlement to reduction by virtue of classes D to F

- (1) Where an applicant's reduction under this scheme would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 100(1)(b), that reduction does not cease until the end of the extended reduction period.
- (2) Paragraphs 106 and 107 (dates on which entitlement begins and change of circumstances take effect) do not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 102(1)(a) or 103(2) (amount of extended reduction—movers: persons who are not pensioners).

CHAPTER 3 Extended reductions: movers in the authority's area

105.0 Extended reductions: applicant moving into the authority's area

Where—

- (a) an application is made to the authority (“the current authority”) for a reduction under this scheme, and
- (b) the applicant, or the partner of the applicant, is in receipt of an extended reduction from—
 - (i) another billing authority in England; or
 - (ii) a billing authority in Wales,
 the current authority must reduce any reduction to which the applicant is entitled under this

scheme by the amount of that extended reduction.

PART 13 When entitlement begins and change of circumstances

106.0 Date on which entitlement begins

- (1) Subject to sub-paragraph (2), any person by whom or in respect of whom an application for a reduction under this scheme is made and who is otherwise entitled to that reduction is so entitled from the reduction week following the date on which that application is made or is treated as made.
- (2) Where a person is otherwise entitled to a reduction under this scheme and becomes liable for the first time for the authority's council tax in respect of a dwelling of which he is a resident in the reduction week in which his application is made or is treated as made, he is so entitled from that reduction week.

107.0 Date on which change of circumstances is to take effect

- (1) Except in cases where paragraph 60 (disregard of changes in tax, contributions, etc.) applies and subject to Paragraph 107A and the following provisions of this paragraph and (in the case of applicants who are pensioners) paragraph 108 (change of circumstance where state pension credit in payment), a change of circumstances which affects entitlement to, or the amount of, a reduction under this scheme ("change of circumstances"), takes effect from the first day of the reduction week following the date on which the change actually occurs.
- (2) 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.
- (3) Subject to sub-paragraph (4), 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.
- (4) Where the change of circumstances is a change in the amount a person is liable to pay in respect of council tax in consequence of regulations under section 13 of the 1992 Act (reduced amounts of council tax) or changes in the discount to which a dwelling may be subject under section 11 or 11A of that Act (discounts), it takes effect from the day on which the change in amount has effect.
- (5) 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.
- (6) 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.
- (7) 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 sub-paragraphs (1) to (6) they take effect from the day to which the appropriate sub-paragraph from (3) to (6) above refers, or, where more than one day is concerned, from the earlier day.
- (8) 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 SSCBA, 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 appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

(9) Without prejudice to sub-paragraph (8), 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.

(9)(a) with effect from 6th December 2018, sub paragraphs 10, 11, 12 and 13 apply only to persons who have attained pensionable age

(10) Sub-paragraph (11) applies if -

(a) [up to and including 5th December 2018] the applicant or his partner has attained the age of 65; and

(b) either—

(i) a non-dependant took up residence in the applicant's dwelling; or

(ii) there has been a change of circumstances in respect of a non-dependant so that the amount of the deduction which falls to be made under paragraph 30 increased.

(11) Where this sub-paragraph applies, the change of circumstances referred to in sub-paragraph (10)(b) takes effect from the effective date.

(12) In sub-paragraph (11), but subject to sub-paragraph (13), “the effective date” means

(a) where more than one change of a kind referred to in sub-paragraph (10)(b) relating to the same non-dependant has occurred since—

(i) the date on which the applicant's entitlement to a reduction under this scheme first began; or

(ii) the date which was the last effective date in respect of such a change, whichever is the later, the date which falls 26 weeks after the date on which the first such change occurred;

(b) where paragraph (a) does not apply, the date which falls 26 weeks after the date on which the change referred to in sub-paragraph (10)(b) occurred.

(13) If in any particular case the date determined under sub-paragraph (12) is not the first day of a reduction week, the effective date in that case is to be the first day of the next reduction week to commence after the date determined under that sub-paragraph.

(14) Where the Relevant Benefit rule applies, the change shall take effect from the date on which entitlement arises to the relevant benefit or to an increase in the rate of that relevant benefit.

107A When beneficial changes of circumstances take effect

(1) for the purposes of determining the date on which a new decision is to take effect, in a case where-

(a) the change of circumstances is a change of circumstances that is required by regulations to be notified; and

(b) that change of circumstances is notified more than one month after it occurs, or such longer period as may be allowed under regulation 107B; and

(c) the new decision is advantageous to the claimant,

the date of notification of the change of circumstances shall be treated as the date on which the change of circumstances occurred.

107B Conditions for accepting a delay in notification of a change

(1) For the purposes of making a decision under regulation 107A (1), a longer period of time may be allowed for the notification of a change of circumstances in so far as it affects the effective date of the change where the conditions specified in the following provisions of this regulation are satisfied.

(2) An application for the purposes of paragraph (1) shall

- (a) include particulars of the change of circumstances and the reasons for the failure to notify the change of circumstances on an earlier date and
- (b) be made within 13 months of the date on which the change occurred.
- (3) An application for the purposes of paragraph (1) shall not be granted unless the appropriate relevant authority is satisfied that-
 - (a) it is reasonable to grant the application;
 - (b) the change of circumstances notified by the applicant is relevant to the decision which is to be superseded; and
 - (c) special circumstances are relevant and as a result of those special circumstances it was not practicable for the applicant to notify the change of circumstances within one month of the change occurring.
- (4) In determining whether it is reasonable to grant the application, the appropriate relevant authority shall have regard to the principle that the greater the amount of time that has elapsed between the date one month after the change of circumstances occurred and the date the application for a superseding decision is made, the more compelling should be the special circumstances on which the application is based.
- (5) In determining whether it is reasonable to grant an application, no account shall be taken of the following-
 - (a) that the applicant was unaware of, or misunderstood, the law applicable to his case (including ignorance or misunderstanding of the time limits imposed by these Regulations); or
 - (b) that the Upper Tribunal or a court has taken a different view of the law from that previously understood and applied.
- (6) An application under this regulation which has been refused may not be renewed.

108.0 Change of circumstances where state pension credit in payment

- (1) Sub-paragraphs (2) and (3) apply where—
 - (a) the applicant is in receipt of state pension credit;
 - (b) the amount of state pension credit awarded to him is changed in consequence of a change in the applicant's circumstances or the correction of an official error; and
 - (c) the change in the amount of state pension credit payable to the applicant results in a change in the amount of a reduction he receives under this scheme.
- (2) Where the change of circumstance is that an increase in the amount of state pension credit payable to the applicant results in—
 - (a) an increase in the reduction he receives under this scheme, the change takes effect from the first day of the reduction week in which state pension credit becomes payable at the increased rate; or
 - (b) a decrease in the reduction he receives under this scheme, the change takes effect from the first day of the reduction week next following the date on which—
 - (i) the local authority receives notification from the Secretary of State of the increase in the amount of state pension credit; or
 - (ii) state pension credit is increased,
 whichever is the later.
- (3) Where the change of circumstance (“the relevant change”) is that the applicant's state pension credit has been reduced and in consequence the reduction the applicant receives under this scheme reduces—
 - (a) in a case where the applicant's state pension credit has been reduced because the applicant failed to notify the Secretary of State timeously of a change of circumstances, the relevant change takes effect from the first day of the reduction week from which state pension credit was reduced; or
 - (b) in any other case the relevant change takes effect from the first day of the reduction week next following the date on which—
 - (i) the authority receives notification from the Secretary of State of the reduction in the amount of state pension credit; or
 - (ii) state pension credit is reduced,

whichever is the later.

- (4) Where the change of circumstance is that state pension credit is reduced and in consequence of the change, the amount of a reduction he receives under this scheme is increased, the change takes effect from the first day of the reduction week in which state pension credit becomes payable at the reduced rate.
- (5) Where a change of circumstance occurs in that an award of state pension credit has been made to the applicant or his partner and this would result in a decrease in the amount of reduction he receives under this scheme, the change takes effect from the first day of the reduction week next following the date on which—
- (a) the authority receives notification from the Secretary of State of the award of state pension credit; or
 - (b) entitlement to state pension credit begins,
- whichever is the later.
- (6) Where, in the case of an applicant who, or whose partner, is or has been awarded state pension credit comprising only the savings credit, there is—
- (a) a change of circumstances of a kind described in any of sub-paragraphs (2) to (5) which results from a relevant calculation or estimate; and
 - (b) a change of circumstances which is a relevant determination,

each of which results in a change in the amount of reduction the applicant receives under this scheme, the change of circumstances referred to in sub-paragraph (b) takes effect from the day specified in sub-paragraph (2), (3), (4) or (5) as the case may be, in relation to the change referred to in paragraph (a).

- (7) Where a change of circumstance occurs in that a guarantee credit has been awarded to the applicant or his partner and this would result in an increase in the amount of a reduction the applicant receives under this scheme, the change takes effect from the first day of the reduction week next following the date in respect of which the guarantee credit is first payable.
- (8) Where a change of circumstances would, but for this sub-paragraph, take effect under the preceding provisions of this paragraph within the 4 week period specified in paragraph 93 (continuing reductions where state pension credit claimed), that change takes effect on the first day of the first reduction week to commence after the expiry of the 4 week period.

- (9) In this paragraph—

“official error” means an error made by

- (a) the authority or a person—
 - (i) authorised to carry out any function of the authority relating to this scheme; or
 - (ii) providing services relating to this scheme directly or indirectly to the authority; or
- (b) an officer of—
 - (i) the Department for Work and Pensions; or
 - (ii) the Commissioners of Inland Revenue, acting as such,

but excludes any error caused wholly or partly by any person or body not specified in paragraph (a) or (b) of this definition and any error of law which is shown to have been an error only by virtue of a subsequent decision of the court;

“relevant calculation or estimate” means the calculation or estimate made by the Secretary of State of the applicant's or, as the case may be, the applicant's partner's income and capital for the purposes of the award of state pension credit;

“relevant determination” means a change in the determination by the authority of the applicant's income and capital using the relevant calculation or estimate, in accordance with paragraph 36(1).

PART 14 Application (including duties to notify authority of change of circumstances)

109.0 Making an application

- (1) In the case of—
 - (a) a couple or (subject to paragraph (b)) members of a polygamous marriage an application is to be made by whichever one of them they agree should so apply or, in default of agreement, by such one of them as the authority determines; or
 - (b) in the case of members of a polygamous marriage to whom paragraph 37 (income and capital: award of universal credit) applies, an application is to be made by whichever one of the parties to the earliest marriage that still subsists they agree should so apply or, in default of agreement, by such one of them as the authority determines.
- (2) Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act, and—
 - (a) a deputy has been appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
 - (b) in Scotland, his estate is being administered by a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 ¹¹⁵ who has power to apply or, as the case may be, receive benefit on his behalf; or
 - (c) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971 ¹¹⁶, the Enduring Powers of Attorney Act 1985 ¹¹⁷ 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.
- (3) Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and sub-paragraph (2) does not apply to him, the authority may, upon written application made to them by a person who, if a natural person, is over the age of 18, appoint that person to exercise on behalf of the person who is unable to act, any right to which that person might be entitled under this scheme and to receive and deal on his behalf with any sums payable to him.
- (4) Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).
- (5) Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4)—
 - (a) it may at any time revoke the appointment;
 - (b) the person appointed may resign his office after having given 4 weeks notice in writing to the authority of his intention to do so;
 - (c) any such appointment must terminate when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).
- (6) Anything required by this scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the person appointed or treated as appointed under this paragraph and

the receipt of any such person so appointed shall be a good discharge to the authority for any sum paid.

(7) The authority must—

- (a) inform any person making an application of the duty imposed by paragraph 115(1)(a);
- (b) explain the possible consequences (including prosecution) of failing to comply with that duty; and
- (c) set out the circumstances a change in which might affect entitlement to the reduction or its amount.

110.0 Date on which an application is made

(1) Subject to sub-paragraph (7), the date on which an application is made is—

(a) in a case where—

- (i) an award of state pension credit which comprises a guarantee credit has been made to the applicant or his partner, and
- (ii) the application is made within one month of the date on which the claim for that state pension credit which comprises a guarantee credit was received at the appropriate DWP office,

the first day of entitlement to state pension credit which comprises a guarantee credit arising from that claim;

(b) in a case where—

- (i) an applicant or his partner is a person in receipt of a guarantee credit,
- (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
- (iii) the application to the authority is received at the designated office within one month of the date of the change,

the date on which the change takes place;

(c) in a case where—

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

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

(d) in a case where—

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

the date on which the change takes place;

(e) in a case where—

- (i) the 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
 - (ii) where the applicant makes an application for a reduction under this scheme within one month of the date of the death or the separation,
- the date of the death or separation;

(f) except where paragraph (a), (b) or (e) is satisfied, in a case where a properly completed application is received within one month (or such longer period as the authority considers reasonable) of the date on which an application form was

issued to the applicant following the applicant first notifying, by whatever means, the authority of an intention to make an application, the date of first notification;
(g) in any other case, the date on which the application is received at the designated office.

- (2) For the purposes only of sub-paragraph (1)(c) a person who has been awarded an income-based jobseeker's allowance or an income-related employment and support allowance or an award of 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—
 - (a) in the case of income-based jobseeker's allowance, paragraph 4 of Schedule 1 to the Jobseekers Act 1995 (waiting days); or
 - (b) in the case of income-related employment and support allowance, paragraph 2 of Schedule 2 to the Welfare Reform Act 2007 (waiting days),have been entitled to that allowance.
- (c) In a case where an award of universal credit has been made, regulation 19A (waiting days) of the Universal Credit Regulations 2013 (as amended)
- (3) Where the defect referred to in paragraph 7 of Schedule 1 to this scheme (application by telephone)—
 - (a) is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance;
 - (b) is not corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance where it considers it has sufficient information to decide on the application.
- (4) The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.
- (5) The conditions are that—
 - (a) where paragraph 4(a) of Schedule 1 (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
 - (b) where paragraph 4(b) of Schedule 1 (application not on approved form or further information requested by authority) applies—
 - (i) 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,
 - (ii) the applicant supplies whatever information or evidence was requested under paragraph 4 of that Schedule within one month of the request,or, in either case, within such longer period as the authority may consider reasonable; or
 - (c) where the authority has requested further information, the authority receives at its 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.
- (6) Except in the case of an application made by a person treated as not being in Great Britain, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for a reduction under this scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority is to treat the application as having been made on the day on which the liability

for the tax arises.

- (7) Except in the case of an application made by a person treated as not being in Great Britain, where the applicant is not entitled to a reduction under this scheme in the reduction week immediately following the date of his application but the authority is of the opinion that unless there is a change of circumstances he will be entitled to a reduction under this scheme for a period beginning not later than—
- (a) in the case of an application made by—
- (i) a pensioner, or
 - (ii) a person who has attained, or whose partner has attained, the age which is 17 weeks younger than the qualifying age for state pension credit, the seventeenth reduction week following the date on which the application is made, or
- (b) in the case of an application made by a person who is not a pensioner, the thirteenth reduction week following the date on which the application is made, the authority may treat the application as made on a date in the reduction week immediately preceding the first reduction week of that period of entitlement and award a reduction accordingly.
- (8) In this paragraph “appropriate DWP office” means an office of the Department for Work and Pensions dealing with state pension credit or an office which is normally open to the public for the receipt of claims for income support, a jobseeker's allowance or an employment and support allowance.

111.0 Back-dating of applications: pensioners

- (1) Subject to sub-paragraph (2), the time for the making of an application under this scheme by a pensioner is as regards any day on which, apart from satisfying the condition of making an application, the applicant is entitled to such a reduction, that day and the period of three months immediately following it.
- (2) In any case where paragraph 110(1)(a) applies, sub-paragraph (1) does not entitle a person to apply for a reduction under this scheme in respect of any day earlier than three months before the date on which the claim for state pension credit is made (or treated as made by virtue of any provision of the Social Security (Claims and Payments) Regulations 1987).

112.0 Back-dating of applications: persons who are not pensioners

- (1) Where an applicant who is a person who is not a pensioner—
- (a) makes an application under this scheme which includes (or which he subsequently requests should include) a period before the application is made; and
 - (b) from a day in that period, up to the date he made the application (or subsequently requested that the application should include a past period), the applicant had continuous good cause for failing to make an application (or request that the application should include that period),
- the application is to be treated as made on the date determined in accordance with sub-paragraph (2).
- (2) That date is the latest of—
- (a) the first day from which the applicant had continuous good cause;
 - (b) the day 6 months before the date the application was made;
 - (c) the day 6 months before the date when the applicant requested that the application should include a past period.

113.0 Information and evidence

- (1) Subject to sub-paragraph (3), a person who makes an application for a reduction under this scheme must satisfy sub-paragraph (2) in relation both to himself and to any other person in respect of whom he is making the application.
- (2) This sub-paragraph is satisfied in relation to a person if—
 - (a) the application is accompanied by—
 - (i) a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or
 - (ii) information or evidence enabling the authority to ascertain the national insurance number that has been allocated to the person; or
 - (b) the person has made an application for a national insurance number to be allocated to him and the application for the reduction is accompanied by—
 - (i) evidence of the application for a national insurance number to be so allocated; and
 - (ii) the information or evidence enabling it to be so allocated.
- (3) Sub-paragraph (2) does not apply—
 - (a) in the case of a child or young person in respect of whom an application for a reduction is made;
 - (b) to a person who—
 - (i) is a person treated as not being in Great Britain for the purposes of this scheme [118](#);
 - (ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
 - (iii) has not previously been allocated a national insurance number.
- (4) Subject to sub-paragraph (5), 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, or continuing 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.
- (5) Nothing in this paragraph requires a person to furnish any certificates, documents, information or evidence relating to a payment to which sub-paragraph (7) applies.
- (6) Where a request is made under sub-paragraph (4), the authority must—
 - (a) inform the applicant or the person to whom a reduction under this scheme has been awarded of his duty under paragraph 115 (duty to notify change of circumstances) to notify the authority of any change of circumstances; and
 - (b) without prejudice to the extent of the duty owed under paragraph 115, 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 is to be notified.
- (7) This sub-paragraph applies to any of the following payments—
 - (a) a payment which is—
 - (i) disregarded under paragraph 28 of Schedule 8 (sums disregarded in the calculation of income other than earnings: persons who are not pensioners) or paragraph 38 of Schedule 10 (capital disregards: persons who are not pensioners); or
 - (ii) made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;

- (b) a payment which is disregarded under paragraph 16 of Schedule 9 (payments made under certain trusts and certain other payments), other than a payment under the Independent Living Fund (2006);
- (c) a payment which is disregarded under paragraph 30(9)(b) or (c) (payment made under certain trusts etc.) or paragraph 2(b) or (c) of Schedule 4 (payments made under certain trusts etc.) other than a payment under the Independent Living Fund (2006).

(8) Where an applicant or a person to whom a reduction under this scheme has been awarded or any partner has attained the qualifying age for state pension credit and is a member of, or a person deriving entitlement to a pension under, a personal pension scheme, he must where the authority so requires furnish the following information—

- (a) the name and address of the pension fund holder;
- (b) such other information including any reference or policy number as is needed to enable the personal pension scheme to be identified.

113A SUSPENSION AND TERMINATION OF REDUCTION AND OTHER MATTERS, : persons who are not pensioners

Cases where a relevant authority may suspend

1.—

(1) A relevant authority may suspend, in whole or in part any reduction in the amount that a person is or will become liable to pay in respect of council tax, in the circumstances prescribed in paragraph (2).

(2) The prescribed circumstances are where—

- (a) it appears to the relevant authority that an issue arises whether—
 - (i) the conditions for entitlement to council tax reduction are or were fulfilled; or
 - (ii) a decision as to an award of such a reduction should be amended as per regulation 107

Making or restoring reductions suspended

2.—in a case to which regulation 1(2)(a) applies, where the relevant authority is satisfied that the reduction so suspended is properly payable and no outstanding issues remain to be resolved the relevant authority shall, so far as practicable, restore the reduction within 14 days of the decision to make or restore that reduction.

Suspension for failure to furnish information etc.

3.—

(1) The relevant authority may suspend in whole or in part—

- (a) any reduction in the amount that a person is or will become liable to pay in respect of council tax, in relation to persons who fail to comply with the information requirements as defined in regulation 113

(2) The prescribed persons are—

- (a) a person in respect of whom a reduction has been suspended under regulation 1 above;
- (b) a person who has made an application for a decision of the relevant authority to be amended;
- (c) a person in respect of whom a question has arisen in connection with a reduction award and who fails to comply with the requirement in regulation 113 to furnish information or evidence needed for a determination whether a decision on an award should be amended.

(3) The relevant authority shall notify any person to whom paragraph (2) refers of the requirements of this regulation.

(4) A person to whom paragraph (2) refers must—

- (a) furnish the information or evidence needed within a period of—
 - (i) one month beginning with the date on which the notification under paragraph (3) was sent to him; or

- (ii) such longer period as the relevant authority considers necessary in order to enable him to comply with the requirement ; or
- (b) satisfy the relevant authority within the period provided for in paragraph (4)(a) that—
 - (i) the information or evidence so required does not exist; or
 - (ii) it is not possible for him to obtain the information or evidence so required.
- (5) Where a person satisfies the requirements in paragraph (4), the relevant authority shall, so far as practicable, make, or as the case may be restore, the payment within 14 days of the decision to make or restore that payment.

Termination in cases of a failure to furnish information

4.—

- (1) A person in respect of whom payment of benefit or a reduction has been suspended—
 - (a) under regulation 1 and who subsequently fails to comply with an information requirement; or
 - (b) under regulation 3 for failing to comply with such a requirement,
 shall cease to be entitled to the reduction from the date on which the reduction was suspended.
- (2) Paragraph (1) does not apply—
 - (a) subject to sub-paragraph (b), where not more than one month has elapsed since the end of the period under regulation 3(4) for the provision of information;
 - (b) where a reduction has been suspended in part under regulation 1 or regulation 3.

114.0 Amendment and withdrawal of application

- (1) A person who has made an application may amend it at any time before a decision has been made on it by a notice in writing delivered or sent to the designated office.
- (2) Where the application was made by telephone in accordance with Part 1 of Schedule 1, the amendment may also be made by telephone.
- (3) Any application amended in accordance with sub-paragraph (1) or (2) is to be treated as if it had been amended in the first instance.
- (4) A person who has made an application may withdraw it by notice to the designated office at any time before a decision has been made on it.
- (5) Where the application was made by telephone in accordance with Part 1 of Schedule 1, the withdrawal may also be made by telephone.
- (6) Any notice of withdrawal given in accordance with sub-paragraph (4) or (5) has effect when it is received.
- (7) Where a person, by telephone, amends or withdraws an application the person must (if required to do so by the authority) confirm the amendment or withdrawal by a notice in writing delivered or sent to the designated office.

114A. Nil award of Council Tax Reduction

- (1) Subject to paragraph (2), an application to a reduction under this scheme, made in accordance with Part 1 of Schedule 1 (Procedural Matters), will remain effective until the amount of reduction determined subsequent to that application reduces to nil upon which a new application, made in accordance with the Schedule, will be required to receive a further reduction under this scheme.
- (2) Where any of the following apply, a new application for a reduction is not required and the original application remains in force:
 - (a) Where the decision that a reduction amount should be nil is subsequently changed and there is entitlement to a reduction amount from the date the reduction was previously determined to be nil; or
 - (b) Where entitlement to a reduction is calculated in accordance with Paragraph 38

(Calculation of income and capital: persons who are not pensioners, who have an award of universal credit) any period of nil entitlement to a reduction during the award of universal credit is disregarded and the award of council tax reduction is treated as continuous; or

- (c) Where any period of nil entitlement is determined for a closed period in the past, the award of council tax reduction is treated as continuous.

115.0 Duty to notify changes of circumstances

- (1) Subject to sub-paragraphs (3) and (9) for pensioners and
Subject to sub-paragraphs (3), (6) and (7) for persons who are not pensioners, the applicant (or any person acting on his behalf) must comply with sub-paragraph (2) if there is a relevant change of circumstances at any time—

- (a) between the making of an application and a decision being made on it, or
(b) after the decision is made (where the decision is that the applicant is entitled to a reduction under this scheme) including at any time while the applicant is in receipt of such a reduction.

- (2) The applicant (or any person acting on his behalf) must notify any change of circumstances which the applicant (or that person) might reasonably be expected to know might affect his entitlement to, or the amount of, a reduction under this scheme (a “relevant change of circumstances”) by giving notice to the authority—

- (a) in writing; or
(b) by telephone—

- (i) where the authority has published a telephone number for that purpose or for the purposes of Part 1 of Schedule 1 unless the authority determines that in any particular case or class of case notification may not be given by telephone; or
(ii) in any case or class of case where the authority determines that notice may be given by telephone; or

- (c) by any other means which the authority agrees to accept in any particular case,

within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.

- (3) The duty imposed on a person by sub-paragraph (1) does not extend to notifying—

- (a) changes in the amount of council tax payable to the authority;
(b) changes in the age of the applicant or that of any member of his family;
(c) in the case of an applicant in receipt of a relevant benefit, changes in circumstances which affect the amount of the benefit but not the amount of the reduction under this scheme to which he is entitled, other than the cessation of that entitlement to the benefit.

- (4) For the purposes of sub-paragraph (3)(c) “relevant benefit” means income support, an income-based jobseeker's allowance or an income-related employment and support allowance or universal credit.

- (5) Notwithstanding sub-paragraph (3)(b) or (c) an applicant is required by sub-paragraph (1) to notify the authority of any change in the composition of his family arising from the fact that a person who was a member of his family is now no longer such a person because he has ceased to be a child or young person.

- (6) The duty imposed on a person by sub-paragraph (1) includes—

- (a) in the case of a person falling within class C (pensioners: alternative maximum council tax reduction) giving written notice to the authority of changes which occur

- in the number of adults in the dwelling or in their total gross incomes and, where any such adult ceases to be in receipt of state pension credit, the date when this occurs;
- (b) in the case of a person falling within class F (persons who are not pensioners: alternative maximum council tax reduction) giving written notice to the authority of changes which occur in the number of adults in the dwelling or in their total gross incomes and, where any such adult ceases to be in receipt of income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the date when this occurs.
- (7) A person who has been awarded a reduction under this scheme who is also on state pension credit must report—
- (a) changes affecting the residence or income of any non-dependant normally residing with the applicant or with whom the applicant normally resides;
- (b) any absence from the dwelling which exceeds or is likely to exceed 13 weeks or where the absence is from Great Britain, which exceeds or is likely to exceed 4 weeks.
- (8) In addition to the changes required to be reported under sub-paragraph (7), a person whose state pension credit comprises only the savings credit must also report—
- (a) changes affecting a child living with him which may result in a change in the amount of reduction under this scheme allowed in his case, but not changes in the age of the child;
- (b) any change in the amount of the applicant's capital to be taken into account which does or may take the amount of his capital to more than £16,000;
- (c) any change in the income or capital of—
- (i) a non-dependant whose income and capital are treated as belonging to the applicant in accordance with paragraph 34 (circumstances in which income of a non-dependant is to be treated as applicant's); or
- (ii) a person to whom paragraph 36(2)(e) (partner treated as member of the household under paragraph 8) refers, and whether such a person or, as the case may be, non-dependant stops living or begins or resumes living with the applicant.
- (9) A person who is entitled to a reduction under this scheme and on state pension credit need only report to the authority the changes specified in sub-paragraphs (7) and (8).

PART 15 Decisions by authority

116.0 Decision by authority

The authority must make a decision on an application for a reduction under this scheme within 14 days of paragraphs 110 and 113 and Part 1 of Schedule 1 being satisfied, or as soon as reasonably practicable thereafter.

117.0 Notification of decision

- (1) The authority must notify in writing any person affected by a decision made by it under this scheme—
- (a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;
- (b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.
- (2) Where the decision is to award a reduction the notification under sub-paragraph (1) must include a statement—

- (a) informing the person affected of the duty imposed by paragraph 115(1)(b);
 - (b) explaining the possible consequences (including prosecution) of failing to comply with that duty; and
 - (c) setting out the circumstances a change in which might affect entitlement to the reduction or its amount.
- (3) Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement as to how that entitlement is to be discharged.
- (4) In any case, the notification under sub-paragraph (1) must inform the person affected of the procedure by which an appeal may be made and must refer the person to the provisions in this scheme relating to the procedure for making an appeal.
- (5) A person affected to whom the authority sends or delivers a notification of decision may, within one month of the date of the notification of that decision request in writing the authority to provide a written statement setting out the reasons for its decision on any matter set out in the notice.
- (6) The written statement referred to in sub-paragraph (5) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.
- (7) For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under this scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (8).
- (8) This sub-paragraph applies to—
- (a) the applicant;
 - (b) in the case of a person who is liable to pay council tax in respect of a dwelling and is unable for the time being to act—
 - (i) a deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
 - (ii) in Scotland, a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on the person's behalf; or
 - (iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,
 - (c) a person appointed by the authority under paragraph 109(3).

PART 16 Circumstances in which a payment may be made

118.0— Payment where there is joint and several liability

- (1) Where—
- (a) 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 financial year;
 - (b) the person entitled to the reduction is jointly and severally liable for the council tax; and
 - (c) the authority determines that discharging his entitlement by reducing the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers would be inappropriate,
- it may make a payment to him of the amount of reduction to which he is entitled, rounded where necessary to the nearest penny.
- (2) Subject to sub-paragraph (3), any payment made under sub-paragraph (1) must be made

to the person who is entitled to the reduction.

- (3) Where a person other than the person who is entitled to the reduction under this scheme made the application for the reduction and that first person is a person acting pursuant to an appointment under paragraph 109(3) (persons appointed to act for a person unable to act) or is treated as having been so appointed by virtue of paragraph 109(5), the amount of the reduction may be paid to that person.

Schedule 1
Procedural matters

PART 1 Procedure by which a person may apply for a reduction under this scheme

1.

Paragraphs 2 to 7 apply to an application for a reduction under this scheme.

2.

An application may be made—

- (a) in writing,
- (b) by means of an electronic communication in accordance with Part 4 of this Schedule, or
- (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- (d) Department for Work and Pension Local Authority Input Document (LAID) and Local Authority Customer Information (LACI) where they declare an intention to claim a Council Tax Reduction.
- (e) The following Universal Credit notification from the Department for Work and Pensions:
 - (i) Universal Credit Data Share (UCDS) New Claim record

3.

- (1) An application which is made in writing must be made to the designated office on a properly completed form.
- (2) The form must be provided free of charge by the authority for the purpose.

4.

- (1) Where an application made in writing is defective because—
 - (a) it was made on the form supplied for the purpose but that form is not accepted by the authority as being properly completed; or
 - (b) it was made in writing but not on the form supplied for the purpose and the authority does not accept the application as being in a written form which is sufficient in the circumstances of the case having regard to the sufficiency of the written information and evidence,the authority may, in a case to which sub-paragraph (a) applies, request the applicant to complete the defective application or, in the case to which sub-paragraph (b) applies, supply the applicant with the approved form or request further information and evidence.
- (2) An application made on a form provided by the authority is properly completed if completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

5.

- (1) If an application made by electronic communication is defective the authority must provide the person making the application with an opportunity to correct the defect.
- (2) An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

6.

In a particular case the authority may determine that an application made by telephone is only valid if the person making the application approves a written statement of his circumstances provided by the authority.

7.

- (1) If an application made by telephone is defective the authority must provide the person making the application with an opportunity to correct the defect.
- (2) An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

PART 2 Procedure by which a person may make an appeal against certain decisions of the authority

8.

A person who is aggrieved by a decision of the authority which affects—

- (a) the person's entitlement to a reduction under this scheme, or
- (b) the amount of any reduction under this scheme,
may serve a written notice on the authority stating the matter by which, and the grounds on which, he is aggrieved.

9.

The authority must—

- (a) consider the matter to which the notice relates;
- (b) notify the aggrieved person in writing—
 - (i) that the ground is not well founded, giving reasons for that belief; or
 - (ii) that steps have been taken to deal with the grievance, stating the steps taken.

10.

Where, following notification under paragraph 9(b)(i) or (ii), the person is still aggrieved, or if the authority fails to notify the person aggrieved in accordance with paragraph 9(b) within two months of the service of his notice, he may appeal to a valuation tribunal under section 16 of the 1992 Act.

PART 3 Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act

11.

- (1) An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act may be made

- (a) in writing;
- (b) by means of an electronic communication in accordance with Part 4 of this Schedule; or
- (c) where the authority has published a telephone number for the purposes of receiving such applications, by telephone.

- (2) Where—

- (a) the authority has made a determination under section 13A(1)(c) in relation to a class of case in which liability is to be reduced; and
- (b) a person in that class would otherwise be entitled to a reduction under this scheme, that person's application for a reduction under this scheme may also be treated as an application for a reduction under section 13A(1)(c).

PART 4 Electronic communication

12. Interpretation

In this Part—

“information” includes an application, certificate, notice or other evidence;

“official computer system” means a computer system maintained by or on behalf of the authority for the sending, receiving, processing or storing of any information.

13.— Conditions for the use of electronic communication

- (1) The authority may use an electronic communication in connection with applications for, and awards of, reductions under this scheme.

- (2) A person other than the authority may use an electronic communication in connection with the matters referred to in sub-paragraph (1) if the conditions specified in sub-paragraphs (3) to (6) are satisfied.

- (3) The first condition is that the person is for the time being permitted to use an electronic

communication by an authorisation given by means of a direction of the Chief Executive of the authority.

- (4) The second condition is that the person uses an approved method of—
 - (a) authenticating the identity of the sender of the communication;
 - (b) electronic communication;
 - (c) authenticating any application or notice delivered by means of an electronic communication; and
 - (d) subject to sub-paragraph (7), submitting to the authority any information.
- (5) The third condition is that any information sent by means of an electronic communication is in a form supplied for the purposes of this Part of this Schedule.
- (6) The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.
- (7) Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.
- (8) In this paragraph “approved” means approved by means of a direction given by the Chief Executive of the authority for the purposes of this Part of this Schedule.

14. 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.

15.— Effect of delivering information by means of electronic communication

- (1) Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of this scheme, on the day the conditions imposed—
 - (a) by this Part; and
 - (b) by or under an enactment,are satisfied.
- (2) The authority may determine that any information is to be treated as delivered on a different day (whether earlier or later) from the day provided for in sub-paragraph (1).
- (3) Information must 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.

16. 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.

17.— Proof of delivery of information

- (1) If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any information this must be presumed to have been the case where—
 - (a) any such information has been delivered to the relevant authority, if the delivery of

that information has been recorded on an official computer system; or
(b) any such information has been delivered by the relevant authority, if the delivery of that information has been recorded on an official computer system.

(2) If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any such information, this must be presumed not to be the case, if that information delivered to the relevant authority has not been recorded on an official computer system.

(3) If it is necessary to prove, for the purpose of any legal proceedings, when any such information sent by means of an electronic communication has been received, the time and date of receipt must be presumed to be that recorded on an official computer system.

18. 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 must be presumed to be that recorded on an official computer system.

Schedule 2
Applicable amounts: pensioners

1. Personal allowance

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 paragraph 25(1)(a) *and will be up-rated each year in line with the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations* .

Column (1)	Column (2)
Person, couple or polygamous marriage	Amount
(1) Single applicant or lone parent—	(1)
(a) aged under 65;	(a) £145.40;
(b) aged 65 or over.	(b) £163.50.
(2) Couple—	(2)
(a) both members aged under 65;	(a) £222.05;
(b) one or both members aged 65 or over.	(b) £244.95.
(3) If the applicant is a member of a polygamous marriage and none of the members of the marriage has attained the age of 65—	(3)
(a) for the applicant and the other party to the marriage;	(a) £222.05;
(b) for each additional spouse who is a member of the same household as the applicant.	(b) £76.65.
(4) If the applicant is a member of a polygamous marriage and one or more members of the marriage are aged 65 or over—	(4)
(a) for the applicant and the other party to the marriage;	(a) £244.95;
(b) for each additional spouse who is a member of the same household as the applicant.	(b) £81.45.

2.— Child or young person amounts

(1) The amounts specified in 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 paragraph 25(1)(b) *and will be up-rated each year in line with the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations* ..

Column (1)	Column (2)
Child or young Person	Amount
Person in respect of the period—	

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) £65.62;
(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) £65.62

(2) 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.

3. Family premium

The amount for the purposes of paragraph 25(1)(c) in respect of a family of which at least one member is a child or young person –

- (a) is £17.45 in respect of a reduction week which begins in the period beginning with 1st April 2016 and ending with 30th April 2016;
- (b) is nil in respect of a reduction week which begins after 1st May 2016.

3A.—(1) Subject to paragraph (2), the amendment in regulation 3(b) does not apply to a person who, on 30th April 2016, is liable to pay council tax at a reduced rate by virtue of a council tax reduction under an authority’s scheme established under section 13A(2) of the Act and is—

- (a) a member of a family of which at least one member is a child or young person; or
- (b) a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.

(2) Paragraph (1) does not apply if—

- (a) sub-paragraph (a) or (b) of that paragraph ceases to apply; or
- (b) the person makes a new application for a reduction under an authority’s scheme under section 13A(2) of the Act.

(3) For the purposes of this regulation—

- (a) “the Act” means the Local Government Finance Act 1992;
- (b) “child”, “family”, “partner”, “polygamous marriage” and “young person” have the meanings given by regulation 2 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012.

4. Premiums

The premiums specified in Part 4 are, for the purposes of paragraph 25(1)(d), applicable to an applicant who satisfies the condition specified in this Part in respect of that premium.

5.

(1) Subject to sub-paragraph (2), for the purposes of this Part of this Schedule, 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—

- (a) 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
- (b) any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the 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.

- (2) For the purposes of the carer premium under paragraph 9, a person is to be treated as being in receipt of a carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, 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.

6.— Severe disability premium

- (1) The condition is that the applicant is a severely disabled person.
- (2) For the purposes of sub-paragraph (1), an applicant is to be treated as being a severely disabled person if, and only if—
- (a) in the case of a single applicant, a lone parent or an applicant who is treated as having no partner in consequence of sub-paragraph (3) —
- (i) 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) of the SSCBA, 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; and
- (ii) subject to sub-paragraph (6), he has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing; and
- (iii) no person is entitled to, and in receipt of, a carer's allowance under section 70 of the SSCBA or has an award of universal credit which includes the carer element under regulation 29 of the Universal Credit Regulations 2013(a) in respect of caring for him;
- (b) in the case of an applicant who has a partner—
- (i) 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 SSCBA, 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;
- (ii) his partner is also in receipt of such an allowance or, if he is a member of a polygamous marriage, each other member of that marriage is in receipt of such an allowance; and
- (iii) subject to sub-paragraph (6), 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 that includes the carer element in respect of caring for only one of the couple or, if he is a member of a polygamous marriage, for one or more but not all the members 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 of the members of the marriage.
- (3) Where an applicant has a partner who does not satisfy the condition in sub-paragraph (2)(b)(ii), and that partner is severely sight-impaired or blind or is treated as such within the meaning of sub-paragraph (4), that partner is to be treated for the purposes of sub-paragraph (2) as if he were not a partner of the applicant.
- (4) For the purposes of sub-paragraph (3), a person is blind or severely sight-impaired if he is registered as severely sight-impaired in a register kept by a local authority in England under section 77(1) of the Care Act 2014 (registers of sight-impaired adults), in Scotland, has been certified as blind and in consequence he is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland)

Act 1994, or is registered as severely sight-impaired in a register kept by a local authority in Wales under section 18(1) of the Social Services and Well-being (Wales) Act 2014.

- (5) For the purposes of sub-paragraph (4), a person who has ceased to be registered as blind or severely sight-impaired on regaining his eyesight is nevertheless to be treated as such 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.
- (6) For the purposes of sub-paragraph (2)(a)(ii) and (2)(b)(iii) no account is to be taken of—
 - (a) 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 SSCBA, 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
 - (b) a person who is blind or is treated as blind within the meaning of sub-paragraphs (4) and (5).
- (7) For the purposes of sub-paragraph (2)(b) a person is to be treated—
 - (a) 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 SSCBA, if he would, but for his being a patient for a period exceeding 28 days, be so in receipt;
 - (b) as being in receipt of the daily living component of personal independence payment paid at the rate prescribed in accordance with 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, notwithstanding section 86 of that Act and regulations made thereunder;
 - (c) as being in receipt of an AFIP if he would be so in receipt but for a suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;
 - (d) 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.
- (8) For the purposes of sub-paragraph (2)(a)(iii) and (b) —
 - (a) no account is to be taken of an award of carer's allowance to the extent that payment of such an award is back-dated for a period before the date on which the award is first paid; and
 - (b) 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 include reference 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).

7.Enhanced disability premium

- (1) The condition is that—
 - (a) the care component of disability living allowance is, or would, but for a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA or but for an abatement as a consequence of hospitalisation, be payable at the highest rate prescribed under section 73(2) of that Act; or
 - (b) (as the case may be) the daily living component of personal independence payment is, or would, but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012, be payable at the enhanced rate prescribed in accordance with section 78(2) of that Act, in respect of a child or young person who is a member of the applicant's family.

- (2) Where the condition in sub-paragraph (1) ceases to be satisfied because of the death of a child or young person, the condition is that the applicant or partner is entitled to child benefit in respect of that person under section 145A of the SSCBA (entitlement after death of child or qualifying young person).

8. 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, personal independence payment or is no longer in receipt of such allowance or payment because he is a patient, provided that the child or young person continues to be a member of the family; or
- (b) is blind within the meaning of paragraph 6(4) or treated as blind in accordance with paragraph 6(5); or
- (c) is a child or young person in respect of whom section 145A of the SSCBA (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.

9. Carer premium

- (1) The condition is that the applicant or his partner is, or both of them are, entitled to a carer's allowance.
- (2) Where a carer premium has been awarded but—
 - (a) the person in respect of whose care the carer's allowance has been awarded dies; or
 - (b) 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,this paragraph is to be treated as satisfied for a period of eight weeks from the relevant date specified in sub-paragraph (3).
- (3) The relevant date for the purposes of sub-paragraph (2) is—
 - (a) in a case within sub-paragraph (2)(a), the Sunday following the death of the person in respect of whose care the carer's allowance has been awarded (or beginning with the date of death if the date occurred on a Sunday);
 - (b) in a case within sub-paragraph (2)(b), the date on which that person who was entitled to a carer's allowance ceases to be entitled to it.
- (4) For the purposes of this paragraph, a person is to be treated as being entitled to and in receipt of a carer's allowance for any period not covered by an award but in respect of which a payment is made in lieu of an award.

10. Persons in receipt of concessionary payments

For the purpose of determining whether a premium is applicable to a person under paragraphs 6 to 9, 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.

11. Person in receipt of benefit

For the purposes of this Part of this Schedule, 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 is to be so regarded only for any period in respect of which that benefit is paid.

12. Amounts of premium specified

- (1) Severe Disability Premium, *this will be up-rated each year in line with the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations .*

Provision	Amount
(a) where the applicant satisfies the condition in paragraph 6(2)(a);	(a) £59.50;
(b) where the applicant satisfies the condition in paragraph 6(2)(b)—	(b)
(i) in a case where there is someone in receipt of a carer's allowance or who has an award of universal credit which includes the carer element under regulation 29 of the Universal Credit Regulations 2013, or if he or any partner satisfies that condition only by virtue of paragraph 6(7);	(i) £59.50;
(i) in a case where there is no-one in receipt of such an allowance or such an award of universal credit.	(ii) £119.00.
(2) Enhanced disability premium.	(2) £23.45 in respect of each child or young person in respect of whom the conditions specified in paragraph 7 are satisfied.
(3) Disabled Child Premium.	(3) £57.89 in respect of each child or young person in respect of whom the condition specified in paragraph 8 is satisfied
(4) Carer Premium.	(4) £33.30 in respect of each person who satisfies the condition specified in paragraph 9.

Schedule 3
Applicable amounts: persons who are not pensioners

Personal allowances

A1. The amounts in this Schedule paragraphs (1) to (29) are subject to change in line with the Department for Work & Pensions social security benefit uprating as prescribed on the appropriate Statutory Instrument issued each year.

1.

The amounts specified in column (2) below in respect of each person or couple specified in column (1) are the amounts specified for the purposes of paragraphs 26(1)(a) and 27(2)(a) and (b)—

Column (1)	Column (2)
Person or couple	Amount
(1) A single applicant who—	(1)
(a) is entitled to main phase employment and support allowance;	(a) £71.70;
(b) is aged not less than 25;	(b) £71.70;
(c) is aged not less than 18 but less than 25.	(c) £56.80.
(2) Lone parent.	(2) £71.70.
(3) Couple.	(3) £112.55.

2.

For the purposes of paragraph 1 an applicant is entitled to main phase employment and support allowance if—

- (a) paragraph 18 is satisfied in relation to the applicant; or
- (b) the applicant is entitled to a converted employment and support allowance.

3.—

(1) The amounts specified in column (2) below in respect of each person specified in column (1) are, for the relevant period specified in column (1), the amounts specified for the purposes of paragraphs 26(1)(b) and 27(2)(c)—

Column (1)	Column (2)
Child or Young person	Amount
Person in respect of the period—	
(a) beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday;	£65.62
(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.	£65.62

(2) In column (1) of the table in sub-paragraph (1), “the first Monday in September” means the Monday which first occurs in the month of September in any year.

Family premium

4.—

(1) The amount for the purposes of paragraphs 26(1)(c) and 27(2)(d) in respect of a family of which at least one member is a child or young person is—

- (a) where the applicant is a lone parent to whom sub-paragraph (2) applies, £22.20;
- (b) in any other case, £17.40.

(c) is nil in respect of a reduction week which begins after 1st April 2018.

(1A)(a) Subject to paragraph (b), the amendment in paragraph 1(c) does not apply to a person who, on 1st April 2018, is liable to pay council tax at a reduced rate by virtue of a council tax reduction under an authority's scheme established under section 13A(2) of the Act and is—

- (i) a member of a family of which at least one member is a child or young person; or
- (b) a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.

(b) Paragraph 4(1c) applies if—

- (i) the person makes a new application for a reduction under an authority's scheme under section 13A(2) of the Act after 1st April 2018.

(c) For the purposes of this regulation—

- (i) "the Act" means the Local Government Finance Act 1992;
- (ii) "child", "family", "partner", "polygamous marriage" and "young person" have the meanings given by regulation 2 of the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012.

(2) The amount in sub-paragraph (4)(1)(a) is applicable to a lone parent—

- (a) who was entitled to council tax benefit on 5th April 1998 and whose applicable amount on that date included the amount applicable under paragraph 3(1)(a) of Schedule 1 to the Council Tax Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 as in force on that date; or
- (b) on becoming entitled to council tax benefit where that lone parent—
 - (i) had been treated as entitled to that benefit in accordance with sub-paragraph (3) as at the day before the date of claim for that benefit; and
 - (ii) was entitled to housing benefit as at the date of claim for council tax benefit or would have been entitled to housing benefit as at that date had that day not fallen during a rent free period as defined in regulation 81 of the Housing Benefit Regulations 2006,

and in respect of whom, all of the conditions specified in sub-paragraph (3) have continued to apply.

(3) The conditions specified for the purposes of sub-paragraph (2) are that, in respect of the period commencing on 6th April 1998—

- (a) the applicant has not ceased to be entitled, or has not ceased to be treated as entitled, to
 - (i) council tax benefit (in relation to the period prior to 1st April 2013), and
 - (ii) a reduction under this scheme (in relation to the period commencing on 1st April 2013);
- (b) the applicant has not ceased to be a lone parent;

(c) where the applicant was entitled to income support or to an income-based jobseeker's allowance on 5th April 1998, he has continuously, since that date, been entitled to income support, an income-based jobseeker's allowance or income-related employment and support allowance or a combination of those benefits;

(d) where the applicant was not entitled to income support or to an income-based

jobseeker's allowance on 5th April 1998, he has not become entitled to income support, an income-based jobseeker's allowance or an income-related employment and support allowance; and

- (e) a premium under paragraph 9 or a component under paragraph 21 or 22 has not become applicable to the applicant.
- (4) For the purposes of sub-paragraphs (2)(b)(i) and (3)(a), an applicant is to be treated as entitled to council tax benefit during any period where he was not, or had ceased to be, so entitled and—
 - (a) throughout that period, he had been awarded housing benefit and his applicable amount included the amount applicable under paragraph 3(1)(a) of Schedule 3 to the Housing Benefit Regulations 2006 (lone parent rate of family premium); or
 - (b) he would have been awarded housing benefit during that period had that period not been a rent free period as defined in regulation 81 of the Housing Benefit Regulations 2006 and his applicable amount throughout that period would have included the amount applicable under paragraph 3(1)(a) of Schedule 3 to those Regulations.

Premiums

- 5. Except as provided in paragraph 6, the premiums specified in Part 4 are, for the purposes of paragraphs 26(1)(d) and 27(1)(e) (premiums), applicable to an applicant who satisfies the condition specified in paragraphs 9 to 14 in respect of that premium.
- 6. Subject to paragraph 7, where an applicant satisfies the conditions in respect of more than one premium in this Part of this Schedule, only one premium is applicable to him and, if they are different amounts, the higher or highest amount applies.
- 7. The following premiums, namely—
 - (a) a severe disability premium to which paragraph 11 applies;
 - (b) an enhanced disability premium to which paragraph 12 applies;
 - (c) a disabled child premium to which paragraph 13 applies; and
 - (d) a carer premium to which paragraph 14 applies,may be applicable in addition to any other premium which may apply under this Schedule.
- 8.
 - (1) Subject to sub-paragraph (2), for the purposes of this Part of this Schedule, 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—
 - (a) in the case of a benefit to which the Social Security (Overlapping Benefits) Regulations 1979 applies, any period during which, apart from the provisions of those Regulations, he would be in receipt of that benefit; and
 - (b) any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the Employment and Training Act 1973 or by Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise under section 2 of the Enterprise and New Towns (Scotland) Act 1990 for any period during which he is in receipt of a training allowance.
 - (2) For the purposes of the carer premium under paragraph 14, a person is to be treated as being in receipt of carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA or the daily living component of personal independence payment payable under Part 4 of the Welfare Reform Act 2012.

9. 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 paragraph 10 is satisfied; 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 paragraph 10(1)(a) or (b) is satisfied by him; or
 - (ii) his partner has not attained the qualifying age for state pension credit and the additional condition specified in paragraph 10(1)(a) is satisfied by his partner.

10. Additional condition for the disability premium

- (1) Subject to sub-paragraph (2) and paragraph 8, the additional condition referred to in paragraph 9 is that either—
 - (a) the applicant or, as the case may be, his partner—
 - (i) is in receipt of one or more of the following benefits: attendance allowance, disability living allowance, personal independence payment, an AFIP, 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 (Entitlement and Maximum Rate) Regulations 2002, mobility supplement, long-term incapacity benefit under Part 2 of the SSCBA 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
 - (ii) was in receipt of long-term incapacity benefit under Part 2 of the SSCBA 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 remained continuously entitled to—
 - (aa) council tax benefit (in relation to the period prior to 1st April 2013, and
 - (bb) a reduction under this scheme (in relation to the period commencing on 1st April 2013), and if the long-term incapacity benefit was payable to his partner, the partner is still a member of the family; or
 - (iii) 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 SSCBA or otherwise abated as a consequence of the applicant or his partner becoming a patient within the meaning of paragraph 58(11)(i) (treatment of child care charges); or
 - (iv) was in receipt of personal independence payment, but payment of that benefit has been suspended in accordance with section 86 of the Welfare Reform Act 2012 as a consequence of the applicant becoming a patient within the meaning of paragraph 58(11)(i) (treatment of child care charges); or
 - (v) was in receipt of an AFIP, but payment has been suspended in accordance with any terms of the armed and reserve forces compensation scheme which allow for suspension because a person is undergoing medical treatment in a hospital or similar institution; or
 - (vi) he has an invalid carriage or other vehicle provided to him by the Secretary of State or a clinical commissioning group under paragraph 9 of Schedule 1 to the National Health Service Act 2006 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972; or

- (vii) is registered as severely sight-impaired in a register kept by a local authority in England under section 77(1) of the Care Act 2014 (registers of sight-impaired adults), in Scotland, has been certified as blind and in consequence he is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994 or is registered as severely sight-impaired in a register kept by a local authority in Wales under section 18(1) of the Social Services and Well-being (Wales) Act 2014; or
- (b) the applicant—
- (i) is, or is treated as, incapable of work in accordance with the provisions of, and regulations made under, Part 12A of the SSCBA (incapacity for work); and
- (ii) has been incapable, or has been treated as incapable, of work for a continuous period of not less than—
- (aa) in the case of an applicant who is terminally ill within the meaning of section 30B(4) of the SSCBA, 196 days;
- (bb) in any other case, 364 days.
- (2) For the purposes of sub-paragraph (1)(a)(vii), a person who has ceased to be registered as blind or severely sight-impaired on regaining his eyesight is nevertheless to be treated as such 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.
- (3) For the purposes of sub-paragraph (1)(b), 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 is, on again becoming so incapable of work, immediately thereafter to be treated as satisfying the condition in sub-paragraph (1)(b).
- (4) For the purposes of sub-paragraph (1)(b), once the disability premium is applicable to an applicant by virtue of his satisfying the additional condition specified in that provision, he is to 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 or 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.
- (5) For the purposes of sub-paragraph (1)(b), where any two or more periods of incapacity are separated by a break of not more than 56 days, those periods are to be treated as one continuous period.
- (6) 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 Act (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 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.
- (7) 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 SSCBA)—
- (a) the reference to a period of 8 weeks in sub-paragraph (3); and
- (b) the reference to a period of 56 days in sub-paragraph (5),
- in each case is to be treated as a reference to a period of 104 weeks.

- (8) The applicant is not entitled to the disability premium if he has, or is treated as having, limited capability for work.

11. Severe disability premium

- (1) The condition is that the applicant is a severely disabled person.
- (2) For the purposes of sub-paragraph (1), an applicant is to be treated as being a severely disabled person if, and only if—
- (a) in the case of a single applicant, a lone parent or an applicant who is treated as having no partner in consequence of sub-paragraph (3)—
- (i) 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) of the SSCBA, or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012, or an AFIP; and
- (ii) subject to sub-paragraph (4), he has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing; and
- (iii) no person is entitled to, and in receipt of, a carer's allowance under section 70 of the SSCBA in respect of caring for him;
- (b) in the case of an applicant who has a partner—
- (i) 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 SSCBA or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012, or an AFIP; and
- (ii) his partner is also in receipt of such an allowance or, if he is a member of a polygamous marriage, all the partners of that marriage are in receipt of such an allowance; and
- (iii) subject to sub-paragraph (4), 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 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 in respect of caring for either member of a couple or any partner of a polygamous marriage.
- (3) Where an applicant has a partner who does not satisfy the condition in sub-paragraph (2)(b)(ii), and that partner is blind or is treated as blind within the meaning of paragraph 10(1)(a)(v) and (2), that partner is to be treated for the purposes of sub-paragraph (2)(b)(ii) as if he were not a partner of the applicant.
- (4) For the purposes of sub-paragraph (2)(a)(ii) and (2)(b)(iii) no account is to be taken of—
- (a) a person receiving attendance allowance, or disability living allowance by virtue of the care component at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment payable at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012; or
- (b) a person who is blind or is treated as blind within the meaning of paragraph 10(1)(a)(v) and (2).

- (5) For the purposes of sub-paragraph (2)(b) a person is to be treated—
 - (a) 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 SSCBA, or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012, or an AFIP if he would, but for his being a patient for a period exceeding 28 days, be so in receipt;
 - (b) as being entitled to and in receipt of a carer's allowance 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.
- (6) For the purposes of sub-paragraph (2)(a)(iii) and (2)(b), no account is to be taken of an award of carer's allowance to the extent that payment of such an award is back-dated for a period before the date on which the award is first paid.
- (7) In sub-paragraph (2)(a)(iii) and (b), references to a person being in receipt of a carer's allowance include references to a person who would have been in receipt of that allowance but for the application of a restriction under section 6B or 7 of the Social Security Fraud Act 2001 (loss of benefit provisions).

12. Enhanced disability premium

- (1) Subject to sub-paragraph (2), the condition is that—
 - (a) the Secretary of State has decided that the applicant has, or is to be treated as having, limited capability for work-related activity; or
 - (b) the care component of disability living allowance is, or would be payable at the highest rate prescribed under section 72(3) of the SSCBA, but for a suspension of benefit in accordance with regulations made under section 113(2) of the SSCBA or but for an abatement as a consequence of hospitalisation be payable at the highest rate prescribed under section 72(3) of the SSCBA in respect of—
 - (i) the applicant; or
 - (ii) a member of the applicant's family, who has not attained the qualifying age for state pension credit; or
 - (c) the daily living component of personal independence payment is, or would be payable at either rate under Part 4 of the Welfare Reform Act 2012, but for a suspension of benefit in accordance with section 86 of the Welfare Reform Act 2012 in respect of—
 - (i) the applicant; or
 - (ii) a member of the applicant's family, who has not attained the qualifying age for state pension credit.
- (2) Where the condition in sub-paragraph (1) ceases to be satisfied because of the death of a child or young person, the condition is that the applicant or partner is entitled to child benefit in respect of that person under section 145A of the SSCBA (entitlement after death of child or qualifying young person).
- (3) The condition is not satisfied if the person to whom sub-paragraph (1) refers is—
 - (a) an applicant who—
 - (i) is not a member of a couple or a polygamous marriage; and
 - (ii) is a patient within the meaning of paragraph 58(11)(i) (treatment of child care charges) and has been for a period of more than 52 weeks; or
 - (b) a member of a couple or a polygamous marriage where each member is a patient within the meaning of paragraph 58(11)(i) and has been for a period of more than 52 weeks.

13. 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 paragraph 10; or
- (c) is a child or young person in respect of whom section 145A of the SSCBA (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.

14. Carer premium

- (1) The condition is that the applicant or his partner is, or both of them are, entitled to a carer's allowance under section 70 of the SSCBA.

- (2) Where a carer premium is awarded but—

- (a) the person in respect of whose care the carer's allowance has been awarded dies; or

- (b) in any other case the person in respect of whom a carer premium has been awarded ceases to be entitled to a carer's allowance,

the condition for the award of the premium is to be treated as satisfied for a period of eight weeks from the relevant date specified in sub-paragraph (3).

- (3) The relevant date for the purposes of sub-paragraph (2) is—

- (a) where sub-paragraph (2)(a) 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;

- (b) in any other case, the date on which the person who has been entitled to a carer's allowance ceases to be entitled to that allowance.

- (4) Where a person who has been entitled to a carer's allowance ceases to be entitled to that allowance and makes an application for a reduction, the condition for the award of the carer premium is to be treated as satisfied for a period of eight weeks from the date on which—

- (a) the person in respect of whose care the carer's allowance has been awarded dies; or

- (b) in any other case, the person who has been entitled to a carer's allowance ceased to be entitled to that allowance.

15. Persons in receipt of concessionary payments

For the purpose of determining whether a premium is applicable to a person under paragraphs 10 to 14, 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.

16. Persons in receipt of benefit for another

For the purposes of this Part of this Schedule, 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 is to be so regarded only for any period in respect of which that benefit is paid.

17. Amounts of Premiums Specified

- (1) Disability Premium—

<i>Premium</i>	<i>Amount</i>
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Premium	Amount
(a) where the applicant satisfies the condition in paragraph 9(a);	(a) £31.00;
(b) where the applicant satisfies the condition in paragraph 9(b).	(b) £44.20.
(2) Severe Disability Premium—	(2)
(a) where the applicant satisfies the condition in paragraph 11(2)(a);	(a) £59.50;
(b) where the applicant satisfies the condition in paragraph 11(2)(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 paragraph 11(5);	(b)(i) £59.50;
(i) in a case where there is no-one in receipt of such an allowance.	(b)(ii) £119.00.
(3) Disabled Child Premium.	(3) £57.89 in respect of each child or young person in respect of whom the condition specified in paragraph 13 is satisfied.
(4) Carer Premium.	(4) £33.30 in respect of each person who satisfies the condition specified in paragraph 14.
(5) Enhanced disability premium	(5)
	(a) £23.45 in respect of each child or young person in respect of whom the conditions specified in paragraph 12 are satisfied;
	(b) £15.15 in respect of each person who is neither—
	(i) a child or young person; nor
	(ii) a member of a couple or a polygamous marriage,
	in respect of whom the conditions specified in paragraph 12 are satisfied;
	(c) £21.75 where the applicant is a member of a couple or a polygamous marriage and the conditions specified in paragraph 12 are satisfied in respect of a member of that couple

<i>Premium</i>	<i>Amount</i>
	or polygamous marriage.

18. The components

Subject to paragraph 20 the applicant is entitled to one, but not both, of the components in paragraph 21 or 22 if—

- (a) the applicant or the applicant's partner has made a claim for employment and support allowance;
- (b) 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 or limited capability for work-related activity; and
- (c) either—
 - (i) the assessment phase as defined in section 24(2) of the Welfare Reform Act has ended; or
 - (ii) regulation 7 of the Employment and Support Allowance Regulations 2008 (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.

19.

Subject to paragraph 20, the applicant is entitled to one, but not both, of the components in paragraphs 21 and 22 if the applicant or his partner is entitled to a converted employment and support allowance.

20.

- (1) The applicant has no entitlement under paragraph 21 or 22 if the applicant is entitled to the disability premium under paragraphs 9 and 10.
- (2) Where the applicant and the applicant's partner each satisfies paragraph 21 or 22, the component to be included in the applicant's applicable amount is that which relates to the applicant.

21. The work-related activity component

- (1) The applicant is entitled to the work-related activity component under this scheme 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 and receives the Employment and Support Allowance work-related activity component by virtue of The Employment and Support Allowance and Universal Credit (Miscellaneous Amendments and Transitional and Savings Provisions) Regulations 2017.

22. 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.

23. Amount of Components

The amount of the work-related activity component is £28.45.

24.

The amount of the support component is £34.80.

25. Transitional Addition

- (1) The applicant is entitled to the transitional addition calculated in accordance with paragraph 28 where the applicant or the applicant's partner ("the relevant person")—
 - (a) is entitled to a converted employment and support allowance; or
 - (b) is appealing a conversion decision as described in regulation 5(2)(b) of the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No. 2) Regulations 2008 and—
 - (i) is treated as having limited capability for work by virtue of regulation 30 of the Employment and Support Allowance Regulations 2008 as modified by the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No. 2) Regulations 2008; and
 - (ii) is not in receipt of an income-related employment and support allowance, unless the amount of the transitional addition calculated in accordance with paragraph 28 would be nil.
- (2) The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following—
 - (a) the reduction of the transitional addition to nil in accordance with paragraph 29;
 - (b) the termination of the applicant's award of reduction under this scheme;
 - (c) the relevant person ceasing to meet the requirements of sub-paragraph (1)(a) or (b), as the case may be;
 - (d) 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;
 - (e) 5th April 2020.

26.

- (1) This paragraph applies where—
 - (a) the applicant's entitlement to a transitional addition ends, by virtue of the termination of the applicant's award of reduction, under—
 - (i) paragraph 25(2)(b);
 - (ii) sub-paragraph (3)(b); or
 - (iii) paragraph 27(3)(b);
 - (b) within 12 weeks of that termination but before 5th April 2020 the applicant again becomes entitled to a reduction under this scheme;
 - (c) in the reduction week in which the applicant again becomes entitled to a reduction under this scheme the relevant person is entitled to an employment and support allowance which is not income-related; and
 - (d) 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.
- (2) 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 paragraph 29), unless the amount of the transitional addition would be nil.
- (3) The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following—
 - (a) the reduction of the transitional addition to nil in accordance with paragraph 29;
 - (b) the termination of the applicant's award of a reduction under this scheme;
 - (c) the relevant person no longer being entitled to the employment and support allowance referred to in sub-paragraph (1)(c);
 - (d) 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;

(e) 5th April 2020.

27.

- (1) This paragraph applies where—
- (a) the applicant's entitlement to a transitional addition ends, by virtue of the relevant person ceasing to be entitled to an employment and support allowance, under—
 - (i) paragraph 25(2)(c);
 - (ii) paragraph 26(3)(c); or
 - (iii) sub-paragraph (3)(c);
 - (b) before 5th April 2020 the relevant person again becomes entitled to an employment and support allowance which is not income-related;
 - (c) at the date on which the relevant person again becomes entitled to an employment support allowance which is not income-related regulation 145(1) of the Employment and Support Allowance Regulations 2008 applies to the relevant person; and
 - (d) at the date on which the relevant person again becomes entitled to an employment support allowance which is not income-related, 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.
- (2) Where this paragraph applies, the applicant is entitled, with effect from the day that the relevant person's entitlement to employment and support allowance takes effect for the purposes of 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 paragraph 29), unless the amount of the transitional addition would be nil.
- (3) The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following—
- (a) the reduction of the transitional addition to nil in accordance with paragraph 29;
 - (b) the termination of the applicant's award of a reduction under this scheme;
 - (c) the relevant person no longer being entitled to the employment and support allowance referred to in sub-paragraph (1)(b);
 - (d) 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;
- (e) 5th April 2020.

28. Amount of Transitional Addition

- (1) Subject to paragraph 29, the amount of the transitional addition is the amount by which Amount A exceeds Amount B.
- (2) Where a conversion decision as described in regulation 5(2)(a) of the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No. 2) Regulations 2010 ("the 2010 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.
- (3) Where the relevant person is appealing a conversion decision as described in regulation 5(2)(b) of the 2010 Regulations and is treated as having limited capability for work by virtue of regulation 30 of the Employment and Support Allowance Regulations 2008 as modified by the 2010 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.
- (4) In this paragraph and paragraph 29, "basic amount" means the aggregate of such

amounts as may apply in the applicant's case in accordance with paragraph 26(1)(a) to (e) or paragraph 27(2)(a) to (g) (applicable amounts).

29.

- (1) Subject to sub-paragraph (2), where there is a change of circumstances which leads to an increase in the applicant's basic amount, the transitional addition that applies immediately before the change of circumstances must be reduced by the amount by which Amount C exceeds Amount D.
- (2) 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 must be reduced to nil.
- (3) Amount C is the basic amount that applies as a result of the increase.
- (4) Amount D is the basic amount that applied immediately before the increase.

Schedule 4
Amount of alternative maximum council tax reduction: pensioners and persons who are not pensioners

(1) Subject to paragraphs 2 and 3, the alternative maximum council tax reduction in respect of a day for the purpose of paragraph 31 (alternative maximum council tax reduction: pensioners and persons who are not pensioners) is determined in accordance with the following Table *and in line with the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment), the rates for pensioners will be up-rated by the relevant Statutory Instrument each year, and in this Table—*

- (a) “second adult” means any person or persons residing with the applicant to whom paragraph 15(2) (class C) or 18(2) (class F) (as the case may be) applies; and
- (b) “persons to whom paragraph 75(1) of this scheme 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.

(2) In this Schedule “council tax due in respect of that day” means the council tax payable under section 10 of the 1992 Act less:

- (a) any reductions made in consequence of any enactment in, or under, the 1992 Act (other than a reduction under this scheme); and
- (b) in a case to which sub-paragraph (c) in column (1) of the table below applies, the amount of any discount which may be appropriate to the dwelling under the 1992 Act.

(1)	(2)
Second adult	Alternative maximum council tax reduction
(a) Where the second adult or all second adults are in receipt of income support, an income-related employment and support allowance or state pension credit or are persons on an income-based jobseeker's allowance;	(a) 25 per cent of the council tax due in respect of that day;
(b) where the gross income of the second adult or, where there is more than one second adult, their aggregate gross income disregarding any income of persons on income support, an income-related employment and support allowance, state pension credit or an income-based jobseeker's allowance—	(b)
(i) is less than £183.00 per week;	(i) 15 per cent of the council tax due in respect of that day;
(ii) is not less than £183.00 per week but less than £239.00 per week;	(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 paragraph 75(1) of this scheme 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.	(c) 100 per cent of the council tax due in respect of that day.

(1)	(2)
Second adult	Alternative maximum council tax reduction

2.

In determining a second adult's gross income for the purposes of this Schedule, the following must be disregarded from that income—

- (a) any attendance allowance, any disability living allowance, any personal independence payment under Part 4 of the Welfare Reform Act 2012 or an AFIP;
- (b) any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006) which, had his income fallen to be calculated under paragraph 54 (calculation of income other than earnings: persons who are not pensioners), would have been disregarded under paragraph 28 of Schedule 8 (income in kind); and
- (c) any payment which, had his income fallen to be calculated under paragraph 54, would have been disregarded under paragraph 41 of Schedule 8 (payments made under certain trusts and certain other payments).

3.

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

Schedule 5
Sums disregarded from applicant's earnings: pensioners

1.

Where two or more of paragraphs 2 to 5 apply in any particular case the overall maximum sum which falls to be disregarded in that case under those paragraphs is restricted to—

- (a) £25 in the case of a lone parent;
- (b) £20 in any other case.

2.

In a case where an applicant is a lone parent, £25 of earnings.

3.

- (1) In a case of earnings from any employment or employments to which sub-paragraph (2) applies, £20.

- (2) This paragraph applies to employment—

- (a) as a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;
- (ab) as a part-time fire-fighter employed by a fire and rescue authority created by an order under section 4A of the Fire and Rescue Services Act 2004;
- (b) a part-time fire-fighter employed by the Scottish Fire and Rescue Service established under section 1A of the Fire (Scotland) Act 2005(11);
- (c) as an auxiliary coastguard in respect of coast rescue activities;
- (d) in the manning or launching of a lifeboat if the employment is part-time;
- (e) as a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001.

- (3) If

- (a) any of the earnings of the applicant or, if he has a partner, his partner, or both of them, are disregarded under sub-paragraph (1); and
- (b) either of them has, or both of them have, other earnings, so much of those other earnings as would not, in the aggregate with the earnings disregarded under that sub-paragraph, exceed £20.

4.

- (1) If the applicant or, if he has a partner, his partner is a carer, or both are carers, £20 of any earnings received from his or their employment.
- (2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings must for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) must not exceed £20 of the aggregated amount.
- (3) In this paragraph the applicant or his partner is a carer if paragraph 14 of Part 3 of Schedule 3 (amount applicable for carers) is satisfied in respect of him.

5.

- (1) £20 is disregarded if the applicant or, if he has a partner, his partner—

- (a) is in receipt of—

- (i) long-term incapacity benefit under section 30A of the SSCBA;
- (ii) severe disablement allowance under section 68 of that Act;
- (iii) attendance allowance under sections 64 of that Act;
- (iv) disability living allowance;
- (v) personal independence payment;
- (vi) an AFIP;
- (vii) 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;

(viii) the disability element or the severe disability element of working tax credit under Schedule 2 to the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002; or

(ix) main phase employment and support allowance; or

(b) is or are registered as severely sight-impaired in a register kept by a local authority in England under section 77(1) of the Care Act 2014 (registers of sight-impaired adults), or in Scotland, has been certified as blind and in consequence is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994 or is registered as severely sight-impaired in a register kept by a local authority in Wales under section 18(1) of the Social Services and Well-being (Wales) Act 2014; or

(c) is, or is treated as, incapable of work in accordance with the provisions of, and regulations made under, Part 12A of the SSCBA (incapacity for work), and has been incapable, or has been treated as incapable, of work for a continuous period of not less than—

(i) in the case of an applicant who is terminally ill within the meaning of section 30B(4) of the Act, 196 days;

(ii) in any other case, 364 days; or

(d) has, or is treated as having, limited capacity for work within the meaning of section 1(4) of the Welfare Reform Act 1997 or limited capability for work-related activity within the meaning of section 2(5) of that Act and either—

(i) the assessment phase as defined in section 24(2) of the Welfare Reform Act has ended; or

(ii) regulation 7 of the Employment and Support Allowance Regulations 2008 or regulation 7 of the Employment and Support Allowance Regulations 2013 (circumstances where the condition that the assessment phase has ended before entitlement to the support component arising does not apply) applies.

(2) Subject to sub-paragraph (3), £20 is disregarded if the applicant or, if he has a partner, his partner has, within a period of 8 weeks ending on the day in respect of which the applicant or his partner attains the qualifying age for state pension credit, had an award of housing benefit or council tax benefit or been in receipt of a reduction under this scheme and—

(a) £20 was disregarded in respect of earnings taken into account in that award; and

(b) the person whose earnings qualified for the disregard continues in employment after the termination of that award.

(3) The disregard of £20 specified in sub-paragraph (2) applies so long as there is no break, other than a break which does not exceed 8 weeks, in a person's—

(a) entitlement to housing benefit; or

(b) receipt of a reduction under a council tax reduction scheme; or

(c) employment,

following the first day in respect of which that benefit is awarded under this scheme.

(4) £20 is the maximum amount which may be disregarded under this paragraph, notwithstanding that, where the applicant has a partner, both the applicant and his partner satisfy the requirements of this paragraph.

6.—

(1) Where—

(a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;

(b) the Secretary of State is satisfied that that person is undertaking exempt work as

- defined in sub-paragraph (6); and
- (c) paragraph 35 (applicant in receipt of guarantee credit: pensioners) does not apply, the amount specified in sub-paragraph (7) ("the specified amount").
- (2) Where this paragraph applies, paragraphs 1 to 5 and 8 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 2, then paragraph 2 applies instead of this paragraph.
- (3) Notwithstanding paragraph 33 (calculation of income and capital of members applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple ("A") it does not apply to the other member of that couple ("B") except to the extent provided in sub-paragraph (4).
- (4) Where A's earnings are less than the specified amount, there is also to be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.
- (5) This sub-paragraph applies to a person who is—
- (a) in receipt of a contributory employment and support allowance;
 - (b) in receipt of incapacity benefit;
 - (c) in receipt of severe disablement allowance;
 - (d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.
- (6) "Exempt work" means work of the kind described in;
- (a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations 2008 or regulation 39(1)(a), (b) or (c) of the Employment and Support Allowance Regulations 2013; or (as the case may be); or
 - (b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,
- and, in determining for the purposes of this paragraph whether an applicant or a member of a couple is undertaking any type of exempt work, it is immaterial whether that person or their partner is also undertaking other work.
- (7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).
- 7.**
- Any amount or the balance of any amount which would fall to be disregarded under paragraph 18 or 19 of Schedule 6 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full amount disregarded thereunder.
- 8.**
- Except where the applicant or his partner qualifies for a £20 disregard under the preceding provisions of this Schedule—
- (a) £5 is to be disregarded if an applicant who has no partner has earnings;
 - (b) £10 is to be disregarded if an applicant who has a partner has earnings.
- 9.**
- Any earnings, other than earnings referred to in paragraph 40(9)(b), derived from employment which ended before the day in respect of which the applicant first satisfies the conditions for entitlement to a reduction under this scheme.
- 10.—**

(1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under this Schedule is to be increased by £17.10.

(2) The conditions of this sub-paragraph are that—

(a) the applicant, or if he has a partner, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 applies; or

(b) the applicant—

(i) is, or any partner of his is, aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or

(ii) if he is a member of a couple—

(aa) at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and

(bb) his family includes at least one child or young person; or

(iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or

(iv) is, or if he has a partner, one of them is, engaged in remunerative work for on average not less than 16 hours per week and paragraph 5(1) above is satisfied in respect of that person.

(3) The following are the amounts referred to in sub-paragraph (1)—

(a) any amount disregarded under this Schedule;

(b) the amount of child care charges calculated as deductible under paragraph 57(1)(c) (deductions from income of certain child care charges); and

(c) £17.10.

(4) The provisions of paragraph 10 (remunerative work) 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 sub-paragraph (1) of that paragraph was a reference to 30 hours.

11.

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

Schedule 6
Amounts to be disregarded in the calculation of income other than earnings: pensioners

1.

In addition to any sum which falls to be disregarded in accordance with paragraphs 2 to 6, any of the following—

- (a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 2 or 3);
- (b) a war widow's pension or war widower's pension;
- (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
- (d) a guaranteed income payment and, if the amount of that payment has been abated to less than £10 by a pension or payment falling within article 39(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011, so much of that pension or payment as would not, in aggregate with the amount of any guaranteed income payment disregarded, exceed £10;
- (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
- (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
- (g) a pension paid by a government to victims of National Socialist persecution.

2.

The whole of any amount included in a pension to which paragraph 1 relates in respect of—

- (a) the applicant's need for constant attendance;
- (b) the applicant's exceptionally severe disablement.

3.

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.

4.

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.

5.

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.

6.—

(1) Any payment which is—

- (a) made under any of the Dispensing Instruments to a widow, widower or surviving civil partner of a person—
 - (i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and
 - (ii) whose service in such capacity terminated before 31st March 1973; and
- (b) equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006.

(2) In this paragraph “the Dispensing Instruments” means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).

7.

£15 of any widowed parent's allowance to which the applicant is entitled under section 39A of the SSCBA.

8.

£15 of any widowed mother's allowance to which the applicant is entitled under section 37 of the SSCBA.

9.

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—

- (a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20, 100 per cent. of such payments; or
- (b) where the aggregate of any such payments exceeds £20, £20 and 50 per cent. of the excess over £20.

10.

If the applicant—

- (a) owns the freehold or leasehold interest in any property or is a tenant of any property; and
- (b) occupies a part of that property; and
- (c) has an agreement with another person allowing that person to occupy another part of that property on payment of rent and—
 - (i) the amount paid by that person is less than £20 per week, the whole of that amount; or
 - (ii) the amount paid is £20 or more per week, £20.

11.

Where an applicant receives income under an annuity purchased with a loan, which satisfies the following conditions—

- (a) that the loan was made as part of a scheme under which not less than 90 per cent. of the proceeds of the loan were applied to the purchase by the person to whom it was made of an annuity ending with his life or with the life of the survivor of two or more persons (in this paragraph referred to as “the annuitants”) who include the person to whom the loan was made;
- (b) that at the time the loan was made the person to whom it was made or each of the annuitants had attained the age of 65 or, if it was higher at the time, pensionable age;
- (c) that the loan was secured on a dwelling in Great Britain and the person to whom the loan was made or one of the annuitants owns an estate or interest in that dwelling;
- (d) that the person to whom the loan was made or one of the annuitants occupies the dwelling on which it was secured as his home at the time the interest is paid; and
- (e) that the interest payable on the loan is paid by the person to whom the loan was made or by one of the annuitants,

the amount, calculated on a weekly basis, equal to—

- (i) where, or insofar as, section 369 of the Income and Corporation Taxes Act 1988 (mortgage interest payable under deduction of tax) applies to the payments of interest on the loan, the interest which is payable after deduction of a sum equal to income tax on such payments at the applicable percentage of income tax within the meaning of section 369(1A) of that Act;
- (ii) in any other case, the interest which is payable on the loan without deduction of such a sum.

12.—

- (1) Any payment, other than a payment to which sub-paragraph (2) applies, made to the applicant by Trustees in exercise of a discretion exercisable by them.
- (2) This sub-paragraph applies to payments made to the applicant by Trustees in exercise of a discretion exercisable by them for the purpose of—

- (a) obtaining food, ordinary clothing or footwear or household fuel;
- (b) the payment of rent, council tax or water charges for which that applicant or his partner is liable;
- (c) meeting housing costs of a kind specified in Schedule 2 to the State Pension Credit Regulations 2002.

- (3) In a case to which sub-paragraph (2) applies, £20 or—
- (a) if the payment is less than £20, the whole payment;
 - (b) if, in the applicant's case, £10 is disregarded in accordance with paragraph 1(a) to (g), £10 or the whole payment if it is less than £10; or
 - (c) if, in the applicant's case, £15 is disregarded under paragraph 7 or paragraph 8 and—
 - (i) he has no disregard under paragraph 1(a) to (g), £5 or the whole payment if it is less than £5;
 - (ii) he has a disregard under paragraph 1(a) to (g), nil.
- (4) For the purposes of this paragraph, “ordinary clothing or footwear” means clothing or footwear for normal daily use, but does not include school uniforms, or clothing and footwear used solely for sporting activities.

13.

Any increase in pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 paid in respect of a dependent other than the pensioner's partner.

14.

Any payment ordered by a court to be made to the applicant or the applicant's partner in consequence of any accident, injury or disease suffered by the person or a child of the person to or in respect of whom the payments are made.

15.

Periodic payments made to the applicant or the applicant's partner under an agreement entered into in settlement of a claim made by the applicant or, as the case may be, the applicant's partner for an injury suffered by him.

16.

Any income which is payable outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.

17.

Any banking charges or commission payable in converting to Sterling payments of income made in a currency other than Sterling.

18.

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, 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.

19.—

- (1) Where the applicant is the parent of a student aged under 25 in advanced education who either—

- (a) is not in receipt of any award, grant or student loan in respect of that education; or
 - (b) is in receipt of an award 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 18, an amount specified in sub-paragraph (2) in respect of each week during the student's term.

(2) For the purposes of sub-paragraph (1), the amount is to be equal to—

- (a) the weekly amount of the payments; or
- (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),

whichever is less. *In line with the Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment), the rates for pensioners will be up-rated by the relevant Statutory Instrument each year*

20.—

- (1) Where an applicant's applicable amount includes at least one child or young person, £15 of any payment of maintenance, whether under a court order or not, which is made or due to be made by the applicant's spouse, civil partner, former spouse or former civil partner or the applicant's partner's spouse, civil partner, former spouse, or former civil partner.
- (2) For the purposes of sub-paragraph (1), where more than one maintenance payment falls to be taken into account in any week, all such payments must be aggregated and treated as if they were a single payment.

21.

Except in a case which falls under paragraph 10 of Schedule 5, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10.

22.

Where the total value of any capital specified in Part 2 (capital disregarded only for the purposes of determining deemed income) of Schedule 9 does not exceed £10,000, any income actually derived from such capital.

23.

Except in the case of income from capital specified in Part 2 of Schedule 9, any actual income from capital.

24.

Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.

Schedule 7
Sums disregarded in the calculation of earnings: persons who are not pensioners

1.

In the case of an applicant who has been engaged in remunerative work as an employed earner or, had the employment been in Great Britain, would have been so engaged—

(a) where—

(i) the employment has been terminated because of retirement; and

(ii) on retirement he is entitled to a retirement pension under the Act, or is not so entitled solely because of his failure to satisfy the contribution conditions, any earnings paid or due to be paid in respect of that employment, but only for a period commencing on the day immediately after the date on which the employment was terminated;

(b) where before the first day of entitlement to 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—

(aa) paragraph 51(1)(e) (retainer), or

(bb) section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds); and

(ii) any award, sum or payment of the nature described in—

(aa) paragraph 51(1)(g) or (i) (compensation etc. relating to employment), or

(bb) section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals),

including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;

(c) where before the first day of entitlement to 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 (b)(i) or (ii)(bb) or paragraph 51(1)(j) (statutory sick pay etc.).

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(b)(i) or (ii)(bb);

(ii) where that employment has not been terminated, any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) or paragraph 51(1)(j) (statutory sick pay etc.).

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 paragraph 53(3) and (4) (earnings of self-employed earners) apply.

4.—

(1) In a case to which this paragraph applies and paragraph 5 does not apply, £20; but notwithstanding paragraph 33 (calculation of income and capital of members of an applicant's family and of a polygamous marriage) if this paragraph applies to an applicant it does 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.

(2) This paragraph applies where the applicant's applicable amount includes an amount by way of the disability premium, severe disability premium, work-related activity component or support component under Schedule 3 (applicable amounts: persons who are not pensioners).

(3) This paragraph applies where—

- (a) the applicant is a member of a couple and his applicable amount includes an amount by way of the disability premium under Schedule 3; and
- (b) 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.—

(1) In a case to which neither paragraph 4 nor paragraph 5 applies to the applicant and, subject to sub-paragraph (2), where the applicant's applicable amount includes an amount by way of the carer premium under Schedule 3 (applicable amounts: persons who are not pensioners), £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 14(2) of that Schedule as being in receipt of carer's allowance.

(2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings must for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) must 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(1), 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(1), 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 5 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 paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it must 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.—

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

- (a) a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;
- (b) a part-time fire-fighter employed by a fire and rescue authority (as defined in section 1 of the Fire (Scotland) Act 2005) or a joint fire and rescue board constituted by an amalgamation scheme made under section 2(1) of that Act;

- (c) an auxiliary coastguard in respect of coast rescue activities;
 - (d) a person engaged part-time in the manning or launching of a life boat;
 - (e) a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001;
- but, notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it must not apply to his partner except to the extent specified in sub-paragraph (2).

(2) If the applicant's partner is engaged in employment—

- (a) specified in sub-paragraph (1), so much of his earnings as would not in aggregate with the amount of the applicant's earnings disregarded under this paragraph exceed £20;
- (b) other than one specified in sub-paragraph (1), so much of his earnings from that employment up to £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(1), 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 9 exceed £20.

11.

In a case to which none of the paragraphs 4 to 10 applies, £5.

12.—

(1) Where—

- (a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;

- (b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and

- (c) paragraph 14 does not apply,

the amount specified in sub-paragraph (7) (“the specified amount”).

- (2) Where this paragraph applies, paragraphs 4 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.

- (3) Notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple (“A”) it does not apply to the other member of that couple (“B”) except to the extent provided in sub-paragraph (4).

- (4) Where A's earnings are less than the specified amount, there must also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.

(5) This sub-paragraph applies to a person who is—

- (a) in receipt of a contributory employment and support allowance;
- (b) in receipt of incapacity benefit;

- (c) in receipt of severe disablement allowance; or
- (d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.

(6) "Exempt work" means work of the kind described in

- (a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations 2008; or (as the case may be)
- (b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,

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

- (7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

13.

Any amount or the balance of any amount which would fall to be disregarded under paragraph 23 or 24 of Schedule 8 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full disregard thereunder.

14.

Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, his earnings.

15.

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.

16.

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.

17.

Any earnings of a child or young person.

18.—

- (1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under paragraphs 4 to 12 must be increased by £17.10.

- (2) The conditions of this sub-paragraph are that—

- (a) the applicant, or if he is a member of a couple, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 applies; or

- (b) the applicant—

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

- (ii) is a member of a couple and—

- (aa) at least one member of that couple, is engaged in remunerative work for on average not less than 16 hours per week; and

- (bb) his applicable amount includes a family premium under paragraph 4 of Schedule 3; or

- (iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or

- (iv) is, or if he is a member of a couple, at least one member of that couple is

engaged in remunerative work for on average not less than 16 hours per week;
and—

(aa) the applicant's applicable amount includes a disability premium under paragraph 9, the work-related activity component under paragraph 21 or the support component under paragraph 22 of Schedule 3 respectively;

(bb) where he is a member of a couple, at least one member of that couple satisfies the qualifying conditions for the disability premium or either of the components referred to in paragraph (aa) above and is engaged in remunerative work for on average not less than 16 hours per week; or

(c) the applicant is, or if he has a partner, one of them is, a person to whom regulation 18(3) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 (eligibility for 50 plus element) applies, or would apply if an application for working tax credit were to be made in his case.

(3) The following are the amounts referred to in sub-paragraph (1) —

(a) the amount calculated as disregardable from the applicant's earnings under paragraphs 4 to 12;

(b) the amount of child care charges calculated as deductible under paragraph 57(1)(c);
and

(c) £17.10.

(4) The provisions of paragraph 10 (remunerative work) 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 sub-paragraph (1) of that paragraph were a reference to 30 hours.

19.

In this Schedule “part-time employment” means employment in which the person is engaged on average for less than 16 hours a week.

Schedule 8
Sums disregarded in the calculation of income other than earnings: persons who are not pensioners

1.
Any payment made to the applicant in respect of any child care, 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 the Mandatory Work Activity Scheme.
3.
Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme.
4.
Any amount paid by way of tax on income which is to be taken into account under regulation 30 (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 paragraph 56(5) (notional income: persons who are not pensioners).
6.
Any payment in respect of expenses arising out of the applicant's participation in a service user group.
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.
Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his income.
9.
Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker's allowance, the whole of the applicant's income.
10.
Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.
11.
Any disability living allowance, personal independence payment or an AFIP.
12.
Any concessionary payment made to compensate for the non-payment of—
(a) any payment specified in paragraph 11 or 14;
(b) income support;
(c) an income-based jobseeker's allowance;
(d) an income-related employment and support allowance.
13.
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.
- 14.

Any attendance allowance.

15.

Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.

16.—

(1) Any payment—

(a) by way of an education maintenance allowance made pursuant to—

(i) regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc.);

(ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);

(iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;

(b) corresponding to such an education maintenance allowance, made pursuant to—

(i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and the Welsh Ministers to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or

(ii) regulations made under section 181 of that Act; or

(c) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

(2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to—

(a) regulations made under section 518 of the Education Act 1996;

(b) regulations made under section 49 of the Education (Scotland) Act 1980; or

(c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,

in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

17.

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.

18.—

(1) Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 except a payment—

(a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;

(b) of an allowance referred to in section 2(3) of the Employment and Training Act 1973 or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or

(c) intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.

(2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1)(c) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

19.—

(1) Subject to sub-paragraph (2), any of the following payments—

(a) a charitable payment;

- (b) a voluntary payment;
 - (c) a payment (not falling within paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;
 - (d) a payment under an annuity purchased—
 - (i) pursuant to any agreement or court order to make payments to the applicant; or
 - (ii) from funds derived from a payment made, in consequence of any personal injury to the applicant; or
 - (e) a payment (not falling within paragraphs (a) to (d)) received by virtue of any agreement or court order to make payments to the applicant in consequence of any personal injury to the applicant.
- (2) Sub-paragraph (1) does not apply to a payment which is made or due to be made by—
- (a) a former partner of the applicant, or a former partner of any member of the applicant's family; or
 - (b) the parent of a child or young person where that child or young person is a member of the applicant's family.

20.

Any of the following, namely—

- (a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 13 or 14);
- (b) a war widow's pension or war widower's pension;
- (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
- (d) a guaranteed income payment and, if the amount of that payment has been abated to less than £10 by a pension or payment falling within article 31(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005, so much of that pension or payment as would not, in aggregate with the amount of any guaranteed income payment disregarded, exceed £10;
- (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
- (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in paragraphs (a) to (d) above;
- (g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.

21.

Subject to paragraph 40, £15 of any—

- (a) widowed mother's allowance paid pursuant to section 37 of the SSCBA;
- (b) widowed parent's allowance paid pursuant to section 39A of the SSCBA.

22.—

- (1) Any income derived from capital to which the applicant is or is treated under paragraph 70 (capital jointly held) as beneficially entitled but, subject to sub-paragraph (2), not income derived from capital disregarded under paragraphs 4, 5, 7, 11, 17 or 30 to 33 of Schedule 10.
- (2) Income derived from capital disregarded under paragraphs 5, 7 or 30 to 33 of Schedule 10 but only to the extent of—
 - (a) any mortgage repayments made in respect of the dwelling or premises in the period during which that income accrued; or
 - (b) any council tax or water charges which the applicant is liable to pay in respect of the dwelling or premises and which are paid in the period during which that income

accrued.

- (3) The definition of ““water charges”” in paragraph 2(1) (interpretation) applies to sub-paragraph (2) of this paragraph with the omission of the words ““in so far as such charges are in respect of the dwelling which a person occupies as his home””.

23.

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, 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.

24.—

- (1) Where the applicant is the parent of a student aged under 25 in advanced education who either—
- (a) is not in receipt of any award, grant or student loan in respect of that education; or
 - (b) is in receipt of an award 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 23, an amount specified in sub-paragraph (2) in respect of each week during the student's term.

- (2) For the purposes of sub-paragraph (1), the amount must be equal to—

- (a) the weekly amount of the payments; or
- (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),

whichever is less.

25.

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

26.

Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person other than one to whom paragraph 25 or 27 refers and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family—

- (a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or
- (b) where the aggregate of any such payments is £20 or more per week, £20.

27.

Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to—

- (a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20, 100 per cent of such payments;
- (b) where the aggregate of any such payments exceeds £20, £20 and 50 per cent of the excess over £20.

28.—

- (1) Any income in kind, except where paragraph 54(10)(b) (provision of support under section 95 or 98 of the Immigration and Asylum Act 1999 in the calculation of income other than earnings) applies.
- (2) The reference in sub-paragraph (1) to “income in kind” does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.

29.

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.

30.—

- (1) Any payment made to the applicant in respect of a person who is a member of his family—
 - (a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance or with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978 (schemes for payments of allowances to adopters) or in accordance with an adoption allowance scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (adoption allowances schemes);
 - (b) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child's maintenance where the child is living with a person as a result of a residence order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);
 - (c) which is a payment made by an authority, as defined in Article 2 of the Children (Northern Ireland) Order 1995, in pursuance of Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child's maintenance);
 - (d) in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services);
- (2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

31.

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).

32.

Any payment made to the applicant or his partner for a person (“the person concerned”), who is not normally a member of the applicant's household but is temporarily in his care, by—

- (a) a health authority;
- (b) a local authority but excluding payments of housing benefit made in respect of the

- person concerned;
- (c) a voluntary organisation;
- (d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;
- (e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or
- (f) a Local Health Board established under section 11 of the National Health Service (Wales) Act 2006.

33.

Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

34.—

(1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ("A") which A passes on to the applicant.

(2) Sub-paragraph (1) applies only where A—

- (a) was formerly in the applicant's care, and
- (b) is aged 18 or over, and
- (c) continues to live with the applicant.

35.—

(1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments—

(a) on a loan which is secured on the dwelling which the applicant occupies as his home; or

(b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.

(2) A payment referred to in sub-paragraph (1) is only to be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—

(a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (1)(b); and

(b) meet any amount due by way of premiums on—

(i) that policy; or

(ii) in a case to which sub-paragraph (1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).

36.

Any payment of income which by virtue of paragraph 64 (income treated as capital: persons who are not pensioners) is to be treated as capital.

37.

Any—

(a) social fund payment made pursuant to Part 8 of the SSCBA (the social fund); or

(b) occasional assistance.

38.

Any payment under Part 10 of the SSCBA (Christmas bonus for pensioners).

39.

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

40.

The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under paragraph 33(3) (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under paragraph 77(2)(b) and paragraph 78(1)(d) (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 81(2) (treatment of student loans), paragraph 82(3) (treatment of payments from access funds) and paragraph 21 must in no case exceed £20 per week.

41.—

(1) Any payment made under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

(a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

(a) the person who is suffering from haemophilia or who is a qualifying person;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

(a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and

(b) the payment is made either—

(i) to that person's parent or step-parent, or

(ii) where that person at the date of the payment is a child, a young person or a student who has not completed his education and has no parent or step-parent, to his guardian,

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

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either—

(i) to that person's parent or step-parent, or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose 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.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts is to be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation and the London Bombings Relief Charitable Fund.

42.

Any housing benefit.

43.

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

44.

Any payment to a juror or witness in respect of attendance at a court other than compensation for loss of earnings or for the loss of a benefit payable under the benefit Acts.

45.

Any payment in consequence of a reduction of council tax under section 13 of the 1992 Act (reduction of liability for council tax).

46.—

(1) Any payment or repayment made—

(a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);

(b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);

(c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service

(Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies).

- (2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers which is analogous to a payment or repayment mentioned in sub-paragraph (1).

47.

Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins).

48.

Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.

49.—

- (1) Where an applicant's applicable amount includes an amount by way of family premium, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the applicant's former partner, or the applicant's partner's former partner.

- (2) For the purpose of sub-paragraph (1) where more than one maintenance payment falls to be taken into account in any week, all such payments must be aggregated and treated as if they were a single payment.

- (3) A payment made by the Secretary of State in lieu of maintenance must, for the purpose of sub-paragraph (1), be treated as a payment of maintenance made by a person specified in sub-paragraph (1).

50.—

- (1) Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the applicant's family, except where the person making the payment is the applicant or the applicant's partner.

- (2) In sub-paragraph (1) —

“child maintenance” means any payment towards the maintenance of a child or young person, including any payment made voluntarily and payments made under—(a) the Child Support Act 1991;

(b) the Child Support (Northern Ireland) Order 1991;

(c) a court order;

(d) a consent order;

(e) a maintenance agreement registered for execution in the Books of Council and Session or the sheriff court books;

“liable relative” means a person listed in regulation 54 (interpretation) of the Income Support (General) Regulations 1987, other than a person falling within sub-paragraph (d) of that definition.

51.

Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.

52.

Any guardian's allowance.

53.—

- (1) If the applicant is in receipt of any benefit under Part 2, 3 or 5 of the SSCBA, any increase in the rate of that benefit arising under Part 4 (increases for dependants) or section 106(a) (unemployability supplement) of that Act, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.
- (2) If the applicant is in receipt of any pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006, any increase in the rate of that pension or allowance under that Order, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.

54.

Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under that Order.

55.

In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983 (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.

56.—

(1) Any payment which is—

- (a) made under any of the Dispensing Instruments to a widow, widower or surviving civil partner of a person—
 - (i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and
 - (ii) whose service in such capacity terminated before 31st March 1973; and
- (b) equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006.

(2) In this paragraph “the Dispensing Instruments” means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).

57.

Any council tax benefit to which the applicant is entitled.

58.

Except in a case which falls under sub-paragraph (1) of paragraph 18 of Schedule 7, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10.

59.

Any payment made under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).

60.—

- (1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person—
 - (a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;
 - (b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity,

in respect of which such assistance is or was received.

(2) Sub-paragraph (1) applies only in respect of payments which are paid to that person from the special account.

61.—

(1) Any payment of a sports award except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) “food” does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

62.

Where the amount of subsistence allowance paid to a person in a reduction week exceeds the amount of income-based jobseeker's allowance that person would have received in that reduction week had it been payable to him, less 50p, that excess amount.

63.

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.

64.

Any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001.

65.—

(1) Any payment made by a local authority or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.

(2) For the purposes of sub-paragraph (1) “local authority” includes, in England, a county council.

66.

Any payment of child benefit.

Schedule 9
Capital disregards: pensioners

1.

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.

2.

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.

3.

Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.

4.

Any premises occupied in whole or in part—

(a) by a person who is a relative of the applicant or his partner 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 does not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.

5.

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.

6.

Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from his former partner or the dissolution of a 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.

7.

Any premises where the applicant is taking reasonable steps to dispose of the whole of his interest in 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.

8.

All personal possessions.

9.

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 those assets.

10.

The assets of any business owned in whole or in part by the applicant if—

(a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but

(b) he intends to become engaged (or, as the case may be, re-engaged) as a self-employed earner in that business as soon as he recovers or is able to become engaged, or re-engaged, in that business,

for a period of 26 weeks from the date on which the application for a reduction under this scheme is made or, if it is unreasonable to expect him to become engaged or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.

11.

The surrender value of any policy of life insurance.

12.

The value of any funeral plan contract; and for this purpose, ““funeral plan contract”” means a contract under which—

- (a) the applicant makes one or more payments to another person (““the provider””);
- (b) the provider undertakes to provide, or secure the provision of, a funeral in the United Kingdom for the applicant on his death; and
- (c) the sole purpose of the plan is to provide or secure the provision of a funeral for the applicant on his death.

13.

Where an ex-gratia payment has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or internment of—

- (a) the applicant;
- (b) the applicant's partner;
- (c) the applicant's deceased spouse or deceased civil partner; or
- (d) the applicant's partner's deceased spouse or deceased civil partner,

by the Japanese during the Second World War, an amount equal to that payment.

14.—

(1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or an applicant's partner who is—

- (a) a diagnosed person;
- (b) a diagnosed person's partner or was a diagnosed person's partner at the time of the diagnosed person's death; or
- (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death.

(2) Where a trust payment is made to—

- (a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;
- (b) a person referred to in sub-paragraph (1)(c), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending two years after that date.

(3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or an applicant's partner who is—

- (a) the diagnosed person;
- (b) a diagnosed person's partner or was a diagnosed person's partner at the date of the diagnosed person's death; or
- (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death.

- (4) Where a payment such as referred to in sub-paragraph (3) is made to—
- (a) a person referred to in sub-paragraph (3)(a) or (b), that sub-paragraph applies for the period beginning on the date on which the payment is made and ending on the date on which that person dies;
 - (b) a person referred to in sub-paragraph (3)(c), that sub-paragraph applies for the period beginning on the date on which the payment is made and ending two years after that date.
- (5) In this paragraph, a reference to a person—
- (a) being the diagnosed person's partner;
 - (b) acting in place of the diagnosed person's parents,

at the date of the diagnosed person's death includes 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 or an independent hospital.

- (6) In this paragraph—
- “diagnosed person” means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeldt-Jakob disease;
- “relevant trust” means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeldt-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;
- “trust payment” means a payment under a relevant trust.

15.

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 civil partner or the applicant's partner's deceased spouse or 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.

16.—

- (1) Any payment made under or by—
- (a) 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 London Bombings Relief Charitable Fund (collectively referred to in this paragraph as “the Trusts”); or
 - (b) the Independent Living Fund (2006).
- (2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts and which is made to or for the benefit of that person's partner or former partner—
- (a) from whom he is not, or where that person has died was not, estranged or divorced, or
 - (b) 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.
- (3) Any payment by or on behalf of the partner or former partner of a person who is suffering

or who suffered from haemophilia or who is or was a qualifying person which derives from a payment made under or by any of the Trusts and which is made to or for the benefit of the person who is suffering from haemophilia or who is a qualifying person.

- (4) Sub-paragraph (3) does not apply if—
- (a) the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced, or
 - (b) 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.
- (5) 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, where—
- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child who is or had been a member of that person's household; and
 - (b) the payment is made either—
 - (i) to that person's parent or step-parent; or
 - (ii) where that person at the date of the payment is a child or a student who has not completed his full-time education and has no parent or step-parent, to any person standing in the place of his parent, but only for a period from the date of the payment until the end of two years from that person's death.
- (6) 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, where—
- (a) that person at the date of his death ("the relevant date") had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child who was or had been a member of his household; and
 - (b) the payment is made either—
 - (i) to that person's parent or step-parent; or
 - (ii) where that person at the relevant date was a child or a student who had not completed his full-time education and had no parent or step-parent, to any person standing in place of his parent, but only for a period of two years from the relevant date.
- (7) 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.

16A. 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.

17.—

- (1) An amount equal to the amount of any payment made in consequence of any personal injury to the applicant or, if the applicant has a partner, to the partner.
- (2) Where the whole or part of the payment is administered—
- (a) by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998, or the Court of Protection, or on behalf of a person where the payment can only be disposed of by order or direction of any such court;
 - (b) in accordance with an order made under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules; or

(c) in accordance with the terms of a trust established for the benefit of the applicant or his partner,
the whole of the amount so administered.

18.

Any amount specified in paragraph 19, 20, 21 or 25 for a period of one year beginning with the date of receipt.

19.

Amounts paid under a policy of insurance in connection with the loss of or damage to the property occupied by the applicant as his home and to his personal possessions.

20.

So much of any amounts paid to the applicant or deposited in the applicant's name for the sole purpose of—

(a) purchasing premises which the applicant intends to occupy as his home; or

(b) effecting essential repairs or alterations to the premises occupied or intended to be occupied by the applicant as his home.

21.—

(1) Subject to paragraph 22 any amount paid—

(a) by way of arrears of benefit;

(b) by way of compensation for the late payment of benefit;

(c) in lieu of the payment of benefit;

(d) to rectify, or compensate for, an official error, as defined for the purposes of paragraph 22, being an amount to which that paragraph does not apply;

(e) by a local authority out of funds provided under either section 93 of the Local Government Act 2000 under a scheme known as “Supporting People” or section 91 of the Housing (Scotland) Act 2001;

(f) by way of occasional assistance including arrears and payments in lieu of occasional assistance (and in this paragraph “occasional assistance” has the same meaning as in Part 2 - Interpretations).

(2) In sub-paragraph (1), “benefit” means

(a) attendance allowance under section 64 of the Act;

(b) disability living allowance;

(c) personal independence payment;

(d) an AFIP;

(e) income support;

(f) income-based jobseeker's allowance;

(g) state pension credit;

(h) housing benefit;

(i) council tax benefit;

(j) child tax credit;

(k) an increase of a disablement pension under section 104 of the SSCBA (increase where constant attendance is needed), and any further increase of such a pension under section 105 of the Act (increase for exceptionally severe disablement);

(l) any amount included on account of the applicant's exceptionally severe disablement or need for constant attendance in a war disablement pension or a war widow's or widower's pension;

(m) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;

(n) working tax credit;

(o) income-related employment and support allowance;

(p) social fund payments under Part 8 of the SSCBA; or

(q) universal credit

22.—

(1) Subject to sub-paragraph (3), any payment of £5,000 or more which has been made to

rectify, or to compensate for, an official error relating to a relevant benefit and which has been received by the applicant in full on or after the day on which he became entitled to a reduction under this scheme.

- (2) Subject to sub-paragraph (3), the total amount of any payments disregarded under—
- (a) paragraph 7(2) of Schedule 10 to the Income Support (General) Regulations 1987;
 - (b) paragraph 12(2) of Schedule 8 to the Jobseeker's Allowance Regulations 1996(a);
 - (c) paragraph 9(2) of Schedule 5 to the Council Tax Benefit Regulations 2006;
 - (d) paragraph 20A of Schedule 5 to the State Pension Credit Regulations 2002,
 - (e) paragraph 11(2) of Schedule 9 to the Employment and Support Allowance Regulations 2008(b),
 - (f) paragraph 18 of Schedule 10 to the Universal Credit Regulations 2013(12)

where the award in respect of which the payments last fell to be disregarded under those Regulations either terminated immediately before the relevant date or is still in existence at that date.

- (3) Any disregard which applies under sub-paragraph (1) or (2) has effect until the award comes to an end.

- (4) In this paragraph—

“the award”, except in sub-paragraph (2), means

- (a) the award of a reduction under the authority's scheme during which the relevant sum or, where it is paid in more than one instalment, the first instalment of that sum is received; and
- (b) where that award is followed by one or more further awards which, or each of which, begins immediately after the previous award ends, such further awards until the end of the last such award, provided that, for such further awards, the applicant—
 - (i) is the person who received the relevant sum;
 - (ii) is the partner of that person; or
 - (iii) was the partner of that person at the date of his death;

“official error”

- (a) where the error relates to housing benefit, or council tax benefit (in respect of any period before 1st April 2013), has the meaning given by regulation 1(2) of the Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001; and
- (b) where the error relates to any other relevant benefit, has the meaning given by regulation 1(3) of the Social Security and Child Support (Decisions and Appeals) Regulations 1999;

“the relevant date” means the date on which the application for a reduction under this scheme was made;

“relevant benefit” means any benefit specified in paragraph 21(2); and

“the relevant sum” means the total amount referred to in sub-paragraph (1).

23.

Where a capital asset is held in a currency other than Sterling, any banking charge or commission payable in converting that capital into Sterling.

24.

The value of the right to receive income from an occupational pension scheme or a personal pension scheme.

25.

Any arrears of supplementary pension which is disregarded under paragraph 4 of Schedule 6 (amounts to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 5 or 6 of that Schedule.

26.

The dwelling occupied as the home; but only one dwelling is to be disregarded under this

paragraph.

27.—

- (1) Subject to sub-paragraph (2), where an applicant falls within class C (alternative maximum council tax reduction: pensioners), the whole of his capital.
- (2) Sub-paragraph (1) does not apply where an applicant falls within class B and class C.

28.

Where a person elects to be entitled to a lump sum under Schedule 5 or 5A to SSCBA or under Schedule 1 to the Social Security (Graduated Retirement Benefit) Regulations 2005, or is treated as having made such an election, and a payment has been made pursuant to that election, an amount equal to—

- (a) except where sub-paragraph (b) applies, the amount of any payment or payments made on account of that lump sum;
- (b) the amount of that lump sum, but only for so long as that person does not change that election in favour of an increase of pension or benefit.

28A. Where a person chooses a lump sum under section 8(2) of the Pensions Act 2014 or in accordance with Regulations made under section 10 of that Act which include provision corresponding or similar to section 8(2) of that Act, or fails to make a choice, and a lump sum payment has been made, an amount equal to—

- (a) except where sub-paragraph (b) applies, the amount of any payment or payments made on account of that lump sum; or
- (b) the amount of that lump sum, but only for so long as that person does not alter that choice in favour of an increase of pension.

29.

Any payments made by virtue of regulations made under—

- (a) by virtue of regulations made under section 57 of the Health and Social Care Act 2001 (direct payments);
- (b) Deleted by SI/2014/513
- (c) by virtue of regulations made under sections 12A to 12C of the National Health Service Act 2006 (direct payments for health care);
- (d) by virtue of regulations made under Article 15 of the Health and Personal Social Services (Northern Ireland) Order 1972 (general social welfare); or
- (e) by virtue of regulations made under section 8 of the Carers and Direct Payments Act (Northern Ireland) 2002 (direct payments);
- (f) under sections 31 to 33 of the Care Act 2014 (direct payments), or;
- (g) by virtue of regulations made under section 50 or 52 of the Social Services and Well-being (Wales) Act 2014 (direct payments).

29A.

A payment made under the Age-Related Payments Regulations 2013(13).

29B. Any payments to an applicant made under section 49 of the Children and Families Act 2014(a) (personal budgets and direct payments).

29C. (1) Any payment made by a local authority in accordance with section 26A of the Children (Scotland) Act 1995 (duty to provide continuing care)(a).

(2) Any payment or part of a payment made by a local authority in accordance with that section to a person (“A”) which A passes on to the applicant where A—

- (a) was formerly in the applicant’s care;
- (b) is aged 16 or over; and
- (c) continues to live with the applicant.

29ZA Any payment made as a direct payment as defined in section 4(2) of the Social Care (Self-directed Support) (Scotland) Act 2013.

Part 2

Capital disregarded only for the purposes of determining deemed income

30.

The value of the right to receive any income under a life interest or from a life rent.

31.

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.

32.

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

33.

Where property is held under a trust, other than—

- (a) a charitable trust within the meaning of the Charities Act 1993; or
- (b) a trust set up with any payment to which paragraph 16 applies,

and under the terms of the trust, payments fall to be made, or the trustees have a discretion to make payments, to or for the benefit of the applicant or the applicant's partner, or both, that property.

Schedule 10
Capital disregards: persons who are not pensioners

1.
Any payment made to the applicant in respect of any child care, travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Work for Your Benefit 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 the Mandatory Work Activity 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 travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme but 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, but, notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), only one dwelling is to 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 does 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 an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his capital.
9.
Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and his partner is on income-based jobseeker's allowance, the whole of the applicant's capital.
10.
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.
- 11.—
 - (1) The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner, or if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of any such asset.
 - (2) The assets of any business owned in whole or in part by the applicant where—
 - (a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but

- (b) he intends to become engaged or, as the case may be, re-engaged as a self-employed earner in that business as soon as he recovers or is able to become engaged or re-engaged in that business, for a period of 26 weeks from the date on which the application for a reduction 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 re-engaged.
- (3) In the case of a person who is receiving assistance under the self-employment route, the assets acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is being received.
- (4) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

12.—

- (1) Subject to sub-paragraph (2), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of—
 - (a) any payment specified in paragraphs 11, 13 or 14 of Schedule 8;
 - (b) an income-related benefit under Part 7 of the SSCBA;
 - (c) an income-based jobseeker's allowance;
 - (d) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;
 - (e) working tax credit and child tax credit;
 - (f) an income-related employment and support allowance, but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.
- (2) In a case where the total of any arrears and, if appropriate, any concessionary payment referred to in sub-paragraph (1) relating to one of the specified payments, benefits or allowances amounts to £5,000 or more (referred to in this sub-paragraph and in sub-paragraph (3) as “the relevant sum”) and is—
 - (a) paid in order to rectify or to compensate for, an official error as defined in regulation 1(2) of the Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001; and
 - (b) received by the applicant in full on or after 14th October 2001, sub-paragraph (1) has 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 period of an award of a reduction under this scheme, for the remainder of that period if that is a longer period.
- (3) For the purposes of sub-paragraph (2), “the period of an award of a reduction under this scheme” means
 - (a) the award in which the relevant sum is first received (or the first part thereof where it is paid in more than one instalment); and
 - (b) where that award is followed by one or more further awards which, or each of which, begins immediately after the end of the previous award, such further award provided that for that further award the applicant—
 - (i) is the person who received the relevant sum; or
 - (ii) is the partner of the person who received the relevant sum, or was that person's partner at the date of his death.

13.

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.

14.

Any sum—

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

15.

Any personal possessions except those which have been acquired by the applicant with the intention of reducing his capital in order to secure entitlement to a reduction under this scheme or to increase the amount of that reduction.

16.

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

17.

Where the funds of a trust are derived from a payment made in consequence of any personal injury to the applicant or applicant's partner, the value of the trust fund and the value of the right to receive any payment under that trust.

18.—

(1) Any payment made to the applicant or the applicant's partner in consequence of any personal injury to the applicant or, as the case may be, the applicant's partner.

(2) But sub-paragraph (1)—

- (a) applies only for the period of 52 weeks beginning with the day on which the applicant first receives any payment in consequence of that personal injury;
- (b) does not apply to any subsequent payment made to him in consequence of that injury (whether it is made by the same person or another);
- (c) ceases to apply to the payment or any part of the payment from the day on which the applicant no longer possesses it;
- (d) does not apply to any payment from a trust where the funds of the trust are derived from a payment made in consequence of any personal injury to the applicant.

(3) For the purposes of sub-paragraph (2)(c), the circumstances in which an applicant no longer possesses a payment or a part of it include where the applicant has used a payment or part of it to purchase an asset.

(4) References in sub-paragraphs (2) and (3) to the applicant are to be construed as including references to his partner (where applicable).

19.

The value of the right to receive any income under a life interest or from a life rent.

20.

The value of the right to receive any income which is disregarded under paragraph 15 of Schedule 7 or paragraph 29 of Schedule 8.

21.

The surrender value of any policy of life insurance.

22.

Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.

23.

Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or sections 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

24.—

(1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ("A") which A passes on to the applicant.

(2) Sub-paragraph (1) applies only where A—

- (a) was formerly in the applicant's care, and
- (b) is aged 18 or over, and
- (c) continues to live with the applicant.

25.

Any—

- (a) social fund payment made pursuant to Part 8 of the SSCBA (the social fund); or
- (b) occasional assistance.

26.

Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.

27.

Any capital which by virtue of paragraph 55 or 81 (capital treated as income: persons who are not pensioners, 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.—

(1) Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund.

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and

which is made to or for the benefit of—

- (a) the person who is suffering from haemophilia or who is a qualifying person;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Sub-paragraph (3) does not apply if—

- (a) the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced, or
- (b) 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.

(5) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
- (b) the payment is made either—
 - (i) to that person's parent or step-parent; or
 - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

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

(6) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was or had been a member of his family; and
- (b) the payment is made either—
 - (i) to that person's parent or step-parent; or
 - (ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(7) 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.

(8) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts is to be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, and the London Bombings Relief Charitable Fund.

30.—

(1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

(2) In this paragraph “dwelling” includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated.

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 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 Trusts, the Fund, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).

39.

Any payment made pursuant to section 2 of the Employment and Training Act 1973 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 of the 1992 Act (reduction of liability for council tax), but only for a period of 52 weeks from the date of the receipt of the payment.

41.

Any grant made in accordance with a scheme made under section 129 of the Housing Act 1988 or section 66 of the Housing (Scotland) Act 1988 (schemes for payments to assist local housing authority and local authority tenants to obtain other accommodation) which is to be used—

- (a) to purchase premises intended for occupation as his home; or
- (b) to carry out repairs or alterations which are required to render premises fit for occupation as his home, for a period of 26 weeks from the date on which he received such a grant or such longer period as is reasonable in the circumstances to enable the purchase, repairs or alterations to be completed and the applicant to commence occupation of those premises as his home.

42.

Any arrears of supplementary pension which is disregarded under paragraph 54 of Schedule 8 (sums to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 55 or 56 of that Schedule, but only for a period of 52 weeks from the date of receipt of the arrears.

43.—

(1) Any payment or repayment made—

- (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
- (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
- (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies), but only for a period of 52 weeks from the date of receipt of the payment or repayment.

(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers which is analogous to a payment or repayment mentioned in sub-paragraph (1), but only for a period of 52 weeks from the date of 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 SSCBA (entitlement to health in pregnancy grant).

46.

Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.

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.—

(1) Subject to sub-paragraph (2), where an applicant falls within class F (alternative maximum

council reduction: persons who are not pensioners), the whole of his capital.

(2) Sub-paragraph (1) does not apply where an applicant falls within class E and class F.

50.—

(1) Any sum of capital to which sub-paragraph (2) applies and—

- (a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 or by the Court of Protection;
- (b) which can only be disposed of by order or direction of any such court; or
- (c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.

(2) This sub-paragraph applies to a sum of capital which is derived from—

- (a) an award of damages for a personal injury to that person; or
- (b) compensation for the death of one or both parents where the person concerned is under the age of 18.

51.

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.

52.

Any payment to the applicant as holder of the Victoria Cross or George Cross.

53.

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.

54.—

(1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that payment except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) “food” does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

55.—

(1) Any payment—

(a) by way of an education maintenance allowance made pursuant to—

- (i) regulations made under section 518 of the Education Act 1996;
- (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;
- (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;

(b) corresponding to such an education maintenance allowance, made pursuant to—

- (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and the Welsh Ministers to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or

- (ii) regulations made under section 181 of that Act; or
- (c) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

(2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to—

- (a) regulations made under section 518 of the Education Act 1996;
- (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
- (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992, in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

56.

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.

57.

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.

58.

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 internment of—

- (a) the applicant;
- (b) the applicant's partner;
- (c) the applicant's deceased spouse or deceased civil partner; or
- (d) the applicant's partner's deceased spouse or deceased civil partner, by the Japanese during the Second World War, £10,000.

59.—

(1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant's family who is—

- (a) a diagnosed person;
- (b) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
- (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
- (d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.

(2) Where a trust payment is made to—

- (a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;
- (b) a person referred to in sub-paragraph (1)(c), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending two years after that date;
- (c) a person referred to in sub-paragraph (1)(d), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending—
 - (i) two years after that date; or
 - (ii) on the day before the day on which that person—
 - (aa) ceases receiving full-time education; or
 - (bb) attains the age of 20,

whichever is the latest.

- (3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is—
- (a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
 - (b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
 - (c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death, but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.
- (4) Where a payment as referred to in sub-paragraph (3) is made to—
- (a) a person referred to in sub-paragraph (3)(a), that sub-paragraph applies for the period beginning on the date on which that payment is made and ending on the date on which that person dies;
 - (b) a person referred to in sub-paragraph (3)(b), that sub-paragraph applies for the period beginning on the date on which that payment is made and ending two years after that date; or
 - (c) person referred to in sub-paragraph (3)(c), that sub-paragraph applies for the period beginning on the date on which that payment is made and ending—
 - (i) two years after that date; or
 - (ii) on the day before the day on which that person—
 - (aa) ceases receiving full-time education; or
 - (bb) attains the age of 20, whichever is the latest.
- (5) In this paragraph, a reference to a person—
- (a) being the diagnosed person's partner;
 - (b) being a member of a diagnosed person's family;
 - (c) acting in place of the diagnosed person's parents, at the date of the diagnosed person's death includes a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home, an Abbeyfield Home or an independent hospital on that date.
- (6) In this paragraph—
“diagnosed person” means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeld-Jakob disease;
“relevant trust” means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeld-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;
“trust payment” means a payment under a relevant trust.

60.

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.

61.—

(1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the

applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.

(2) For the purposes of sub-paragraph (1) “local authority” includes in England a county council.

62.

Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care).

63.

Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

64.

Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).

Schedule 11
Additional awards due to exceptional and/or extreme Hardship

Discretionary Exceptional hardship payments

1. (1) The Council may make discretionary payments by way of financial assistance ("exceptional hardship payments") to persons who—

- (a) are entitled to a council tax reduction under the Council's Local Council Tax Reduction Scheme and
- (b) appear to such an authority to require some further financial assistance (in addition to the reduction to which they are entitled) in order to meet Council tax liability.

(2) Subject to paragraph (3) the council has a discretion—

- (a) as to whether or not to make exceptional hardship payments in a particular case; and
- (b) as to the amount of the payments and the period for, or in respect of which, they are made.

(3) Paragraphs (1) and (2) shall not apply in respect of council tax liability for any period before 1 April 2013

Circumstances in which Exceptional hardship payments may be made

2. For the purposes of the Council Tax Reduction Scheme, the prescribed circumstance in which exceptional hardship payments may be made is where a person has made a claim for an exceptional hardship payment and the requirement for financial assistance does not arise as a consequence of—

- (a) a liability to meet council tax payments in a case where the person is not entitled to a council tax reduction under the scheme;
- (b) a liability to meet council tax where an alternative maximum council tax benefit is payable;
- (c) a reduction of an amount of benefit by virtue of section 46(11) of the Child Support Act 1991;
- (d) a reduction of a specified amount of benefit by virtue of section 2A of the Social Security Administration Act 1992;
- (e) a reduction in the amount of a jobseeker's allowance payable by virtue of section 17 of the Jobseekers Act 1995;
- (f) the non-payability of a jobseeker's allowance or a reduction in the amount of a jobseeker's allowance payable, pursuant to a decision made by virtue of section 19 or 20A of the Jobseekers Act 1995;
- (g) the suspension of payment of an amount of benefit by virtue of section 21, 22 or 24 of the Social Security Act 1998 or section 68 of, and paragraphs 13 and 14 of Schedule 7 to, the Child Support, Pensions and Social Security Act 2000.
- (f) any factor that the Council considers that the person or persons entitled to a council tax reduction under this scheme could have taken reasonable actions to avoid or mitigate.

Limit on the amount of the discretionary exceptional hardship payment that may be made

3. The amount of a discretionary exceptional hardship payment (if calculated as a weekly sum) shall not exceed, in a case where the need for further financial assistance arises as a consequence of the liability to make payments in respect of council tax, an amount equal to the weekly amount of council tax liability of that person calculated on a weekly basis.

Period for, or in respect of which, discretionary exceptional hardship payments may be made

4. The Council shall restrict the period for or in respect of which discretionary exceptional hardship payments may be made to such period as it considers appropriate in the particular circumstances of a case.

Form, manner and procedure for claims

5.—(1) A claim for Exceptional Hardship payment must be:

- (a) in writing or, in such form and manner as is accepted;
- (b) from—
 - (i) a person entitled to either council tax reduction; or
 - (ii) where it appears reasonable in the circumstances of a particular case, an authorised person acting on behalf of a person so entitled.

(2) an award of entitlement to exceptional hardship will be paid directly to the person's Council Tax account to the person entitled to council tax reduction,.

(3) The council shall give a person who has claimed discretionary exceptional hardship payments or who has requested a review of a decision made in respect of his claim, written notice of its decision in respect of that claim or review and the reasons for that decision as soon as is reasonably practicable.

Provision of information

6. A person claiming or receiving exceptional hardship payments shall provide the council with the following information—


- (a) particulars of the grounds of claim or, as the case may be, particulars of the grounds for a review;
- (b) changes in circumstances which may be relevant to the continuance of discretionary payments, and such other information as may be specified by the council within such time as the council thinks appropriate.

Reviews

7.—(1) The Council may review any decision it has made with respect to the making, cancellation or recovery of discretionary exceptional hardship payments in such circumstances as it thinks fit.

(2) Without prejudice to the generality of paragraph (1) above, the council may, on any such review, cancel the making of further such payments and recover a payment already made where that authority has determined that—

- (a) whether fraudulently or otherwise, any person has misrepresented, or failed to disclose, a material fact and, as a consequence of that misrepresentation or failure to disclose, a payment has been made; or
- (b) an error has been made when determining the application for a payment, and as a consequence of that error, a payment had been made which would not have been made but for that error.

Agenda Item No:	7	
Committee:	CABINET	
Date:	13 DECEMBER 2018	
Report Title:	DRAFT BUSINESS PLAN 2019-20	

1 Purpose / Summary

- For Cabinet to approve the Draft Business Plan 2019-20 for public consultation.

2 Key issues

- Our Draft Business Plan 2019-20 identifies the key challenges and opportunities for Fenland over the next year. It outlines our three Corporate Priorities which focus on Communities, the Environment and the Economy. A cross-cutting Quality Organisation priority also ensures that staff and resources effectively focus on the projects that matter the most to local people.
- The Draft Business Plan 2019-20 will be presented to the Overview and Scrutiny Panel on Monday 14 January 2019.
- The Council remains committed to delivering high-quality frontline services, despite the challenges posed by nearly 10 years of public sector austerity. Projects delivered to date through our Comprehensive Spending Review (CSR) and Efficiency Plan have supported the Council to sustainably make the required £9.5million savings (since 2010).
- We also continue to work closely with partners including ARP, CNC and Peterborough City Council to maximise the efficiency of local services. Parts of these services, where appropriate and applicable, have been developed to be sold commercially in competition with the private sector.
- Despite austerity we are an ambitious, forward-thinking council and continue to lobby for investment to tackle important issues. The Cambridgeshire and Peterborough Combined Authority have committed millions of pounds towards projects in Fenland. Examples include £6.5 million towards a feasibility of a Wisbech Garden Town and Wisbech to March railway link and £10.5 million towards Wisbech transport improvements.
- We also work closely with other organisations to tackle complex issues. During 2017/18, we were awarded £1.1million of funding following nine successful bids to the Government's Controlling Migration Fund. This is supporting the delivery of a variety of projects to improve cohesion in the district. Best practice from the multi-agency £736,000 Government funded 'Trailblazer' homelessness prevention project is also being shared nationwide.
- The public will be invited to comment on the Draft Business Plan 2019-20 between 3 January and 1 February 2019. Surveys will be available online and at our Fenland @ your service shops, Community Hubs and Business Centres. Polls will also run on our Social Media channels (Twitter and Facebook). Feedback will be incorporated into the final version of the Business Plan that will be considered by Cabinet and Council on 21 February 2019.

3 Recommendations

- For Cabinet to approve the Draft Business Plan 2019-20 for public consultation.

Wards Affected	All
Forward Plan Reference	N/A
Portfolio Holder(s)	Councillor Chris Seaton, Leader of the Council
Report Originators & Contact Officers	Paul Medd, Chief Executive Kamal Mehta, Corporate Director Richard Cassidy, Corporate Director Gary Garford, Corporate Director Amy Brown, Interim Corporate Director and Monitoring Officer
Background Paper(s)	Budget and Medium Term Financial Strategy

Fenland District Council

Draft Business Plan

2019-20

Introduction by the Leader of the Council and Chief Executive

Our aim: "To improve the quality of life for people living in Fenland."

Welcome to Fenland District Council's Business Plan for 2019-20.

Our Business Plan sets out the services and projects we will deliver across Fenland over the next 12 months. It should be read alongside our Budget and Medium Term Financial Strategy. These documents explain how we will manage our finances over the next few years and are available to view on our website.

We are now entering the tenth year of public sector austerity. Since 2010, we have made savings of £9.5million. The challenge remains to deliver good quality services that our residents need whilst making the necessary savings imposed by central government. Although the balance can be difficult to strike, we are working more effectively than ever before. Projects delivered as part of our own Comprehensive Spending Review (CSR) and Efficiency Plan have enabled us to make the savings whilst maximising income, thus remaining sustainable.

It's not just about making efficiencies though. We are an ambitious, forward-thinking council and continue to lobby for investment to help tackle important issues. Now in its second year, the Cambridgeshire and Peterborough Combined Authority have committed millions of pounds towards projects in Fenland. £6.5million is funding a feasibility study of a potential Wisbech Garden Town and a Wisbech to March railway link. £10.5million has been committed for transport improvements as part of the Wisbech Access Study. Chatteris, March, Whittlesey and Wisbech have each been awarded £50,000 to develop their own Markettown Masterplans. These are just a few examples of the projects underway to make Fenland an even better place to live.

Partnership working continues to play an important role in service delivery, which is the bread and butter of what we do. Sharing our Council Tax and Benefits (with Anglia Revenues Partnership), Building Control (with CNC) and Planning (with Peterborough City Council) services have reduced operating costs without compromising on quality. We have also developed parts of these services to be sold commercially in competition with the private sector.

Working with other organisations also helps us to tackle complex issues that cannot be solved by one organisation alone. Following nine successful bids to the Government's Controlling Migration Fund over 2017/18, we have been awarded in excess of £1.1million to undertake a variety of projects to promote cohesion and reduce the impact of migration across local communities. A further example is our successful new multi-agency 'Trailblazer' approach to homelessness. Supported by £736,000 of Government funding, it has prevented hundreds of people across Cambridgeshire and Peterborough from becoming homeless before their situation escalates into a crisis. Best practice from the project is being shared nationwide.

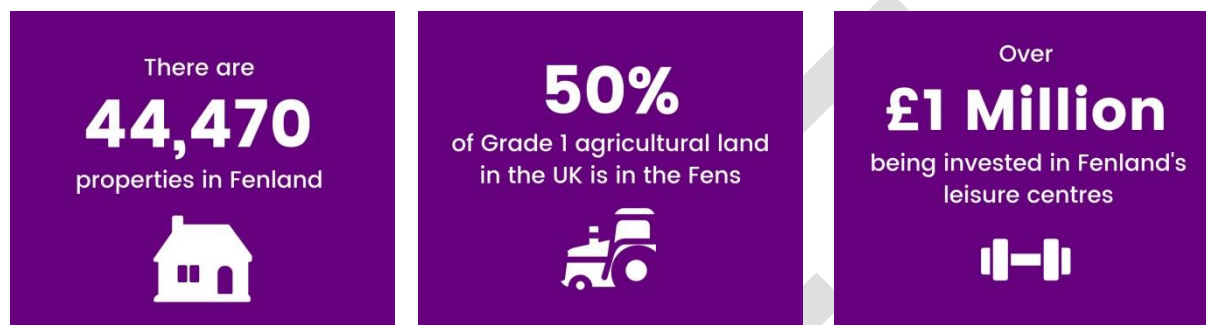
We hope this introduction has provided a valuable insight into just some of what we do and seek to achieve. We remain committed to working with all of our towns, villages and rural communities to make Fenland an even better place to live and work.

Councillor Chris Seaton – Leader of the Council
Paul Medd – Chief Executive

About Fenland

Our Business Plan is developed to meet the evolving needs of our residents. The text below provides a basic summary about the Fenland district and the communities that live here.

Fenland has strong community spirit and pride in its heritage. Over 100,700 people live in the district (ONS: 2018), which covers 211 square miles within North Cambridgeshire. 75% of people live in our four market towns of Chatteris (11,000), March (23,000), Whittlesey (13,000) and Wisbech (31,500). Our beautiful rural landscape is home to 29 villages and attracts visitors from around the country.



Fenland has the lowest house prices in Cambridgeshire and plentiful availability of commercial land. As a result, our population is growing quickly. In 20 years' time (2038), it is predicted the population will have increased by 11% to 111,512 (ONS: 2016). We have plans in place, some of which are explained within this plan, to maximise the positive opportunities that growth brings.

Our population is also getting older. 23% of our population are aged 65 or over; above average compared to Cambridgeshire and the UK as a whole. (ONS: 2017). Alongside partners, we are working to enable residents to access the support they need to live happily, healthily and independently.

We also face some challenges around deprivation, particularly around education and health. We are the 80th (out of 326) most deprived area in the country, with some wards in Wisbech within the top 10% most deprived (IMD:2015). Nevertheless, we work closely with other organisations to positively overcome these challenges.



Our Finances

Once information is available, add 2 pie charts to summarise sources of income and spending by service.

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Our Priorities

Our Business Plan sets out the priorities we aim to deliver over the next 12 months. These priorities have been developed to address the most important needs of local people. They have been split into three headings: Communities, Environment and Economy. The fourth priority, Quality Organisation, sits alongside each priority.




Despite austerity challenges, our 382 employees are proud to deliver a variety of high-quality core services for local people. In a typical year we empty 3 million bins, clean 210 million square miles of town centres and open spaces, answer 78,000 telephone enquiries, determine 1,300 planning applications, enable 75,400 people to vote in elections – and more!

As an organisation, our unique 'one-team' culture supports the effective delivery of our priorities and enables officers, members and partners to effectively work together without the constraints of traditional department silos. We support and invest in our workforce to give them the skills they need to work effectively within their roles. This has been recognised through Investors in People (IiP) and Customer Service Excellence (CSE) re-accreditations. In our latest Staff Survey (2018), 84% of staff told us that they were proud to work for us.

Summary of Corporate Priorities

The table below gives a summary of our corporate priorities. These are explained in more detail over the next few pages. Some priorities relate to our 'core' services that we deliver day to day. Others explain the specific projects we will deliver within 2019/20.

Each priority is underpinned by a series of performance indicators. Performance is reported to our elected members in monthly Portfolio Holder reports. The public can also view end of year performance in our Annual Report. This explains what the Council has been doing over the financial year to achieve its priorities and set objectives.

Quality Organisation Supporting effective delivery of our priorities and services	Communities 	<ul style="list-style-type: none">• Support vulnerable members of our community• Promote health and wellbeing for all• Work with partners to promote Fenland through culture and heritage
	Environment 	<ul style="list-style-type: none">• Deliver a high performing refuse, recycling and street cleansing service• Work with partners and the community on projects that improve the environment and our street scene• Work with partners to keep people safe in their neighbourhoods by reducing crime and anti-social behaviour and promoting social cohesion
	Economy 	<ul style="list-style-type: none">• Attract new businesses, jobs and opportunities whilst supporting our existing businesses in Fenland• Promote and enable housing growth, economic growth and regeneration across Fenland <p>Promote and lobby for infrastructure improvements across the district</p>

Communities



Support vulnerable members of our community

- We will continue to support our residents to maximise their income by accessing the benefits they are entitled to. We will do this by processing all applications for Housing Benefit and Council Tax Support effectively and accurately through our shared service (Anglia Revenues Partnership; ARP)
- We will support residents in managing the effects of welfare reform changes by working with partners including Jobcentre Plus and the Rural Citizens Advice Cambridgeshire, and helping them access Universal Credit online
- Prevent homelessness, meet housing needs, improve housing conditions and keep homes accessible through our housing duties
- Work with partners to build capacity and resilience so that residents can support themselves and the community, including young people
- Encourage a range of partners to support the delivery of the Golden Age programme to support older people
- Work with partners and the community to deliver the Wisbech 2020 Action Plan across the themes of Education and Skills, Health, Wellbeing and Cohesion, Infrastructure and the Built Environment and Local Economy

Promote Health and Wellbeing for all

- Support our local community by delivering the Council's Leisure Strategy in partnership with Freedom Leisure
- Reduce inequality and deprivation by working collaboratively with others & deliver the Council's Health and Wellbeing Strategy to tackle our local health priorities, including mental wellbeing
- Facilitate housing development that will deliver healthy environments and promote wellbeing

Work with partners to promote Fenland through Culture and Heritage

- Work with local stakeholders to develop a Culture Strategy for Fenland; strengthening links between the wider Fenland communities as well as promoting the area to people outside the district, including supporting the development of Must Farm in Whittlesey.
- Support communities to celebrate through resilient community groups by providing advice and access to training through our safety advisory partnership

Key projects for 2019/20

- Deliver four Golden Age fairs across the district
- Deliver the Four Seasons event programme in partnership with our four market towns
- Increase the use of local open spaces and collaborate with local activity providers to address health inequalities

Performance indicators for 2019/20

- Council Tax Support – days taken to process new claims and changes
- Housing Benefit – days taken to process new claims and changes
- % of attendees satisfied with Golden Age events
- Number of paid visits to our leisure centres
- % of those asked who are satisfied with FDC leisure centres

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Environment



Deliver a high performing refuse, recycling and street cleansing service

- Work with partners, the community and volunteers to divert at least 50% of Cambridgeshire's household waste from landfill
- Maximise the value of materials collected for recycling including through Recycling Champions
- Deliver an effective, self-funding Garden Waste collection service
- Deliver clean streets and public spaces as set out in the national code of practice
- Work with key stakeholders to deliver an effective waste partnership and to update the Cambridgeshire and Peterborough waste strategy

Work with partners and the community on projects to improve the environment and streetscene

- Support improvements to Fenland's streetscene and heritage
- Use education, guidance and Council powers to fairly enforce environmental standards and tackle issues such as fly tipping, dog fouling and littering
- Work with a private enforcement partner to tackle littering and associated anti-social behaviour
- Ensure well maintained open spaces by working in partnership with Tivoli and supporting community groups (such as Street Pride, In Bloom and 'Friends of')
- Work with Town Councils and the community to provide local markets, market town events and Four Seasons events

Work with partners to keep people safe in their neighbourhoods by reducing crime and anti-social behaviour and promoting social cohesion

- Work with partner organisations to reduce crime, hate crime and anti-social behaviour through the Community Safety Partnership
- Support the Fenland Diverse Communities Forum to deliver the Fenland-wide Community Cohesion Action Plan and project resourced by the Controlling Migration Fund (CMF)

Key projects for 2019/20

- Bid for Government 'High Street' grant and implement any resulting action plans
- Work with partners to deliver the property improvements and activity plan as part of the Heritage Lottery Funded Wisbech High Street enhancement project
- Lead on the delivery of the redevelopment of the 'High Risk' High Street properties of Numbers 24 and 11/12 High Street to improve the streetscape and economy of the Town Centre
- Work with partners to improve or replace our bus shelter facilities at Kings Dyke, Mount Pleasant Road, South Green and Broad Street
- Replace 300 street lights with LED luminaries to improve energy efficiency,

performance and public safety

- Undertake surface, drainage and lighting improvement works within Church Terrace Car Park to provide a safe and user-friendly town centre facility
- Work with the Town Council. Partners and the community to reduce anti-social behaviour within Furrowfield Car Park by improving lighting, signage and speed reducing features

Performance indicators for 2019/20

- Rapid or Village response requests actioned same or next day
- % of inspected streets meeting our cleansing standards
- % of collected household waste – Blue Bin recycling
- Customer satisfaction with Refuse and Recycling services
- Customer satisfaction with Garden Waste service
- Street Pride and Friends of community environmental events supported
- Local Businesses supported and treated fairly
- % of those asked who are satisfied with events
- % of those asked who are satisfied with open spaces

Economy



Attract new businesses, jobs and opportunities whilst supporting our existing businesses in Fenland

- Working with our partners, local businesses, and the Combined Authority to attract inward investment and establish new business opportunities
- Provide responsive business support to encourage business growth, improve job diversity, skills and increased grant applications to support jobs and economic growth
- Promote and develop our Business Premises at South Fens, The Boathouse and our Light Industrial Estates to encourage investment, job creation and skills diversification
- Run a proactive and effective Marine Service to meet statutory obligations and promote business opportunities for the River Nene environment

Promote and enable housing growth, economic growth and regeneration across Fenland

- Enable appropriate growth, development and infrastructure through the delivery of a proactive and effective Planning Service
- Identify sites and interventions the Council should make to deliver development
- Work with partners to further develop and help deliver a viable holistic regeneration and growth proposition of Wisbech Garden Town
- Use the Council's surplus property assets to provide new development opportunities to support and deliver sustainable economic and residential growth
- Identify and bid for external funding that aligns with and supports our housing, economic and growth objectives

Promote and lobby for infrastructure improvements across Fenland

- Promote sustainable transport (infrastructure and community) initiatives within Fenland including road, rail and concessionary travel to improve links to employment and access to services for the community
- Engage with the Combined Authority and Cambridgeshire County Council on the feasibility and delivery of major infrastructure projects across Fenland including road (Wisbech and March Access studies, A47 Economic Corridor and A605 Kings Dyke improvements) and rail (Rail Strategy, improvements to railway stations and the March to Wisbech link)
- Promote and influence how housing and infrastructure funding is used to stimulate housing development and economic growth in Fenland through working with the Combined Authority

Key projects for 2019/20

- Prepare four Market Town socio-economic masterplans (under the banner of Growing Fenland) by the summer of 2019
- Work with the Combined Authority to prepare bids to the CPCA as a direct result of the Growing Fenland masterplans. If successful, work with partners to deliver the

programme of interventions

- Commence review of our Local Plan to ensure the District can meet its Housing and Economic Growth targets and aspirations

Performance indicators for 2019/20

- % of major planning applications determined in 13 weeks
- % of minor applications determined in 8 weeks
- % of other applications determined in 8 weeks
- % occupancy of our Business Premises Estate
- % of customers satisfied with our Business Estates
- % occupancy of Wisbech Yacht Harbour

DRAFT

Quality Organisation



Our 'Quality Organisation' priorities are in place to support effective service delivery. They contribute to the strong foundations of the Council; making sure it runs smoothly day-to-day delivering our priorities.

Governance, Financial Control and Risk Management

- Maintain robust and effective financial standards, robust internal controls and effective management. Evidence this in our Annual Audit Letter, Risk Management Strategy, Budget and Medium Term Financial Strategy

Transformation and Efficiency

- Engage with the Combined Authority's Public Service Reform agenda
- Pursue transformation and commercialisation opportunities, including co-location of services, to support effective ways of working and deliver additional income or cost savings
- Deliver required savings (as outlined in our CLG Efficiency Plan and Comprehensive Spending Review) whilst remaining a stable and sustainable organisation

Performance Management

- Set challenging performance targets to ensure effective delivery of our Business Plan priorities
- Report regularly on service performance (both in-house and shared) to the Corporate Management Team, Councillors and the Public

Consultation and Engagement

- Appropriately consult with residents about Council services and proposals as outlined in our Consultation Strategy. Use feedback to improve service delivery

Excellent Customer Service

- We will maintain the Council's CSE accreditation to ensure we continue the most effective service to our communities, including through our Fenland @ your service shops and Community Hubs
- Help residents to access our services digitally and self-serve (as outlined in our Channel Shift strategy) to allow us to provide more support for vulnerable customers and complex queries

Equalities

- Meet our Public Sector Equality duty by delivering the requirements of the 2010 Equality Act and 1998 Human Rights Act through our core service delivery. Publish an Annual Equality Report to demonstrate how we do this.

Asset Management and Commercialisation

- Ensure our asset base is suitable, sustainable, fully utilised and maximises income opportunities and financial efficiencies
- Ensure the adopted Capital Programme is developed and delivered in line with our Corporate Asset Management Plan to maintain the integrity and safety of our assets
- Work jointly with public, private and third sector partners to improve access to our services and those provided from co-located facilities
- Develop and deliver a sustainable commercial investment strategy

Workforce Development

- We will ensure that our workforce are effective and that we equip them with the right skills to deliver Council priorities
- Support and empower staff to make effective decisions within a pleasant working environment

Enforcement

- Use a fair and proportionate approach to improve living, working and environmental standards

Health and Safety

- Maintain effective Health and Safety policies and systems to comply with relevant legislation and local requirements
- We will deliver all aspects of the Council's Health and Safety action plan to ensure the safety and wellbeing of the Council's workforce, partners and wider community
- We will ensure the health and wellbeing of our workforce by providing them with effective support mechanisms to ensure they deliver for our communities


Key projects for 2019/20

- Develop and launch a new website design to improve content and navigation
- Implement the PAS (Planning Advisory Service) review Action Plan
- Support District and Parish Council all out elections across the whole of Fenland, ensuring confidence in and the integrity of the election process

Performance indicators for 2019/20

- Customer queries resolved at first point of contact
- Customers satisfied by our service
- Contact Centre calls answered within 20 seconds
- Contact Centre calls handled
- Council Tax collected
- Council Tax net collection fund receipts
- Number of visits to the FDC website
- % of staff that feel proud to work for FDC

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Agenda Item No:	8	
Committee:	Cabinet	
Date:	13 December 2018	
Report Title:	Revised General Fund Budget and Capital Programme 2018/19; Draft General Fund Budget Estimates 2019/20 and Draft Medium Term Financial Strategy (MTFS) 2019/20 to 2023/24; Capital Programme 2019 - 2022	

Cover sheet:

1 Purpose / Summary

To consider and approve:

- the revised General Fund Budget and Capital Programme for 2018/19.
- the Draft General Fund Budget Estimates 2019/20 and the Draft Medium Term Financial Strategy 2019/20 to 2023/24 for consultation;
- Capital Programme 2019-2022

2 Key issues

- Core Funding (Revenue Support Grant and Business Rates) in 2019/20 is expected to reduce by 9.1%, continuing the policy of austerity adopted by government as part of the four year financial settlement adopted in 2016/17. **Consequently, until the details of the Finance Settlement have been received (due on 6th December 2018), the figures detailed in this report should be treated as being provisional.**
- In accordance with the current MTFS approved by Council in February 2018 Council Tax is factored to increase by 1.97% in 2019/20 and 1.98% over the medium term.
- Council Tax Referendum limits for 2019/20 have yet to be formally announced. It is expected that they will be the same as for this financial year (2018/19) which was set at an increase of 3% or £5 whichever is the higher.
- Nothing has been included in the 2019/20 budget estimates in relation to the bid by the authorities in the Combined Authority's area to become a pilot for 75% Business Rates Retention Pilot Scheme (for one year only). The outcome of the bidding process will be announced as part of the Finance Settlement in December 2018.
- Revised estimates for 2018/19 are presently projecting an under-spend of £139,000 at the end of the financial year.
- An updated Capital Programme for 2018/19 and for the medium term 2019-22 is proposed.
- The Fenland Comprehensive Spending Review is ongoing to deliver the projects to meet the approved savings over the period of the MTFS to 2019/20
- Given the scale of the challenges and uncertainties faced by the Council, the financial forecasts represent a significant achievement and demonstrates the focus from Members and Officers throughout the Council in delivering the required savings.

- The Council continues to focus on delivering quality services and to minimise the impact on front-line services.

3 Recommendations

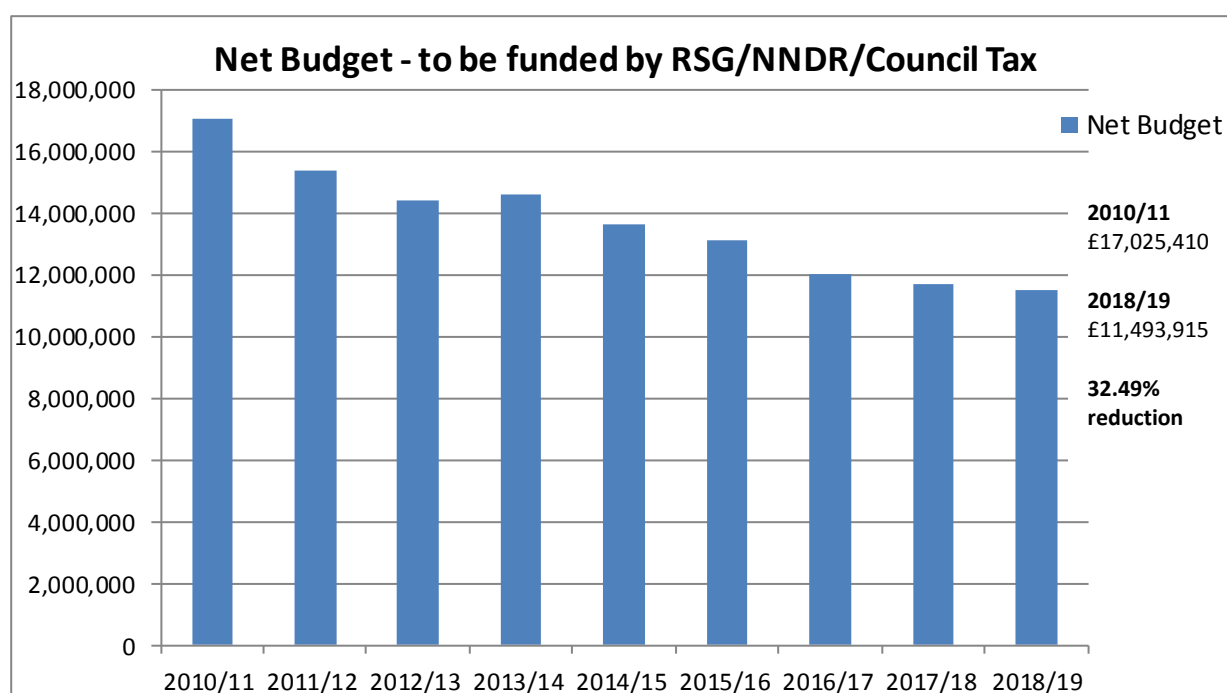
- It is recommended that :-
 - (i) the draft budget proposals for 2019/20 outlined in this report be approved for consultation;
 - (ii) the balance on the Pilots' National Pension Fund as detailed in paragraph 11.4 be transferred to a Local Plan Review Reserve;
 - (iii) the revised General Fund Budget and revised Capital Programme for 2018/19 be approved;
 - (iv) the proposed Capital Programme for 2019-2022 be approved.

Wards Affected	All
Portfolio Holder(s)	Cllr Chris Seaton, Leader Cllr Anne Hay, Portfolio Holder, Finance
Report Originator(s)	Kamal Mehta, Interim Corporate Director and Chief Finance Officer (S.151 Officer) Mark Saunders, Chief Accountant
Contact Officer(s)	Paul Medd, Chief Executive Kamal Mehta, Interim Corporate Director and Chief Finance Officer (S.151 Officer) Mark Saunders, Chief Accountant
Background Paper(s)	Provisional Finance settlement – Ministry for Housing, Communities and Local Government (MHCLG). Budget Statement 2018 (HM Treasury) Medium Term Financial Strategy working papers. Government announcements since February 2018.

Report:

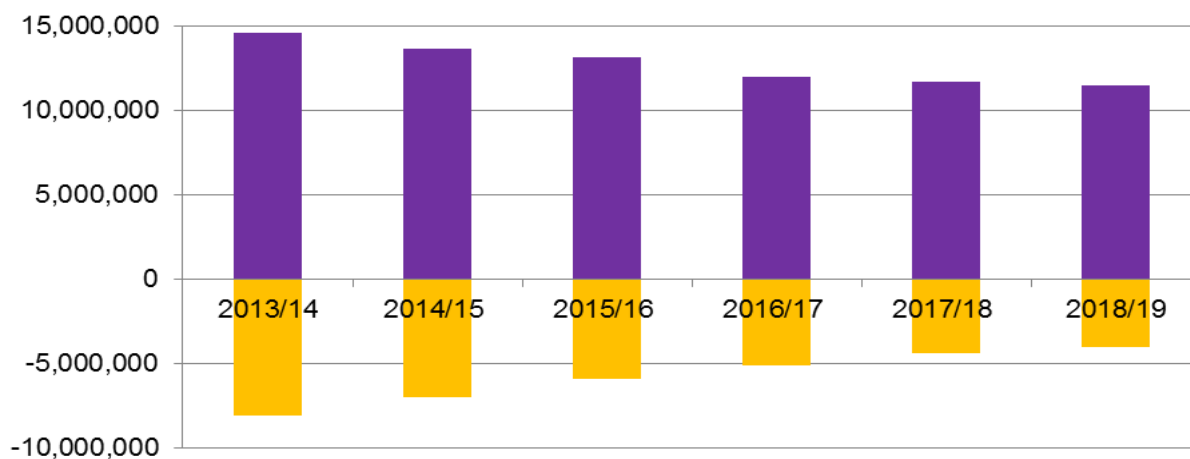
1 INTRODUCTION

- 1.1 This report sets out the financial implications of the council's priorities described in the draft Business Plan 2019/20. Revenue budget estimates are draft at this stage and along with the draft Business Plan will be subject to public and stakeholder consultation prior to final budget and council tax setting for 2019/20 in February 2019.
- 1.2 Much of the financial information provided is necessarily based on a number of assumptions which are wholly or partly influenced by external factors. Some of these factors, such as the final level of external grant support, the impact of the potential 75% Business Rates Pilot and the level of Government set fees, will not be known until later in the process and any amendments will be reported to Cabinet and Council at the February 2019 budget setting meeting.
- 1.3 Local Government has been at the forefront of the austerity measures introduced by the government to reduce the national deficit following the General Election in 2010. This Council has had to reduce its Net Budget significantly since 2010 and by the end of 2018/19 it will have reduced by 32.49%. This is exemplified in the graph below:

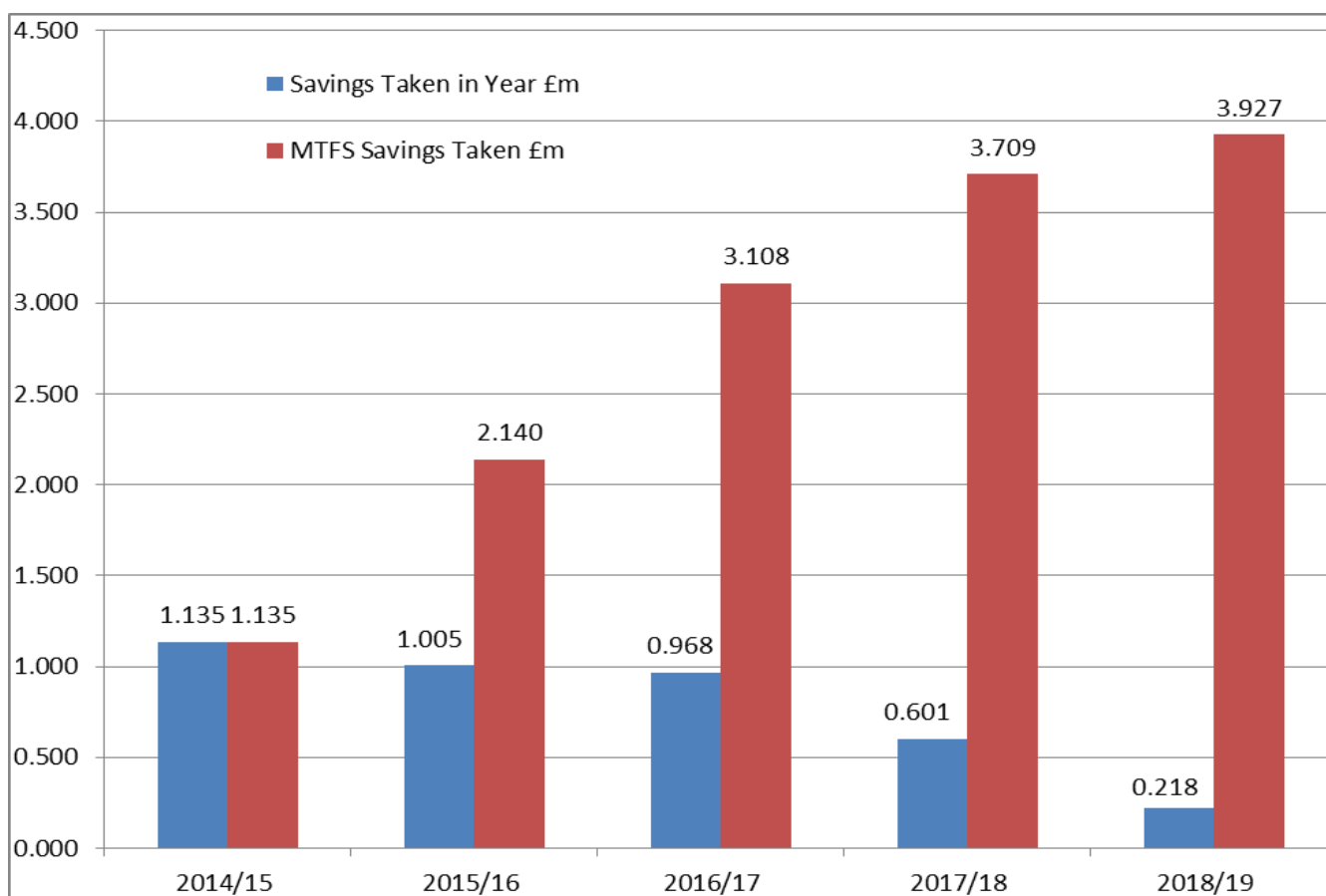


- 1.4 Since 2013/14 government support has reduced by around 50% and the Council's net budget by around 21% as illustrated in the following tables. In addition, Council Tax referendum principles have restricted increases in Council Tax.

	2013/14	2018/19	Reduction	%
Government Grant	£8,094,919	£4,004,727	£4,090,192	50.53
Net Budget	£14,604,750	£11,493,915	£3,110,835	21.30



1.5 The following graph illustrates how successful the Council has been in delivering savings over the last 5 years, enabling it to achieve balanced budgets each year.



During these years, Members have been very clear, that where possible, front line services should be protected. The Council's strategy of identifying savings 12 months in advance of the financial year has led to the successful delivery of the required savings targets and means the Council are in a good position to meet the challenges of 2019/20 and beyond. These savings have been achieved through a number of ways, such as Management and Service reviews, shared services, procurement and income generation.

2 CHANCELLOR'S BUDGET STATEMENT 2018

- 2.1 The Budget 2018 Statement on 29 October 2018 contained little which has a direct impact on this Council's revenue budget over the medium term. An additional £55 million was allocated for Disabled Facilities Grant to provide home aids and adaptations for disabled children and adults on low income. Details of how much has been allocated to Fenland is awaited. Various reliefs were announced for businesses and business premises with a rateable value below £51,000 will have their business rates bills cut by a third. This will benefit up to 90% of retail properties, for two years from April 2019. The initiative will reduce the amount of business rates income retained by the Council, however the government has stated that local authorities will be fully compensated.
- 2.2 There were no announcements on the proposed 75% Business Rates Retention system or the Fair Funding Review which are supposed to be in operation from 2020/21 financial year.
- 2.3 Any adjustments to the business rates retention system and any further reform to the New Homes Bonus for 2019/20 will be made at the time of the Provisional Local Government Finance Settlement scheduled for 6th December 2018.

3 LOCAL GOVERNMENT FINANCE SETTLEMENT

- 3.1 The Provisional Finance Settlement for 2019/20 is expected to be announced on 6 December 2018 (after this agenda has been despatched). Consequently, the figures included in this report are estimates based on the funding provisionally announced in the Final Settlement for 2018/19 (this financial year). It is therefore, conceivable that the figures announced in the Provisional Settlement are different from those detailed in this report. An update on any changes will be given to members at the meeting.
- 3.2 The estimated Settlement Funding Assessment for 2019/20 included in the draft budget is detailed below. This is consistent with the Council accepting the four year settlement which ends with the 2019/20 Settlement.

Table 1 – Settlement Funding Assessment (Core Funding) – Estimate prior to provisional settlement

	Actual 2018/19 £000	Estimate 2019/20 £000	2019/20 % Reduction
Revenue Support Grant (RSG)	444	0	
Business Rates Baseline Funding	3,561	3,640	
Settlement Funding Assessment	4,005	3,640	-9.1%

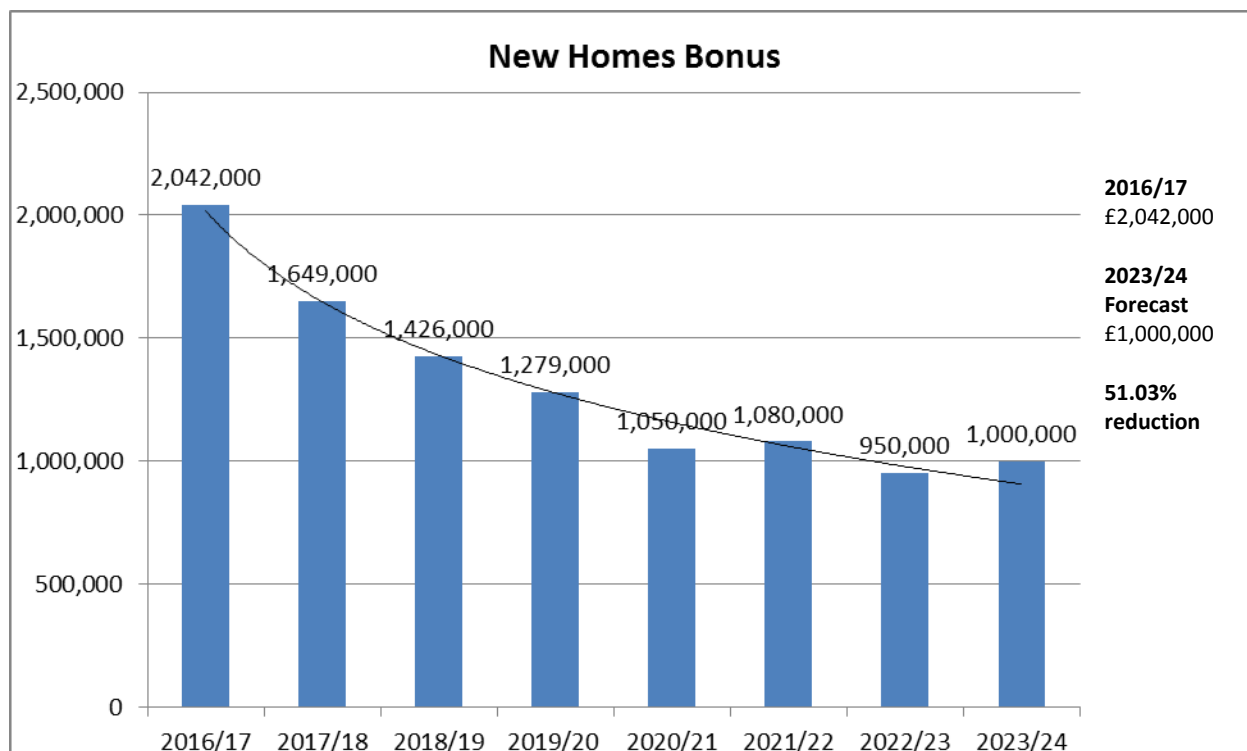
- 3.3 The provisional settlement for 2019/20 announced with the 2018/19 Final Settlement, will result in a nil RSG in 2019/20 with the Business Rates Baseline Funding increasing by CPI inflation for this Council. The Medium Term forecasts detailed in Appendix B exemplify this by reducing the overall Settlement Funding Assessment by 9.1% in 2019/20, with an inflationary increase of 2% in 2020/21 onwards.
- 3.4 The phasing out of RSG could be partly compensated by the expectation that local authorities will keep 75% of business rates income from 2020/21 (currently 50% - Fenland 40%, County Council 9% and Fire Authority 1%). However, this has not been modelled in the medium term forecasts, as there is no guarantee that additional resources will be forthcoming to District Councils from whatever distribution mechanism will be in place for business rates.

Fair Funding Review

- 3.6 The Government has previously confirmed that it is looking to implement the Fair Funding Review in April 2020. Working groups are developing proposals for the Fair Funding Review and MHCLG is preparing for a consultation paper which is due imminently. The outcome of this review and the reform of the Business Rates Retention System (75% from April 2020) will have a significant impact on the future allocation of resource and represents major risks to the Council's medium term forecasts.

4 NEW HOMES BONUS

- 4.1 In 2017/18, reforms to the allocation methodology of the New Homes Bonus were made which significantly reduced the total amount available for distribution which consequently reduced this Council's allocation.
- 4.2 The key focus of the reforms was to reduce the payments from 6 years to 5 years in 2017/18 and to 4 years from 2018/19. In addition, from 2017/18, a national baseline for housing growth of 0.4% was introduced, below which New Homes Bonus is not paid, reflecting a percentage of housing that would have been built anyway.
- 4.3 Following a consultation exercise earlier this year, there may be further changes to the allocation methodology in 2019/20 and future years as the government retains the option of making adjustments to the baseline in future years to reflect significant and unexpected housing growth. The government has also consulted on further changes which could significantly impact the amount received over the medium term.
- 4.4 Actual NHB received in 2018/19 is £1.426m and based on the current system, £1.279m has been included in the 2019/20 estimates. The graph below shows how the amount received from NHB has significantly changed over the past three years together with forecasts over the medium term.



- 4.5 Provisional New Homes Bonus allocations for 2019/20 will be announced as part of the Finance Settlement on 6th. December 2018. The allocations may change if any further reforms are implemented.

5 Business Rates

5.1 Members will be aware that the Business Rates Retention system was introduced in April 2013. Under this system, authorities would benefit if their actual Business Rates income collected in a year was higher than the baseline funding determined by government.

5.2 There has been real business rates growth in Fenland over the last five years, however how this impacts on the resources available to this Council is complex, due to the rules and the operation of the current 50% Business Rates Retention system.

75% Business Rates Retention Pilot – 2019/20

5.3 The Council has joined with the County Council, all other Districts within Cambridgeshire, Peterborough City Council and the Combined Authority to submit a bid to be a pilot in 2019/20 for the 75% Business Rates Retention Pilot Scheme. This is an initiative by the MHCLG as part of their preparations for the national scheme due to start in 2020/21.

5.4 The benefits of being a pilot area is that authorities will keep 75% of all business rates income (subject to the usual tariff arrangements which redistributes business rates nationally), and will not be subject to any levy on rates growth above the baseline. However, the authorities will lose all Revenue Support Grant and Rural Services Grant.

5.5 Depending on actual business rates received in 2019/20, the net effect of the pilot arrangement could be considerable for all of the Combined Authority area if the pilot is approved by the Government. This Council for example could receive up to £943k additional income according to the sharing methodology agreed between the partner authorities. **However, this figure is a best estimate based at this stage and consequently, no allowance for this has been made in the 2019/20 estimates.** It should be emphasised that any benefit from this pilot would be for one year only as the national 75% Business Rates Retention scheme is due to be implemented in 2020/21.

5.6 If the bid is successful (an announcement is expected to be made with the Provisional Finance Settlement on 6th December 2018) Members will receive a detailed report on the proposals at the February 2019 budget meeting for final agreement before submission to MHCLG. Cambridgeshire County Council has agreed to be the lead authority for the management and operation of the Pilot if approved.

75% BUSINESS RATES RETENTION – 2020/21 ONWARDS

5.7 It is expected that the 75% Business Rates Retention Scheme will be implemented nationally from April 2020. Further consultations on how the new scheme will operate are expected from MHCLG shortly.

5.8 The content and character of any new system and its effect on Fenland District Council are unknown at this stage and therefore no adjustments have been made to the business rates funding within the MTFs. Nationally, the implementation of this scheme is meant to be fiscally neutral.

5.9 At the time of writing, the Fair Funding Review, the introduction of 75% Business Rates Retention and the reforms to the New Homes Bonus are all major risk areas for this Council over the medium term.

6 FENLAND COMPREHENSIVE SPENDING REVIEW

6.1 The estimated total net savings generated from the FDC-CSR proposals agreed previously at £1.667m will now amount to £1.8m by the end of 2020/21 with £1.23m achieved by the end of 2018/19 with a further £0.421m in 2019/20. During this year several proposals have been implemented. These include the following:

- Staffing Review of Customer Services, Human Resources, Accountancy and Vehicle Workshop
- Leisure Centre management options (contract commences 4 December 2018)

- Leisure and Open Spaces Management Review
 - Community House closure
- 6.2 During 2019/20, further FDC-CSR proposals are due to be implemented. These include the following:
- Relocation of March and Wisbech Shops
 - CCTV – alternative service delivery
- 6.3 The savings generated from these and other CSR proposals are included within the Medium Term Financial Strategy detailed at Appendix B and have significantly contributed to the required savings target over the medium term. A progress update report on the FDC-CSR is to be considered by the Overview and Scrutiny Panel on 10th December 2018.

7 PROJECTED OUTTURN 2018/19

- 7.1 As part of the budget setting process for 2018/19, approved by Council on 22 February 2018, £0.218m of savings were required in order to achieve a balanced budget.
- 7.2 It is pleasing to report that the required savings for 2018/19 have been identified and implemented. In addition, all the required savings for 2019/20 have also been identified.
- 7.3 Organisational efficiency changes (e.g. Leisure and Open Spaces, Human Resources and Accountancy), the implementation of the new Leisure Centres management contract together with additional income have enabled the savings target to be met for this year with significant contributions towards the savings target for 2019/20.
- 7.4 This is a considerable achievement and demonstrates the focus from Cabinet and Officers in delivering a balanced budget. The savings identified to date have not significantly affected front-line services as the Council is determined to maintain the quality of these services during these difficult and challenging times.
- 7.5 The latest revised estimates for 2018/19 are set out at Appendix A and show the likelihood of an under-spend in the region of £139k by the end of this financial year. Additional income from the Garden Waste subscription service (-£47k) and Marine Services (-£61k); the contingency sum for an enhanced Economic Development service not required this year (-£43k); higher forecast income from Investments and VAT sharing arrangement (-£45k) has been off-set by lower anticipated Planning Fees (£52k) and other service variations (£5k).
- 7.6 In addition, following a reassessment of the appeals provision for Business Rates for 2018/19, the levy payment due to the government this year has reduced by £420k and together with additional S31 Grant due from the government for reimbursement of small business rate relief, the total retained business rates for 2018/19 is forecast to be around £500K higher than originally estimated. However, due to the timing of the impact on the Council's budget of an increased appeals provision (a change in this year will impact in next year), the estimated retained rates and collection fund deficit in 2019/20 are around £500k greater than previously forecast. Consequently, to smooth out the timing impact of these changes, £500k has been set-aside in reserves in 2018/19 with the same amount being utilised from reserves in 2019/20. This will ensure that over these two years the impact on the Council's bottom line is mitigated.
- 7.7 At the present time, Corporate Management Team, Senior Managers and the Accountancy Team are managing and monitoring the position carefully and will continue to review spending levels to ensure where possible, this position is maintained at the year end.

8 DRAFT BUDGET ESTIMATES 2019/20 AND MTFS

- 8.1 The Council's MTFS ensures that the commitments made in the Business Plan are funded not only in the year for which formal approval of the budget is required (2019/20) but for forecast years as well, within a reasonable level of tolerance.
- 8.2 The Council's medium term forecasts are shown at Appendix B and summarised in Table 2 below. The table also includes a 1.97% Council Tax increase in 2019/20 in line with the current MTFS and 1.98% per annum from 2020/21 onwards.

Table 2 - MTFS - 1.97% CT increase in 2019/20 and 1.98% increase in 2020/21 onwards

	2019/20	2020/21	2021/22	2022/23	2023/24
	£000	£000	£000	£000	£000
Expenditure					
Net Service Expenditure	13,765	14,079	14,435	14,787	15,135
Corporate Items	-1,423	-329	-369	-199	-249
Net Budget Requirement	12,342	13,750	14,066	14,588	14,886
Funding					
Revenue Support Grant	0	0	0	0	0
Retained Business Rates	-4,932	-5,028	-5,129	-5,231	-5,336
Business Rates Collection Fund Deficit	443	0	0	0	0
Council Tax Collection Fund Surplus	-50	-50	-50	-50	-50
Council Tax <i>(increases of 1.97% in 19/20 and 1.98% p.a 20/21 onwards)</i>	-7,803	-8,040	-8,282	-8,530	-8,785
Total Funding	-12,342	-13,118	-13,461	-13,811	-14,171
Surplus(-)/Shortfall(+)	0	+632	+605	+777	+715

- 8.3 Government grant figures for 2019/20 will be announced as part of the provisional finance settlement on 6th. December 2018. The projections for 2020/21 onwards are based on the best estimates and information available and are consistent with the announcements on business rates in the Budget Statement 2018. However, subject to further clarity on the detailed implementation of the announcements, there remains a degree of uncertainty in these projections.
- 8.4 The net budget requirement for 2019/20 is currently estimated at **£12.342m** after all identified savings and contingencies are included. This includes the assumptions detailed at Appendix C. With the provisional funding and the 1.97% increase in Council Tax a balanced budget is presented for 2019/20.
- 8.5 The forecasts include all proposed savings from the FDC-CSR process over the next three years together with assumptions regarding additional receipts from Council Tax and Business Rates.
- 8.6 Contingencies have been included to allow for the impact on future Employer Pension Costs resulting from the externalisation of the Leisure Centres Management (£75k p.a. from 2020/21) and for borrowing costs associated with future high priority capital schemes (£85k p.a. from 2020/21).
- 8.7 Taking into account the proposals in the Table 2 above, the estimated net budget requirement in 2019/20 is detailed in Appendix A. The level of forecast resources available to the Council and the estimated levels of expenditure over the medium term are set out in detail in Appendix B. These show a funding gap of £715k by the end of 2023/24.

- 8.8 The forecasts for the years 2020/21 – 2023/24 are provisional at this stage and should be considered with extreme caution. The Provisional Finance Settlement announcements regarding local government funding are imminent and therefore, the figures could be different to those included in the forecast. Future announcements and consultation outcomes will also determine government policy and therefore the funding in the future years. In addition, the forecasts are dependent on permanently maintaining the savings identified through the FDC-CSR proposals.
- 8.9 Based on the forecasts which have been arrived at on the basis of best estimates and known and available information currently, further savings will be required over the medium term through an approach of similar character and reach to the FDC-CSR which is to be delivered by the end of 2019/20.

9 FEES AND CHARGES

- 9.1 The Overview and Scrutiny Panel will consider all fees and charges for 2019/20 at its meeting on 14 January 2019 and recommend the Schedule of Fees and Charges to Cabinet at its meeting on 17 January 2019.

10 COUNCIL TAX – 2019/20

- 10.1 As part of the 2019/20 Provisional Local Government Finance Settlement announcement in December 2018, the government is expected to again propose that local authorities will be required to seek the approval of their local electorate in a referendum if they set council tax increases in 2019/20 that exceed the government set limit. This limit is expected to be set at 3% or greater than £5, whichever is higher for 2019/20 for District Councils
- 10.2 The referendum limit for 2019/20 at 3% is 1% higher than allowed for in the MTFS. For the purposes of this report, the figures in Table 2 above and Appendices A and B do not include the impact of this higher limit.
- 10.3 An additional 1% increase in Council Tax in 2019/20 would generate in the region of £77,000 of revenue per annum to the Council. Even with this additional revenue included, the estimates for future years show a significant and increasing shortfall (see Table 2 in paragraph 8.2 above and Appendix B).
- 10.4 After the estimates of expenditure and income have been prepared, and the Final Settlement has been received, the next step is to set the council tax for 2019/20 for Fenland District Council. This is the final piece of the “jigsaw” that identifies the balance of the total resources required to fund the Council’s services.
- 10.5 When considering the level of Council Tax to be set for 2019/20 it is not only important and critical but essential to give full and due regard and consideration to the projected budget shortfalls over the medium term – 2019/20 to 2023/24 as set out in Table 2 in paragraph 8.2 above. In order to meet the objectives and guidelines set out in the MTFS and based on the assumptions shown at Appendix B, the following council tax increases have been factored in to the calculations in line with the current policy :

YEAR	INCREASE FOR MTFS PURPOSES
• 2019/20	1.97%
• 2020/21 – 2023/24	1.98% per annum

The assumed increase for 2019/20 in the MTFS approved in February 2018 is at 1.98%. However, due to the way that the absolute monetary amount of council tax is calculated at Band D, which is to make it divisible by the 9 so that all the other bands also calculate exactly to the penny, the percentage increase to apply to achieve this is 1.97%.

- 10.6 It is expected that these increases together with the achievement of the identified efficiency savings, would provide the resources required to fund the current level of

service provision in 2019/20. However, over the period of the MTFS, the Council will need to consider its strategy to meet the estimated shortfalls shown at Table 2 and in Appendix B.

- 10.7 The Corporate Director and Chief finance Officer advises that the Council should consider carefully the implications of a Council Tax increase less than 1.97% in 2019/20 if it was minded to do that, in the light of the already stated uncertainties in future funding from 2020/21 and the spending pressures. The forecasts, even with the assumed increases in the Council Tax in paragraph 10.5 above show budget deficits which by 2023/24 amount in total to £715k that will need to be managed out to set balanced budgets over the period of the MTFS. The implication of a lesser increase is that the Council would be reducing its financial base permanently as it would not be able to recover potential revenue foregone due to the cumulative year on year impact. Council is also advised that the government recognised in 2017/18 that district council budgets were under significant pressure due to the ongoing impact of the austerity measures and in response changed the council tax raising limit in the referendum rules by introducing a monetary amount of £5 in addition to the then 2% limit whichever was the higher. In 2018/19 it raised the 2% limit to 3%. Effectively, the government loosened the rules on increases in council tax to relieve the pressure on district council budgets.

Council can of course agree to a higher increase (up to the referendum limit of 3%) and a 1% rise in Council Tax raises around £77,000 revenue per annum. This being so, with the 1.97% increase as per the MTFS figures in Table 2 / Appendix B the council will be foregoing its ability to raise an additional £77,000 on an ongoing basis.

Table 3 shows the implications of increasing the Council Tax in 2019/20 by 1.97% and 1.98% per annum thereafter compared to freezing the Council Tax in 2019/20 and increasing it at 1.98% per annum thereafter.

Table 3: MTFS Deficits at Differing Council Tax increases in 2019/20

Deficits based on different % increases	2019/20	2020/21	2021/22	2022/23	2023/24
	£'000	£'000	£'000	£'000	£'000
Deficits at 1.97% increase <i>(as shown in Table 2/Appendix B)</i>	0	+632	+605	+777	+715
Deficits at 0% increase	+151	+787	+765	+942	+885

- 10.8 The Council's Band D Council Tax for 2019/20 at the 1.97% increase would be £265.59, an increase of £5.13 per Band D property on the current year. However, for the majority of properties in the district (84%) the increase will be proportionately less (although the percentage increase will be the same). Table 4 below shows the proposed Council Tax levels for each property band and the relevant increase at the 1.97% increase.

Table 4: Proposed FDC Council Tax levels 2019/20 (1.97% increase) by Property Band

Property Band	Proportion to Band D	% of Properties	Current 2018/19 Council Tax £	Proposed 2019/20 Council Tax 1.97% increase £	Increase per annum £	Increase per week pence
A	6/9	37.38	173.64	177.06	3.42	6.6p
B	7/9	27.19	202.58	206.57	3.99	7.7p
C	8/9	19.04	231.52	236.08	4.56	8.8p
D	9/9	9.96	260.46	265.59	5.13	9.9p
E	11/9	4.76	318.34	324.61	6.27	12.1p
F	13/9	1.29	376.22	383.63	7.41	14.3p
G	15/9	0.35	434.10	442.65	8.55	16.4p
H	18/9	0.03	520.92	531.18	10.26	19.7p

11 REVIEW OF GENERAL FUND BALANCE AND EARMARKED RESERVES

- 11.1 An important part of any budget strategy is the review and consideration of reserves. Earmarked Reserves are typically held and used in a planned way to deal with issues where it is foreseen that resources need to be set aside to meet a specific need but the exact amount and timing is not known. General Reserves are held to cushion the impact of an event or events that cannot be foreseen whilst maintaining these resources at a consistent and reasonable level over the medium term.
- 11.2 Sufficient levels of reserves are necessary to provide for various contingent and unplanned items that could include:-
- significant increased costs of providing statutory services
 - significant increased contractual costs
 - an unexpected and/or significant event or disaster, e.g. civil emergency
 - an unexpected major liability in law
 - the need to make significant payments in relation to prior year adjustments under the direction of the external auditor
- 11.3 The Council's current forecast uncommitted General Fund Balance at 31 March 2019 is £2.422m and has been consistently maintained around this level for a number of years. It is expected that this level of Balance will be maintained over the length of the MTFS in light of the future uncertainties and risks in respect of future funding for local government and particularly District Councils highlighted in this report.
- 11.4 Following the repayment of the Council's liability to the Pilots' National Pension Fund (PNPF) earlier this year, there currently remains a balance of £451k in the PNPF reserve. As this is no longer required for this purpose, it is proposed that this balance be transferred to a Local Plan Review Reserve to fund the review of the Local Plan scheduled to commence in 2019/20. The estimated cost of the Local Plan Review is £600k over the period 2019/20 to 2021/22. Therefore, to ensure that the reserve is built up to the required level to fund this significant requirement any surplus at outturn in 2018/19 will also be used for this purpose.

12 CAPITAL PROGRAMME

- 12.1 Capital Expenditure and Income plans have been prepared through the Council's service and financial planning cycle. The Council's capital resources are dependent on government funding, external grants or through the ongoing disposal of assets.
- 12.2 A fully updated Capital Programme for 2018-22 is presented at Appendix D for approval. The programme has been updated to ensure it adequately reflects the cost and anticipated timing of schemes previously approved. Additionally, the profiling of income due to be received from disposal of assets has been updated. The total capital receipts expected over the period covered by the programme is unchanged at £836K.
- 12.3 During the year several new schemes have been incorporated into the capital programme for 2018/19. Of these, three relate to the replacement or enhancement of recreation facilities. These schemes are predominantly funded from S106 monies held by the Council. Earlier this year the Council received notice from its supplier that the existing printing devices used by Council Officers and Members could no longer be supported under the current maintenance agreement. Following an evaluation the replacement devices have been purchased and funded from capital resources. Due to lower usage costs these devices will deliver revenue savings to the Council over their useful life. Provision has also been made in this financial year for the cost of undertaking reversion works to the premises the Council leases in March to operate the One Stop Shop facility. As noted above, Officers are taking forward a project to relocate services currently

provided from the Wisbech and March One Stop Shops in line with FDC-CSR proposals. Capital Expenditure will be required in both 2018/19 and 2019/20 to complete this project.

- 12.4 The Asset Management Plan has been revisited and this has identified a small number of areas where additional investment is now required in future financial years. Council approved the acquisition of new audio visual equipment for the Council Chamber at its meeting on 15 November 2018 and the programme has been updated to reflect the estimated cost. Funds have also been allocated to undertake essential health and safety works to Fenland Hall, as identified in an updated condition survey. Further condition surveys and inspections will be undertaken between now and February 2019 to determine if any further updates to the Asset Management Plan are necessary. The impact of these will be reflected in the final capital programme to be approved in February 2019.
- 12.5 From 4th December 2018 the Council entered into a fifteen-year contract for the management and operation of the Council's leisure centres. As part of that contract, Freedom Leisure agreed to undertake a significant investment programme in the Hudson leisure centre buildings in the early years of the contract and to replace leisure equipment, as necessary, over the life of the contract. The cost of this investment and replacement programme is reflected in the fees payable to the Council by Freedom over the life of the contract. The Council's agreement with Freedom means that the Council will incur capital expenditure as and when investment works are undertaken and when replacement equipment is purchased. Over the life of the four-year capital programme set out in Appendix D, investment in improved facilities is estimated to be £973k and replacement equipment is expected to cost £745k.
- 12.6 Should resources from external funding and/or capital receipts not generate the level of receipts forecast, or there is a delay in disposal of assets, then the capital programme will need re-visiting to ensure funding is sufficient to meet proposed expenditure including through borrowing. Reviews of the programme and resources available are carried out regularly during the year.
- 12.7 Alternative methods of funding the capital programme, such as prudential borrowing, will require consideration. These methods, however, will incur additional annual revenue costs on the Council which will need consideration in the context of the Council's forecast financial position. For the purposes of this report, it is considered prudent for a contingency sum of £85k per annum from 2020/21 to be included in the MTFS as the revenue impact of funding any additional capital schemes.

13 Risk Assessment

- 13.1 There is an element of risk inherent in any process that looks into the future to make forecasts, particularly in the current economic climate. The Council has a strong track record in good financial management as recognised in the recent Annual Audit Letter. This risk is further minimised by adopting the following methodology when preparing the draft estimates:-
- Service managers and the Accountancy Team working together to define likely service income/expenditure patterns matched with service delivery plans
 - Maintaining "earmarked" reserves for expenditure that it is known will occur but the exact amount and timing of the expenditure is not known
 - Maintaining an adequate level of general reserves to meet sudden and or unforeseen expenditure,
 - Adopting clear guidelines and control systems (robust revenue and capital budget management and monitoring procedures, Financial Regulations and Contract Procedure Rules etc.) to alert service managers, and members before variances reach tolerance levels,

- Using professional and expert advice and economic forecasts where these are available, e.g. treasury management, interest rates,
- Maintaining a rolling review of forecast estimates beyond the current year.

13.2 These assumptions are made with all available information but are necessarily calculated based on broad assumptions. In the current economic climate, some of these assumptions are particularly volatile. The MTFS will be prepared annually on a rolling basis so that as information becomes more certain the figures will be updated and early consideration can be given to any action or changes in direction that may be required.

FENLAND DISTRICT COUNCIL

Summary of Revenue Estimates

	Approved Estimate 2018/19 £	Revised Estimate 2018/19 £	Estimate 2019/20 £
Service Summary			
Growth & Infrastructure	1,352,835	1,563,495	1,267,960
Housing, Environment, Leisure & Community	4,407,360	4,395,640	4,218,834
Resources & Customer Services	6,030,610	6,123,340	6,386,320
Planning, Policy & Governance	1,681,310	1,703,960	1,889,020
NET COST OF GENERAL FUND SERVICES	13,472,115	13,786,435	13,762,134
Corporate Items			
Contributions to/ (from) Earmarked Reserves	-13,360	250,450	-602,380
RTB/VAT Sharing Income	-60,000	-90,000	-40,000
Financing Charges - <i>Interest/Minimum Revenue Provision</i>	866,415	659,158	795,818
Investment Income	-140,000	-155,000	-180,000
New Homes Bonus	-1,426,180	-1,426,180	-1,279,000
Council tax Support - <i>Payments to Parish Councils</i>	30,000	29,750	0
Corporate Adjustments	-743,125	-731,822	-1,305,562
Net Expenditure before further CSR savings	12,728,990	13,054,613	12,456,572
<i>CSR Savings identified not yet implemented</i>			-115,000
Net Expenditure after further CSR Savings	12,728,990	13,054,613	12,341,572
Contribution from General Fund Balance	-72,891	0	0
NET EXPENDITURE after use of balances/reserves	12,656,099	13,054,613	12,341,572
Core Funding			
Revenue Support Grant	-443,802	-443,802	0
Business Rates Baseline Funding	-3,560,925	-3,560,925	-3,639,904
Business Rates - net additional income above baseline <i>(government grants for reimbursement of reliefs, growth less levy payment)</i>	-1,162,184	-1,699,698	-1,291,626
Council Tax Collection Fund Surplus(-)	-110,000	-110,000	-50,000
Business Rates Collection Fund Deficit(+)	168,682	168,682	442,988
Council Tax	-7,547,870	-7,547,870	-7,803,030
Surplus(-)/Shortfall(+)	0	-139,000	0

APPENDIX B

Medium Term Financial Strategy

	Projected 2018/19 £000	Estimate 2019/20 £000	Forecast 2020/21 £000	Forecast 2021/22 £000	Forecast 2022/23 £000	Forecast 2023/24 £000
Expenditure						
Service Expenditure						
Gross Service Expenditure	24,700	22,296	22,045	22,477	22,908	23,486
Fees and Charges	-7,335	-6,021	-6,095	-6,178	-6,266	-6,351
Grants and Contributions	-2,732	-1,645	-988	-961	-932	-917
Recycling Credits	-847	-865	-883	-903	-923	-943
Total Net Service Expenditure	13,786	13,765	14,079	14,435	14,787	15,275
Corporate Items						
Corporate Expenditure/Savings						
Council Tax Support Grant - Parish Councils	30	0	0	0	0	0
Financing Charges - Interest on External Borrowing	507	502	502	502	502	502
Financing Charges - Current Capital Programme - MRP	152	250	250	250	250	250
Financing Costs - Leisure Contract Capital Schemes		41	268	268	268	268
Savings from Prepayment of Pension Lump Sum			-35	-35	-35	-35
A14 Upgrade - contribution			32	32	32	32
CSR Savings identified but not yet implemented		-115	-266	-266	-266	-266
Contingencies						
Financing Costs - Capital Programme New Schemes			85	85	85	85
Triennial Pension Fund Valuation			75	75	75	75
	689	678	911	911	911	911
Corporate Income Items						
RTB/VAT Sharing Income	-90	-40	-40	-40	-10	-10
Investment Income	-155	-180	-200	-210	-200	-200
New Homes Bonus	-1,426	-1,279	-1,050	-1,080	-950	-1,000
Contribution to(+)/from(-) Earmarked Reserves	250	-602	50	50	50	-90
	-1,421	-2,101	-1,240	-1,280	-1,110	-1,300
Total Corporate Items	-732	-1,423	-329	-369	-199	-389
Gross Service/Corporate Expenditure	25,389	22,974	22,956	23,388	23,819	24,397
Gross Service/Corporate Income	-12,335	-10,632	-9,206	-9,322	-9,231	-9,511
Net Budget Requirement	13,054	12,342	13,750	14,066	14,588	14,886
Funding - RSG/NNDR/CT						
Revenue Support Grant	-444	0	0	0	0	0
Retained Business Rates	-5,260	-4,932	-5,028	-5,129	-5,231	-5,336
Business Rates Collection Fund Deficit	169	443	0	0	0	0
Council Tax Collection Fund Surplus	-110	-50	-50	-50	-50	-50
Council Tax (<i>increases of 1.97% in 19/20 and 1.98% p.a 20/21 onwards</i>)	-7,548	-7,803	-8,040	-8,282	-8,530	-8,785
Total Funding - RSG/NNDR/CT	-13,193	-12,342	-13,118	-13,461	-13,811	-14,171
Surplus(-)/Shortfall(+)	-139	0	+632	+605	+777	+715

Summary						
Total Gross Expenditure	25,389	22,974	22,956	23,388	23,819	24,397
Funded by:						
Fees and Charges	-7,335	-6,021	-6,095	-6,178	-6,266	-6,351
Grants and Contributions	-2,732	-1,645	-988	-961	-932	-917
Recycling Credits	-847	-865	-883	-903	-923	-943
New Homes Bonus	-1,426	-1,279	-1,050	-1,080	-950	-1,000
Other - Investment Income, VAT/RTB, Reserves	5	-822	-190	-200	-160	-300
Revenue Support Grant	-444	0	0	0	0	0
Retained Business Rates	-5,091	-4,489	-5,028	-5,129	-5,231	-5,336
Council Tax	-7,658	-7,853	-8,090	-8,332	-8,580	-8,835
Total Funding	-25,528	-22,974	-22,324	-22,783	-23,042	-23,682
Surplus(-)/Shortfall(+)	-139	0	+632	+605	+777	+715

Assumptions built into Budget and Medium Term Financial Strategy (MTFS)

Within the forecasts are a number of assumptions which are necessary to produce the overall budget strategy. However, there is an element of risk associated with this process although the aim is to mitigate these risks as detailed in section 13 of the main report.

The main assumptions are as follows:

- 1.97% Council Tax increase for 2019/20 and 1.98% p.a. thereafter;
- 1.38% increase in Council Tax base in 2019/20 and 1.00% thereafter;
- 2% pay award per annum for 2019/20 and thereafter;
- Allowance for pay increments;
- Continuing impact of increases to the National Living Wage from April 2018;
- Forecast increase in Employer's Pension Contributions (as determined by the latest triennial valuation of the Cambridgeshire Pension Fund in 2016). The current years' contribution takes the form of a percentage of pay (17.4%) together with a lump sum payment of £825,000. For 2019/20, the percentage of pay remains at 17.4% with the lump sum payments increasing to £865,000. For 2020/21 onwards, following the next triennial valuation, a further 0.4% increase in the percentage paid has been assumed;
- Inclusion of the Apprenticeship Levy at an annual cost of around £34,000;
- Inclusion of a vacancy factor in 2019/20, equivalent to a reduction in staff costs of 0.75% (£86,000 in 2019/20);
- 0% general inflation for the period of the MTFS;
- Specific allowance for inflation for business rates, external contracts, energy and water, drainage board levies;
- Investment interest rates to stay at current rates until second quarter of 2019 when market rates are forecast to begin rising slowly;
- Continuing impact of 2018/19 in year income pressures;
- Assumptions regarding forecast income levels from fees and charges have been included. These are a combination of fee increases (where applicable) and review of activity levels;
- The New Homes Bonus for 2019/20 onwards has been included as detailed in paragraph 4.4 of the report;

CAPITAL PROGRAMME AND FUNDING 2018- 2022

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000
CURRENT FORECAST EXPENDITURE	3,687	5,739	1,473	1,415
FORECAST RESOURCES AVAILABLE				
Capital Grants	1,123	1,003	950	950
Usable Capital Receipts - In Year	144	467	225	0
Usable Capital Receipts - B/fwd	6	0	0	0
Reserves used in year to fund Capital	1,297	112	0	0
Section 106's and Other Contributions	314	0	0	0
Borrowing (Internal and Prudential)	803	4,157	298	465
Total Forecast Resources	3,687	5,739	1,473	1,415

CAPITAL PROGRAMME SUMMARY 2018 - 2022

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
Leisure Centres								
Essential Building Safety Improvements	24				24	24		
Condition Survey Improvements	150	32			182	182		£182K R&M Reserve
Hudson Leisure Centre Improvements		973			973	973		New Scheme
Leisure Equipment		745			745	745		
Regeneration Programmes								
Fenland Renaissance and Place Shaping	30				30	30		
Heritage Lottery Fund - Match Funding bid	50	100			150	150		
Heritage Lottery Fund - 24 High Street, Wisbech	140	30			170	170		£50K Conservation Reserve
Heritage Lottery Fund - Acquisition of 11-12 High Street	150				150	150		
Cemeteries								
Rebuild Front Wall - Manea Churchyard		15			15	15		
Rebuild Front Wall - St Mary's Churchyard, Whittlesey	5	20			25	25		New Scheme
Remedial Works in Closed Cemeteries		25	25	25	75	75		New Scheme
Parks and Open Spaces								
West End Park, March - Replace Skate Ramps		120			120	90	30	Bid for grant funding to be submitted
Manea Multi-Use Games Area	23				23		23	S106 Funded Scheme
WisbechTown Park - Relocate Zip Wire and Install Multi Play Module	23	40			63	43	20	S106 Funded Scheme
Wisbech Jasmine Close Park	14				14		14	S106 Funded Scheme
Wisbech Skate Park, Bath Road	75				75	10	65	£30K External Contribution, £35K S106
Water Tower Park, Whittlesey	57				57	5	52	£47K Grant Funding, £5K Town Council
Refrubish Wall, The Pound, Whittlsey		20						New Scheme
Car Parks								
City Road, March - Surfacing, Landscaping and Drainage	300				300	300		
Church Terrace, Wisbech - Surfacing, Landscaping and Drainage		220			220	220		
Church Lane, Chatteris			33		33	33		New Scheme
Highways								
Street Light Improvements - FDC (Cat 1)	44				44	44		
Street Light Improvements - FDC (Cat 2)		356			356	356		£47K Invest to Save Reserve
Street Light Improvements - Rechargeable Works	100				100		100	Fully re-charged to Clarion
Street Light Improvements - Parishes (Cat 1)	60				60	60		£60K Capital Reserve
Street Light Improvements - Parishes (Contribution to Cat 2 Replacements)	50	54			104	104		£104K Capital Reserve
Street Name Plates/District Facilities Signage	9		50		59	59		
Sub-Total	1,304	2,750	108	25	4,167	3,863	304	

CAPITAL PROGRAMME SUMMARY 2018 - 2022

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
B/FWD	1,304	2,750	108	25	4,167	3,863	304	
Office Accommodation								
AV Equipment in Council Chamber		40			40	40		New Scheme
Fenland Hall - Passenger Lift Replacement	39				39	39		
The Base CCTV	15				15	15		
Fenland Hall - Repairs and Renewal Works		130			130	130		
Reversion Works at March and Wisbech One Stop Shops	30	150			180	180		£150K Management of Change Reserve New Scheme
Port								
Mooring & Fuelling Facilities, Sutton Bridge	130				130	130		
Suspended Quay -Structural Repairs/Fender Piles	35	190			225	225		
Boat/Vessels - Replacement Deck, Hull and Engines	42	30	30	30	132	132		
Replacement and Renewal of Naviagtion Aids	53				53	53		
Nene Parade Surface Water Pumping Station		50			50	50		New Scheme
Replacement of Expansion Joints		50			50	50		New Scheme
Vehicles and Plant								
Vehicles	497	677	160	160	1,494	1,494		
ICT System Replacement Programme & Upgrades								
Replacement & Upgrade Programme	121	75	75	75	346	346		
Replacement of Multi-Functional Devices	64				64	64		New Scheme
Improvement of Assets								
Sewage Treatment Works Refurbishment	50	242	150	150	592	592		
Energy Plan - Invest to Save Projects	7				7	7		
Eastwood Chatteris Car Park Improvements		75			75	75		
Lattersely Nature Reserve - Capping Layer		40			40	40		
March SWMP - Eastwood Cemetery Flood Prevention		80			80	80		
Birch Fen Silt Removal and Outfall Maintenance				25	25	25		New Scheme
Community Safety								
Control, Recording and Matrix Replament to Analogue		110			110	110		
Camera Replacements		20			20	20		£20K CCTV Reserve
Sub -Total	2,387	4,709	523	465	8,064	7,760	304	

CAPITAL PROGRAMME SUMMARY 2018 - 2022

	2018/19 £000	2019/20 £000	2020/21 £000	2021/22 £000	Total Cost £000	FDC Funding £000	External Funding £000	External Funders and FDC Reserves/S106
B/FWD	2,387	4,709	523	465	8,064	7,760	304	
Community Fund								
March Athletics Club	8				8	8		
Estover Playing Field Sports Provision, March	100				100	100		£100k Management of Change Reserve
Rural Community Fund								
Coates Athletic Football Club - Changing Facilities	14				14	14		
Friday Bridge Play/Skate Park & MUGA	98				98	77	21	£21K S106 Monies
Economic Estates								
Longhill, March - Drainage Works		40			40	40		
Staton Road, Whittlesey - Carriageway Resurfacing		40			40	40		£12K Station Reserve
Private Sector Housing Support								
Private Sector Renewal Grants	44	40	40	40	164		164	£164k Govt Grant
Disabled Facilities Grants	1,036	910	910	910	3,766		3,766	£3.766m Govt Grant
Total - Approved Programme	3,687	5,739	1,473	1,415	12,294	8,039	4,255	

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DRAFT 6 MONTH CABINET FORWARD PLAN – Updated 30 November 2018



(For any queries, please refer to the published forward plan)

CABINET

CABINET DATE	ITEMS	LEAD PORTFOLIO HOLDER
17 Jan 2019	1. Fees and Charges 2. RIPA Policy 3. Local Plan Review & Local Development Scheme 2019 4. Comprehensive Spending Review – CCTV Delivery 5. Cabinet Draft Forward Plan	Cllr Seaton Cllr Mrs Hay Cllr Mrs Laws Cllr Oliver Cllr Seaton
21 Feb 2019	1. Business Plan 2. Corporate Budget 2019/20 and Mid Term Financial Strategy 3. Cambridgeshire Adaptations & Repairs Policy 4. Cabinet Draft Forward Plan	Cllr Seaton Cllr Mrs Hay Cllr Cornwell Cllr Seaton
21 Mar 2019	1. Cabinet Draft Forward Plan	Cllr Seaton
18 Apr 2019	2. Cabinet Draft Forward Plan	Cllr Seaton
23 May 2019	1. Treasury Management Annual Report 2018/19 2. Annual Report 2018/2019 3. Financial Outturn report 2018/2019 4. Growing Fenland Report 5. Cabinet Draft Forward Plan	Cllr Mrs Hay Cllr Seaton Cllr Mrs Hay Cllr Seaton Cllr Seaton

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