KEY DECISION NOTICE

SERVICE AREA:	**FINANCE** Exchequer Services
SUBJECT MATTER:	**COUNCIL TAX SUPPORT SCHEME**
DECISION:	It is DETERMINED that the Council: 1) continues the scheme introduced in 2013/14 and for clarity adopts the council tax reduction scheme for 2014/15 set out in **Appendix 2;** 2) approves a £10,000 hardship fund be in place in order to assist in cases of severe hardship caused by the scheme to be funded from the Tameside Support for Independent Living (TSIL) fund.
DECISION TAKER(S):	Councillor Jim Fitzpatrick
DESIGNATION OF DECISION TAKER(S):	First Deputy (Finance and Performance)
DATE OF DECISION:	30 January 2014
REASON FOR DECISION:	The Council must adopt a Council Tax Support scheme no later than 31 January before the start of the financial year to which the scheme applies in accordance with the Local Government Finance Act 2012.
ALTERNATIVE OPTIONS REJECTED (if any):	The Council could decide not set a scheme and the default scheme would apply in accordance with the Local Government Finance Act 2012. However, this would have significant financial impact on the Council. Costs associated with the default scheme were estimated to be in excess of £3.2m in 2013/14, and this may increase in 2014/15 depending on demand and the amount of council tax support applied. The Council could also decide to set an alternative scheme however to do so without rationale and evidence from the operation of the current scheme in the timescales required would carry significant risk.
CONSULTEES:	Internal only and precepting bodies
FINANCIAL IMPLICATIONS: (Authorised by Borough Treasurer)	As the cost of the Council Tax Support scheme is difficult to predict, a number of prudent assumptions around demand, inflation and collection rates have been included in the current cost estimate. The scheme was originally designed to meet the estimated cost envelope, and revenue monitoring will keep this under continual review. Any adverse variations on these assumptions will be an additional pressure on the Council. The cost of the scheme cannot be compared to funding as the Council Tax Support funding from Central Government is no longer separately identifiable in the Local Government Finance Settlement.
LEGAL IMPLICATIONS: (Authorised by Borough	The Council is obliged to have a council tax reduction scheme. If no scheme was adopted by 31 January 2013 the default scheme would apply. Reductions in government funding

Solicitor)	meant that this would have cost an estimated £3.2million or more funding that central government no longer provides. The scheme is required to be a technical document as this determines a person's legal entitlement to a reduction in their council tax bill. The Council is under a statutory duty to consider the impact of the scheme on equality groups and it is recommended that the decision maker carefully read the sections of the report, which deal with equalities as well as the equality impact assessment itself.
CONFLICT OF INTEREST:	None
DISPENSATION GRANTED BY STANDARDS COMMITTEE ATTACHED:	Not Applicable
ACCESS TO INFORMATION:	The background papers used in the preparation of this report and can be inspected by contacting Ilys Cookson Assistant Executive Director (Exchequer Services) on 0161-342-4056

Signed.....**Date: 30 January 2014**

Councillor Jim Fitzpatrick- First Deputy (Performance and Finance)

KEY DECISION REPORT

SERVICE AREA:	**FINANCE** Exchequer Services
SUBJECT MATTER:	**LOCAL COUNCIL TAX SUPPORT SCHEME 2014/15**
DATE OF DECISION:	30 January 2014
DECISION TAKER	Councillor Jim Fitzpatrick – First Deputy (Finance and Performance)
REPORTING OFFICER:	Ilys Cookson – Assistant Executive Director – Exchequer Services)
REPORT SUMMARY:	The report reviews the operation of the 2013/14 scheme in terms of demand, cost, equalities, scheme regulations and procedural requirements in setting a local scheme.
RECOMMENDATIONS:	That the Council: 1) continues the scheme introduced in 2013/14 and for clarity adopts the council tax reduction scheme for 2014/15 set out in **Appendix 2.** 2) approves a £10,000 hardship fund be in place in order to assist in cases of severe hardship caused by the scheme to be funded from the Tameside Support for Independent Living (TSIL) fund.
JUSTIFICATION FOR DECISION:	The Council must adopt a Council Tax Support scheme no later than 31 January before the start of the financial year to which the scheme applies in accordance with the Local Government Finance Act 2012.
ALTERNATIVE OPTIONS REJECTED (if any):	The Council could decide not set a scheme and the default scheme would apply in accordance with the Local Government Finance Act 2012. However, this would have significant financial impact on the Council. Costs associated with the default scheme were estimated to be in excess of £3.2m in 2013/14, and this may increase in 2014/15 depending on demand and the amount of council tax support applied. The Council could also decide to set an alternative scheme however to do so without rationale and evidence from the operation of the current scheme in the timescales required would carry significant risk.
CONSULTEES:	Internal only and precepting bodies.
FINANCIAL IMPLICATIONS: (Authorised by Borough Treasurer)	As the cost of the Council Tax Support scheme is difficult to predict, a number of prudent assumptions around demand, inflation and collection rates have been included in the current cost estimate. The scheme was originally designed to meet the estimated cost envelope, and revenue monitoring will keep this under continual review. Any adverse variations on these assumptions will be an additional pressure on the Council. The cost of the scheme cannot be compared to funding as the

	Council Tax Support funding from Central Government is no longer separately identifiable in the Local Government Finance Settlement.
LEGAL IMPLICATIONS: (Authorised by Borough Solicitor)	The Council is obliged to have a council tax reduction scheme. If no scheme was adopted by 31 January 2013 the default scheme would apply. Reductions in government funding meant that this would have cost an estimated £3.2million or more funding that central government no longer provides. The scheme is required to be a technical document as this determines a person's legal entitlement to a reduction in their council tax bill. The Council is under a statutory duty to consider the impact of the scheme on equality groups and it is recommended that the decision maker carefully read the sections of the report, which deal with equalities as well as the equality impact assessment itself.
RISK MANAGEMENT:	Every effort has been made to ensure that the information used to set the local council tax support scheme is as accurate as possible. Risks are set out in Section 6 of this report.
LINKS TO COMMUNITY PLAN:	The financial implications of the scheme will be calculated in the light of the budget calculation of the Authority and this will allow for implementation of the Community Strategy to be prioritised.
ACCESS TO INFORMATION:	The background papers have been used in the preparation of this report can be inspected by contacting Ilys Cookson Assistant Executive Director (Exchequer Services) on 0161-342 – 4056.

1 BACKGROUND

1.1 The Welfare Reform Act 2012 contained provision to abolish Council Tax Benefit. The Government replaced it with a power for each local authority to have its own locally set council tax reduction scheme. The necessary primary legislation is included in the Local Government Finance Act, passed on 31 October 2012 which contained provision that Councils wishing to implement a local scheme must have the scheme approved by 31 January each year.

1.2 The local scheme was funded in the first year by way of a fixed grant which the Department of Communities and Local Government (DCLG) have determined as being 90% of the 2011/12 outturn for Council Tax Benefit expenditure. This will change for 2014/15 (see para 3.32 below).

1.3 In real terms this reduction in funding equated to 17.3% for Tameside for 2013/14 and a local council tax support scheme was set taking into account the costing envelope available.

1.4 Tameside's own local Council Tax Support (CTS) scheme was set at the Council meeting on 21 December 2012. The scheme was adopted to a challenging timescale additionally, the Universal Credit Regulations 2013, on which the principals of the Council Tax Support Scheme were based, was not passed through parliament until 25 February 2013.

1.5 In consideration of setting the local CTS scheme for 2014/15 this reports sets out:
- What the Council is required to do
- The operation of the Council Tax Support scheme 2013/14
- Proposed Council Tax Support scheme 2014/15

2 PROCEDURAL REQUIREMENTS

2.1 In setting a Council Tax Support scheme the Council must:
- adopt a Council Tax Support scheme no later than 31 January before the start of the financial year to which the scheme applies.
- There are prescribed requirements which must apply to all schemes, which includes local schemes, the prescribed scheme for persons of state pension credit age and default schemes (the same as the previous council tax benefit scheme).
- Ensure that claimants of state pension credit age continue to receive the same support under the scheme as they receive in council tax benefit.
- Consider the statutory public sector equality duty in adopting a scheme and the child poverty strategy.
- consult all major precepting authorities.
- consult generally on the draft scheme.

3 COUNCIL TAX SUPPORT SCHEME IN OPERATION

3.1 In considering the setting of the local council tax support scheme 2014/15 to be the same scheme as the 2013/14 scheme, it has been important to examine the information arising from the continual review of the scheme in the first year of operation to ensure that demand and cost of the scheme, impact on equalities, communications and on the recovery of Council Tax remained within projections which took place at the time the scheme was set.

Demand

3.2 As at the end of November 2013 approximately 23,000 people claim council tax support. Of this number, there are approximately 10,700 people of pensionable age who will be

guaranteed protection under the CTS scheme. Therefore approximately 12,700 claimants are of working age. Demand for the scheme has been monitored on a quarterly basis and, as detailed in **Table 1**, there has been little movement on overall claimant numbers from 1 April 2013. This means that it fell within the assumptions for setting the scheme.

Table 1

Demand And Cost Monitoring Local Council Tax Support Scheme 2013/14		
MONTH	**CASELOAD**	**EXPENDITURE**
April	23,716	£16,080,054.49
May	23,844	£16,105,846.61
June	24,006	£16,213,156.83
July	23,694	£16,037,657.32
August	23,784	£16,086,183.43
September	23,886	£16,132,580.28
October	23,802	£16,089,133.18
November	23,680	£16,040,661.74
December	23,531	£16,004,963.72

Cost of scheme

3.3 The regulations state that all councils must include in their Council Tax Support (CTS) scheme protection for claimants who have reached the age for state pension credit, so that they receive the same support as they would have received in Council Tax Benefit. This means that any reductions in funding cannot impact on pensioners so the full impact falls entirely upon claimants of below pension credit age.

3.4 The actual funding received from central Government in respect of council tax support in 2013/14 was £17.10m (including funding to precepting authorities). With the reduction in monies available to fund the scheme it has been important to continually monitor the cost of the scheme. As at the end of November 2013 the scheme costs were £16,005m. This figure assumes that all existing claimants will remain on the same rate of council tax support until the end of the financial year. However, that will not be the case as the caseload and amount of council tax support expenditure fluctuate on a daily basis. A total of £925k was set aside for growth and inflation from the allocated funding from central government. **Table 1** above details the demand and cost of the scheme.

3.5 A further policy update received in July 2013 from Communities and Local Government (CLG) confirmed that Ministers have agreed that the amount of funding would not be identifiable from now on as it stated that it is entirely for local authorities to decide how much they are prepared to spend on council tax support, which is why allocations for future years will not be separately identifiable. This late notification made consideration of the year two scheme as being different to the year one scheme to be difficult on the basis of funding alone, as authorities had only started to monitor the operation of the scheme some four months earlier. If changes were to be made to the scheme as a result of the CLG notification, a new scheme would require drafting, consultation with the public and precepting bodies would need to take place and the scheme set in a timeframe from August to December without any clear picture of the overall Council financial settlement due in December. The majority of Greater Manchester authorities, therefore, appear to be setting the same scheme as that set in 2013/14.

3.6 As the 2014/15 scheme is set to be the same as the 2013/14 scheme the costs are estimated to be broadly similar, however, we will not be able to compare the cost of the scheme to funding but we will continue to monitor costs of the scheme throughout the year and compare it to 2013/14. Therefore, it is prudent to consider demand and inflation and collection rates at the same level as 2013/14 and build £925k into the costings as a result.

Hardship Fund

3.7 In setting the 2013/14 local council tax support scheme a hardship fund totalling £50k was put in place to be funded from the Social Fund which transferred to local authorities from the DWP in April 2013. The purpose of the hardship fund in setting the first year of the council tax support scheme was to mitigate the potential risk that some claimants may, in exceptional circumstances, suffer severe financial hardship as a result of the introduction of the scheme and may apply for additional monies to help pay their council tax. There is considerable demand on the Social Fund (now known as Tameside Support for Independent Living - TSIL) and to date three applications for hardship relief have been approved at a total cost of £886.58, from a total of 30 applications received, however not all have specifically requested assistance with CTS as many have requested financial support for other matters. Each application is considered on a case by case basis. The three approved applications were made by a single male claimant, an employed disabled single female parent and a single unemployed female disabled claimant. The circumstances of the claims do not suggest that any one equalities group has been adversely affected. Indications from central Government in December 2013 is that funding under the Local Welfare Provision Grant, which supported Social Fund payments, is to cease with effect from 2015 and will instead be wrapped up in general central government grant to local authorities in the same way as funding for Council Tax Support, on that basis it is therefore proposed to reduce the hardship fund within the TSIL fund to £10k for 2014/15.

Equalities

3.8 To ensure that the council tax support scheme complied with the statutory public sector equality duty and the child poverty strategy quarterly reviews have been undertaken. It has been important to continually consider the equality impact to ensure that no adverse impacts emerged on the key characteristic groups of age, disability, gender, maternity, race, sexual orientation, gender re-assignment and religion and belief. **Appendix 1** details the evidence gathered from the quarter one and two reviews and the detail of the quarter two review is detailed here.

Workers

3.9 As at the end of quarter two (end September) 12,968 (54%) of total claimant base are working age claimants and 90% of those working age claimants are out of work. Working age claimants have increased by 222 people between quarters one and two. Those on low incomes / or reduced means as a result of a previous period of unemployment will also be protected by virtue of keeping support for 4 weeks once back in employment after having been out of work for more than 26 continuous weeks.

Disabled

3.10 A total of 5,557 claimants are disabled (23% of total claimants) and of those 3,105 are pensioners (which is broadly similar of the quarter one position and is different by 4 claimants) and so must be fully protected. There has been an increase in the number of working age disabled claimants from 2,403 to 2,452. Of the 2,452 working age disabled claimants there has been an increase in the claimants that are given protection by the exclusion of Disability Living Allowance from their income taken into account when calculating CTS, which can be up to £134.40 per week, from 408 to 420 people.

3.11 The number of working age disabled claimants has increased by 49 claims from 2,403 to 2,452. A total of 29 disabled claimants were working in quarter two; a reduction of 3 claimants. Reasons for this could be because the DWP are continuing to review claimants and some will no longer qualify for a disability related benefit but these claimants will still qualify for maximum CTS if they receive Employment Support Allowance (ESA). Also the applicable amount for enhanced disability premiums as part of the CTS scheme has been withdrawn in line with Universal Credit principles which affected 240 claimants or 1% of all working age claimants. A total of 450 claimants (2%) receive Carer's Allowance and have been provided with extra support by having an additional element of allowable income in the assessment. This is an increase of 13 people.

3.12 In quarter two there are 29 claimants that are disabled and in work which is a reduction of 3 between quarters one and two, and 2 more disabled claimants are in receipt of war pensions or war widow's pensions which are excluded from the assessment.

Women

3.13 A total of 60% (14,298) of claimants are female. The number of lone parent households has reduced by 91 claims between quarter one and quarter two. This could be because a partner has joined the household or the lone parent's income has increased to such a level that they no longer quality for CTS. Of all the lone parent households, 3,556 (14.9% of all claims) are female. Of those that do not receive maximum support, disregarding Child Benefit in full offers some protection to this claimant category (406 claims or 11% of the total female lone parent claims), however, this is not specifically restricted to female households nor is the disregard of childcare costs for working claimants with children. The number of female pensioners has fallen between quarter one and two to 6,094 from 6,125 (25.5 % of total claimants). The scheme has affected women more than men as expected as there are more female claimants.

Children and families

3.14 In setting the 2013/14 scheme the Child Poverty Strategy was considered as this commits the Council and its partners to eliminating the effects of child poverty and supporting the most vulnerable while reducing inequalities. The scheme does provide some protection for families with children by disregarding child benefit in full which affected 1,115 working age claimants (4.67% of working age claimants) of which 41% are lone parents and predominantly female in quarter 2. Child care costs are disregarded for claimants in work in 78 claims of which 85 % are single parents and 15% are couples.

3.15 Child maintenance has been taken into account in the calculation for CTS in 3 more cases between quarter one and two from 28 to 31 cases. However, in the majority of these cases the claimants were found to receive high amounts of tax credits which then with their earnings took them over the required amount to attract CTS. Of the 31 claims, 7 claimants are working.

War pensions

3.16 War pensions and war widow's pensions are disregarded in full from the calculation for CTS.

Mitigation and support

3.17 The CTS scheme was designed to be as fair as possible and the hardship scheme was set up to mitigate against possible unintended consequences or unforeseen hardship, which might have arisen when the scheme began to operate. The hardship fund will remain in place in 2014/15 and continue to be administered via the TSIL Fund, however, the fund will reduce to £10k to reflect the fact that central government will cease the Local Welfare Provision Grant in 2015, which supported Social Fund payments, and to date only 3 successful applications have been made. Residents may also obtain advice on the scheme from the Council's Benefits Service, Citizens Advice Bureau and Tameside Welfare Rights Service.

3.18 Wherever possible mitigations have been put in place to protect the following equalities groups in the following ways:

Workers on low incomes / or reduced means as a result of a previous period of unemployment are protected by virtue of keeping support for 4 weeks once back in employment after having been out of work for more than 26 continuous weeks.

Disabled claimants of working age are protected by the exclusion of Disability Living Allowance from their income taken into account when calculating CTS, which can be up to £134.40 per week. This benefits 12 more disabled claimants between quarter one and two.

Claimants in receipt of Carer's Allowance are provided with extra support by having an additional element of allowable income in the assessment. This is an increase of 13 people between quarters one and two. Disabled claimants in receipt of war pensions or war widow's pensions are protected as this income is also excluded from the CTS assessment.

Women are affected more by the scheme than men because there is a higher proportion of female claimants. The number of female lone parents and female pensioners has reduced between quarter one and two. 89% of female single parent households receive maximum CTS benefit with the remainder being protected by the exclusion of Child Benefit from the CTS calculation.

Children and Families are protected by disregarding child benefit in full within the CTS calculation and child care costs being disregarded for claimants in work

There continues to be no specific impacts negative or positive on the following protected characteristic areas – ethnicity, marriage/civil partnership, sexual orientation, religion and belief, gender re-assignment.

3.19 The scheme was designed to provide extra support for vulnerable people with disabilities claiming benefit, carers and those in receipt of war pensions and to support as many claimants on low incomes as possible taking into account the requirements of the scheme as determined by the Government and affordability.

3.20 The scheme is operating as expected and no specific negative impacts have emerged to date other than those which were identified when the scheme was set, and the caseload is relatively constant, therefore it is proposed to set in place the same scheme for 2014/15 that was set in 2013/14 and continue to use the DWP Housing Benefit upratings. Further equalities analysis will take place in each claimant category at the end of each quarter to enable the scheme to be continually monitored and to identify and investigate any unforeseen negative impacts should they arise.

Consultation

3.21 A procedural requirement in drafting the council tax support scheme was to consult with members of the public and precepting bodies. As the scheme will remain unchanged from that set for 2013/14 it is not necessary to consult as no changes are proposed. Precepting bodies have been informed that the 2014/15 scheme will be unchanged and therefore there will be no impact on the precept budgets as a result of this.

Council tax support scheme regulations

3.22 The local Council Tax Support Scheme is required to be a technical document as this determines a person's legal entitlement to a reduction in their council tax bill. The actual council tax support regulations are detailed at Appendix two of this report. In setting the scheme for 2013/14 the report to Council on 21 December 2012 contained a recommendation that:
The Council 'adopts the council tax reduction scheme for 2013/2014 in the form of Appendix D subject to the Borough Solicitor being authorised to make any amends for clarification purposes'

3.23 The scheme was adopted to a challenging timescale giving staff little time to review and test the proposed scheme. Additionally, the Universal Credit Regulations 2013, on which the principals of the Council Tax Support Scheme were based, was not passed through parliament until 25 February 2013.

3.24 After the scheme came into operation on 1 April 2013 it was noticed that the wording of the scheme does not accord exactly with the consultation in respect of the calculation of Universal Credit, which went live in parts of Tameside on 29 April 2013. Part 4 of Schedule 9 to the scheme refers to the calculation of income and capital for an applicant's family and

polygamous marriages. Paragraph 11 sets out how income and capital for persons who have an award of Universal Credit is to be calculated. Therefore paragraph 11(4) of Part 4, Schedule 9 to the Council Tax Support Scheme has therefore been amended to provide clarity and to reflect the intention of the scheme as consulted upon in 2012. The proposed changes in relation to the above do not adversely impact on any claimant and will benefit some claimants.

3.25 Schedule 9, paragraph 3 of the scheme currently details how CTS should be calculated when maximum support is not given and states that the benefit given should be the maximum available less the amount that the claimants income exceeds their applicable amount. However this method of calculation results in claimants being slightly worse off which was never the intention when consulting on the scheme. The correct calculation in respect of eligibility has taken place in cases affected. However, clarification is required in the scheme regulations, therefore Schedule 9; paragraph 3 has been amended to reflect the intention of the consultation. The proposed change in relation to the above does not adversely impact on any claimant and will benefit some claimants who are affected by a potential misinterpretation caused by drafting.

3.26 The intention of the CTS scheme was to align with UC rates however it could not be foreseen that the UC rates would include a disregard, which would need to be applied in respect of the calculation for self employed claimants of £12.86 per week, as the CTS scheme was drafted prior to the UC rates being known. In all cases the self employed disregard has been correctly applied, however the actual wording to apply this disregard is unclear from the drafting so paragraph 18(2) of Schedule 9 to the Council Tax Support Scheme has been amended accordingly.

3.27 The changes implemented to the scheme since its implementation do not adversely impact on any claimant and will benefit some claimants.

3.28 As it is proposed that the scheme set in 2013/14 remains in place for 2014/15 as amended to reflect the uplift in benefit rates as intended and stated in previous consultation. It should be noted that also for clarity the scheme regulations have been renumbered to take account of the prescribed regulations. The scheme is amended at **Appendix 2.**

4 COUNCIL TAX COLLECTION

4.1 In considering setting the local council tax support scheme for the next year it is important to consider the impact on Council Tax collection rates, particularly as all claimants must pay at least 20% of their council tax liability. Collection rates have been monitored closely to identify trends and consider alternative methods where appropriate.

4.2 As at November 2013 a total of 91.76% of people are paying their council tax liability, 4.50% are subject to recovery action including final notices issued, summons and bailiff and 3.74% accounts have no liability due to awaiting banding, full exemption or full council tax awarded (pensioners only).

4.3 The Council has worked with Her Majesty's Court Services (HMCS) which have agreed in principal to provide more court hearing dates for the next financial year to avoid large queues at the Magistrates Court. Sessions have also been implemented in the Council Offices for anyone receiving a summons to contact staff to make an alternative arrangement to pay to avoid the need to attend Court. Additional information will be provided with recovery documents to ensure that customers understand that they have a liability to pay and that non-payment and non contact will lead to early enforcement action. Enforcement action is always a last resort and customers are urged to contact the Council Tax Service at every opportunity to agree payment.

5.0 COMMUNICATION

5.1 A significant amount of preparatory work was undertaken as detailed in the report to Council 21 December 2012 to ensure that claimants of Council Tax Benefit were informed about the changes to the benefit they received, and, more importantly how the change affected them.

5.2 The on-line calculator and advice pages on the Council's web-site will continue to be available to all, in addition to a mailshot which will be sent out to individual working age claimants. Advice agencies and stakeholders, Landlords and Councillors were also informed on the CTS scheme.

5.3 There is likely to be an increase in customer demand as Council Tax bills are sent out in March as evidenced by the excess of 14,000 calls being received by the Benefit Service in the year start period for 2013/14. While all available staff will take calls during this busy period it is inevitable that this will lead to delays in processing benefit applications at this time. Evidence suggests that the number of contacts by CRM, email and letter are also expected to increase significantly at year start as did the number of contacts at the first issue of reminders and summons for CTS claimants. The self service on-line accounts will also be promoted prior to year start as this enables customers to access their own personal benefit and council tax accounts, which should assist in reducing the number of phone calls where customers chose to use this effective method of personal information provision.

5.4 The communication timetable is set out in **Table 2** below:

Table 2

Council Tax Publicity Timetable 2014/2015			
Date of issue	**Deadline**	**Publication**	**Details**
03/03/2014	15/01/2014 27/02/2014	The Citizen	Self- service take up Notice of Council Tax setting
	31/01/14	Letter to working age CTS claimants	Outlining bill due and liability to pay Council Tax
03/03/2014	27/02/2014	Advertiser	Notice of Council Tax setting
01/04/2014	14/03/2014	Radio Advert – Tameside Radio	Self-service take up
15/04/2014	01/04/2014	The Wire	Council Tax billing, how to pay, self-service take up
15/05/2014	01/05/2014	The Wire	Council Tax recovery
01/06/2014	15/04/2014	The Citizen	Self-service take up, Council Tax recovery, bailiffs, Single person discount review
15/06/2014	01/06/2014	The Wire	Single person discount review
01/09/2014	15/07/2014	The Citizen	Council Tax collection, self-service take up
01/12/2014	15/10/2014	The Citizen	Council Tax collection, self-service take up

6.0 RISKS

6.1 In setting the local council tax support scheme for 2014/15 it is important to consider the risks in doing so. If a local scheme is not set by 31 January 2014 the default scheme will apply. The default scheme is the same as the Council Tax Benefit scheme, which ceased to exist on March 2013 however this Scheme is no longer funded by government and the council has insufficient funds to pay for it without putting up Council Tax considerably which would have an unfair effect. Costs associated with the default scheme were estimated to be in excess of

£3.2m in 2013/14, and this may increase in 2014/15 depending on demand and the amount of council tax support paid.

6.2 There is a continued risk that demand for support could increase if the economic picture worsens and we cannot predict the number of people that may claim council tax support in the future.

6.3 Implementation of a local scheme will mean that some people are paying Council Tax for the second year as all benefit claimants must pay at least 20% of their Council Tax liability. Small debts are difficult to collect and often take years to clear. This is particularly so where an attachment of benefit is in place to recover Council Tax arrears because the DWP have a hierarchy of attaching a debt to a benefit from source and council tax ranks sixth after utility payments and other housing costs. There is a risk that Council tax arrears may increase as a result.

6.4 There is also a continuing risk concerning provision of appropriate and timely communication of the scheme changes to residents and in particular benefit recipients. To mitigate this communication on the scheme will remain in place, and will be enhanced where appropriate, as it is important that claimants are clear that they will have some council tax liability which will need to be paid. Table 2 refers to the communication strategy.

7 CONCLUSIONS

7.1 In setting a Council Tax Support scheme for 2014/15 it has been important to consider the current operation of the scheme.

7.2 Demand for the CTS scheme has remained stable throughout the year to date and the cost of the scheme is within expected tolerances. It will be difficult to monitor cost against funding in 2014/15 as the funding for the scheme will not be identifiable in future local government settlements as CLG state it is for local authorities to decide the local CTS scheme is to cost. The scheme, when drafted, was designed to be as fair as possible and it appears sensible to continue to provide a Hardship Fund of £10k administered via the Tameside Support for Independent Living fund.

7.3 The public sector equality duty has been considered in relation to the live operation of the scheme. The scheme, when drafted, was designed to be as fair as possible. There will be no anticipated specific impacts negative or positive on the following protected characteristic areas as a result of the council tax support scheme – ethnicity, marriage/civil partnership, sexual orientation religion and belief and gender re-assignment, disability, age and gender. There has also been very little fluctuation in overall caseload and categories of claimant as evidenced via the quarterly monitoring that has taken place.

7.4 The procedural requirements have been adhered to as the scheme will be adopted before 31 January before the start of the financial year to which the scheme applies. The prescribed requirements continue to be contained within the scheme and claimants of state pension credit age will continue to receive the same support as they received under Council Tax Benefit.

7.5 As it is not intended to change the basis of the scheme no consultation other than that required to precepting bodies who have been notified that the same scheme is proposed to be adapted in 2014/15 as that set in 2013/14 and the general public consultation on the Forward Plan for a Key Decision no further consultation is believed to be required under the legislation..

7.5 Council Tax collection rates have been monitored throughout the year and additional support and advice has been made available to all CTS claimants. Additional support will continue to

be provided via the Hardship Fund, mailshot to all working age CTS claimants, continuing to provide the on-line calculator, up to date web pages, self-service account access, press and publicity articles, advice and summons surgeries. It is recognised that it is important to continue to communicate information on the CTS scheme to claimants as detailed in Appendix four.

7.6 The risks are set out in Section 6 of this report and are identified as being setting a scheme which is not compliant with the procedural requirements and the impact of the scheme upon Council Tax collection rates. Demand may increase due to the economic picture however this cannot be predicted at this point. There is a further risk in not communicating with the public on the scheme which may in turn, impact on collection rates.

8 RECOMMENDATIONS

8.1 As set out at the front of the report.

APPENDIX 1

	QUARTER TWO NARRATIVE	QUARTERLY DATA			
Characteristic:	**AGE**	**Q1**	**Q2**	**Q3**	**Q4**
Issue	**Pensioners:** Approximately **10,861** claimants (**46%** of the total) are pensioners (i.e. have reached pension credit age). There are a greater proportion of older people in the current Council Tax Support client base compared to the Tameside population. Approximately 8,000 of the pensioner client base live in a single person household. Census data reveals an increase in an ageing population.	**10,935**	**10,861**		
	Working age / non-pensioners: Approximately **12,968** claimants (**54%** of the total) are non-pensioners (i.e. have reached pension credit age) and are of working age. Of those **90%** are out of work.	**12,746**	**12,968**		
	Children: Approximately **3,808** claimants are lone parents and **1,977** are couples with children. **5,785** of the claimant base are households with children. As approximately 45% of working age claimants have children it is inevitable that the scheme will impact on all households with children. 3,556 (**93%**) of lone parent households are female.	**3,899/1978** **5,877**	**3,808/1,977** **5,785**		
Impact	**Pensioners:** Pensioners will receive full protection in accordance with Government regulations and pensioners account for 46% of the total claimant base. Therefore there is a positive impact in terms of the CTS scheme. Evidence from Census data indicates that the number of pensioners will increase in future years.				
	Working age / non-pensioners: There has been some impact on claimants as expected as the maximum amount of benefit received will be capped at 80%. Under the CTS scheme **3** out of **10** of all claimants receive maximum benefit.	**3 out of 10**	**3 out of 10**		
	Extended payment rules remain (4 week run on if unemployed for 26 continuous weeks or more and in receipt of certain qualifying passported benefits) 35% of earned income will be disregarded (affecting approximately **1,299** claimants).	**1,167**	**1,299**		
	Claimants receiving a non passported benefit such as Job Seekers Allowance, sickness related benefit such as Incapacity benefit or Employment and Support Allowance employed and in receipt of earned income, in receipt of a pregnancy related allowance such as Maternity Allowance, a carers related benefit such as Carers Allowance and other income such as Occupational Pensions, Tax credits, Income from boarders have had benefit capped at 80% of their Council Tax liability, which accounts for 100% of working age claimants.				
	100% of child care costs up to the Universal Credit maximum will be disregarded (affecting approximately **78** people).	**59**	**78**		
	100% of *contributions* made to an occupational pension scheme will be disregarded from earned income (affecting approximately 160 people). **Figure not**				

	available until Q4 **19**% of working age claimants are affected by taking into consideration any excess income above the minimum the law says they need to live on. **19**% of working age claimants are affected on the removal of the income taper which means that more standard income will be taken into account in the assessment of standard claims. **10**% of working age claimants are affected by applying a standard earned income disregard to all standard worker claims, in addition for all working age claimants in work only 65% of income will be used in the assessment for CTS. Backdates of benefit remain where the claimant is receiving a DWP benefit to match the DWP start date. **6**% of working age claimants are affected by the cap on CTS at a Band B property Non-dependent deductions continue to apply from 18 years old. **81**% of working age claimants on a passported benefit automatically receives the maximum level of support. **Children:** Child benefit is disregarded in full which affects **9**% (**1,115**)of working age claimants of which **41**% are lone parents and most likely female (**406**) and **59**% couples with children (**664**). Child maintenance is taken into account in the CTS assessment affecting **1**% of the working age claimants. Of that **1**%, (**31**) **71**% are lone parent (**22**) and **29**% (**9**) are couples. Child care costs (up to the Universal credit maximum) for claimants in work are disregarded and this assists **78** claimants (**85**% or **66** of which are single parents) and **15**% or **12** couples).	**18%** **18%** **9%** **6%** **82%** **1,052** **390/614** **28/21/7** **59/51/8**	**19%** **19%** **10%** **6%** **81%** **1,115** **406/664** **31/22/9** **78/66/12**		
Characteristic:	**DISABILITY**				
Issue	The disability profile of the CTS client base shows that there are a greater proportion of disabled people compared to the Tameside population. Approximately **5,557** claimants (**23**% of the total) are disabled. Of these, approximately **3,105** claimants (**56**% of all disabled claimants) are pensioners so are already covered by the full protection afforded to people who have reached pension credit age. Parts of the scheme detailed in the above section under working age claimants, may affect some of the **2,452** claimants that are not a pensioner and disabled. **99.5**% of the **5,557** claimants in receipt of incapacity/disability benefits are out of work. There are just **29** claimants that are disabled and in work.	**5,512** **3,109** **2,403** **5,512** **32**	**5,557** **3,105** **2,452** **5,557** **29**		

Impact	Of the remaining disabled claimants who are not of pension credit age, approximately **420** claimants (**17%** of the total disabled claimants) are given some protection by the exclusion of Disability Living Allowance from income. 100% of war pensions / war widow's pensions (affecting approximately **51** claimants or **0.2%**) are excluded from the assessment of CTS. **1%** (**240**) of caseload for working age have enhanced disability premium and severe disability premium removed **2%** (**450**) of the total CTS client base receive Carer's Allowance have been provided with extra support by having an additional element of allowable income included in the assessment.	**408** **49** **219** **437**	**420** **51** **240** **450**		
Characteristic:	**GENDER**				
Issue:	**40%** of client base are male with remaining **60%** female. The gender profile of the client base shows a greater proportion of females compared to the Tameside population. Of all lone parent households (**3,808**) **93%** (**3,556**) are female and **252** male. The total pensioner client base is **10,861** with **6,094** being females and **4,767** male. Of the **57** second adult rebate claims made in the current financial year **75%** (**43**) were female and **25%** male (**14**). The scheme will affect more women as there are more female claimants. The Council has sought to ensure that the scheme is as fair as possible. Cuts in funding from central government mean that the Council does not have sufficient resources to maintain the budget for the scheme at the level which would be required in order to provide support at current levels.	**3,899/3,643/256** **10,935/6,125** **4820/59** **43/16**	**3,808/3,556/252** **10,861/6,094** **4,767/57** **43/14**		
Impact:	All pensioners are protected under the prescribed scheme and therefore the scheme will not affect the **6,094** female pensioners. The vast majority of lone parent households are female 3,556 (14.9% of all claims) receiving maximum support. Of those that do not receive maximum support disregarding Child Benefit in full offers some protection to this claimant category (406 claims or 11% of the total female lone parent claims) however this is not specifically restricted to female households nor is the disregard of childcare costs for working claimants with children.	**6,125**	**6,094**		
Characteristic:	**RACE**				
Issue:	**90%** of the CTS client base is white and **10%** non-white. The race profile of the client base has a greater proportion of non-white people compared to the Tameside population of 95% white and 5% non-white.	**90%/10%**	**90%/10%**		
Impact:	No other specific data is available on this protected characteristic group.				
Characteristic:	**RELIGION AND BELIEF / SEXUAL ORIENTATION / GENDER RE-ASSIGNMENT / PREGNANCY AND MATERNITY / MARRIAGE AND CIVIL PARTNERSHIP**				
Impact:	Specific data is not available on these protected characteristics for the CT client base. However no evidence of any disproportionate impact was discovered.				

APPENDIX 2

COUNCIL TAX SUPPORT SCHEME

Tameside Metropolitan Borough Council
Council Tax Support Scheme 2014-15

Introduction and Explanation

The introduction and explanation does not form part of the statutory scheme and is included solely for the purposes of explanation. This should be disregarded when interpreting the scheme.

Foreword

The Government abolished the Council Tax Benefit scheme from 1 April 2013. From that date local authorities had to produce a scheme of council tax support, although the government reduced the funding available by around 20%.

Summary Guide to the Scheme

Pensioners
It is a legislative requirement that those of an age which qualify to receive state pension credits will continue to receive support under the Council Tax Support Scheme on the same terms as would have applied under the old Council Tax Benefit scheme. It is our understanding that any figures set out in this part of the scheme will be subject to an annual review by the government and that in future years the figures may be increased by order of the Secretary of State. The relevant figures will be updated annually and can be found at Appendix 1 of Tameside's Council Tax Support Scheme.

In addition to the statutory scheme, the Council has chosen to disregard any war pensions in full. The Council has always disregarded war pensions in full under the old Council Tax Benefit scheme and continues to do so under the Council Tax Support Scheme.

Working Age
By 'working age' we mean anyone who is not old enough to qualify for state pension credits.

There is a legal requirement that Tameside establish a Council Tax Support Scheme each year for working age people, although the law does not say who should benefit from the scheme or how much support they should get. The Council has discretion to set the contents of the scheme for working age people. However the Council also has to pay for all council tax support it provides. Council Tax Benefit was paid for by central government.

Any figures set out in Schedule 9 of the scheme will be subject to an annual review and in future years the figures may be increased or decreased. The relevant figures will be updated annually to take effect from 1st April of each financial year and can be found at Appendix 2 of Tameside's Council Tax Support Scheme.

Alternative Maximum Support
The national scheme for those of Pension Age includes an Alternative Maximum Support (previously known as Second Adult Rebate) where a resident has an adult on a low income living with them. There is no such support in the Tameside scheme for those of working age.

Working Age War Pensioners
Working age War Pensioners (those in the working age protected group set out above) will continue to have their war pensions disregarded in full under this scheme.

Universal Credit
Universal Credit is a new benefit that will replace most other Welfare Benefits (except Council Tax Support). The Universal Credit Pathfinder commenced in Tameside on 29th April 2013 and will be rolled out throughout the country.

The Universal Credit Regulations 2013 were passed on 25th February 2013.

We have tried to make our Council Tax Support Scheme consistent with that approach proposed for Universal Credit, particularly so far as the treatment of income.

We may change our approach to the way that we treat Universal Credit as income for the purposes of this scheme, and will continue to develop alternative approaches as our understanding develops.

Changes in Circumstances
If someone's circumstances change and they do not tell us straightaway, this will result in either too little or too much support being awarded. It is important that changes are notified immediately.

If it comes to light that a person was entitled to more support than they were awarded and the claimant has paid too much council tax, the Council will offset the amount against future liability or make a payment to the liable person where, for example, the charge payer is no longer liable.

Where a person has paid too little Council Tax, i.e. an over allowance of support has occurred, then the Council will recover any monies they are owed under the same Council Tax processes for recovering unpaid Council Tax which is in accordance with the Council Tax (Administration and Enforcement) Regulations 1992.

General Provisions
The scheme will be reviewed each year and may be changed whenever necessary.

Tameside Metropolitan Borough Council
Council Tax Support Scheme 2014-15

THE SCHEME

PART 1
General

1. Citation, commencement and application

(1) This scheme may be cited as the Tameside Council Tax Support Scheme 2014 -15 and comes into force on 1 April 2014.

2. 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 1996;

"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 support" means the amount determined in accordance with Part 4 of Schedule 1 and Schedule 3;

"applicable amount" means the amount calculated in accordance with paragraph 6 of Schedule 1 and Schedule 2;

"applicant" means a person who has made an application;

"application" means an application for a reduction under a scheme;

"assessment period" means—

(a) in relation to the earnings of a self-employed earner, the period determined in accordance with paragraph 20 of Schedule 1 for the purpose of calculating the weekly earnings of the applicant; or

(b) in relation to any other income, the period determined in accordance with paragraph 17 of Schedule 1 for the purpose of calculating the weekly income of the applicant;

"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;

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

"the benefit Acts" means the SSCBA, the Jobseekers Act 1995 and the State Pension Credit Act 2002 and the Welfare Reform Act 2007;

"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 28 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 a contributory allowance under Part 1 of the Welfare Reform Act 2007;
"council tax benefit" means council tax benefit under Part 7 of the SSCBA;
"couple" has the meaning given by regulation 4 of these Regulations;
"Default Scheme Regulations" means the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012;
"designated office" means the office of the authority designated by it for the receipt of applications—
(a) by notice upon or with a form supplied by it for the purpose of making an application;
(b) by reference upon or with such a form to some other document 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 18, 20 or 21 of Schedule 1 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;
"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 a scheme for which a person is eligible under Part 7 of Schedule 1 or paragraph 2 of Schedule 8;
"extended reduction period" means the period for which a person is in receipt of an extended reduction in accordance with paragraph 39 of Schedule 1;
"extended reduction (qualifying contributory benefits)" means a reduction under Schedule 1 by which a person is eligible pursuant to paragraph 38 or 41 of Schedule 1;
"family" has the meaning given by regulation 6 of these Regulations;
"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 the Secretary of State 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) or 29(1)(a) 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 healthcare 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 7 July 2005;
"lone parent" means a person who has no partner and who is responsible for and a member of the same household as a child or young person;
"the Macfarlane (Special Payments) Trust" means the trust of that name, established on 29th January 1990 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia;
"the Macfarlane (Special Payments) (No 2) Trust" means the trust of that name, established on 3rd May 1991 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia and other beneficiaries;
"the Macfarlane Trust" means the charitable trust, established partly out of funds provided by the Secretary of State to the Haemophilia Society, for the relief of poverty or distress among those suffering from haemophilia;
"main phase employment and support allowance" means an employment and support allowance where the calculation of the amount payable in respect of the applicant includes a component under section 2(1)(b) or 4(2)(b) of the Welfare Reform Act 2007;
"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 support amount" means the amount determined in accordance with paragraph 7 of Schedule 1.
"member of a couple" means a member of a married or unmarried couple;
"MFET Limited" means the company limited by guarantee (number 7121661) of that name, established for the purpose in particular of making payments in accordance with arrangements made with the Secretary of State to persons who have acquired HIV as a result of treatment by the NHS with blood or blood products;
"mobility supplement" means a supplement to which paragraph 5(1)(a)(vii) of Schedule 4 for Pensioners and paragraph 10 of Schedule 12 for working age to these Regulations 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 one authority to a dwelling in the area of a second authority;
"net earnings" means such earnings as are calculated in accordance with paragraph 19 of Schedule 1 to these Regulations;
"net profit" means such profit as is calculated in accordance with paragraph 29 of Schedule 1 to these Regulations;
"new dwelling" means, for the purposes of the definition of "second authority" and paragraph 41 of Schedule 1, 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 regulation 9 of Schedule 1;
"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;
"partner", in relation to a person, means—
(a) where that person is a member of a couple, the other member of that couple; or
(b) where that person is polygamously married to two or more members of his household, any such member to whom he is married;
"paternity leave" means a period of absence from work on ordinary paternity leave by virtue of section 80A or 80B of the Employment Rights Act 1996 or on additional paternity leave by virtue of section 80AA or 80BB of that Act;
"pension fund holder" means with respect to a personal pension scheme or an occupational pension scheme, the trustees, managers or scheme administrators, as the case may be, of the scheme concerned;
"pensionable age" has the meaning given by the rules in paragraph 1 of Schedule 4 to the Pensions Act 1995;
"pensioner" has the meaning given by regulation 3(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 regulations 12;
"person who is not a pensioner" has the meaning given by regulation 3(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 regulation 5 of these Regulations applies;
"qualifying age for state pension credit" means (in accordance with section 1(2)(b) and (6) of the State Pension Credit Act 2002)—
(a) in the case of a woman, pensionable age; or
(b) in the case of a man, the age which is pensionable age in the case of a woman born on the same day as the man;
"qualifying contributory benefit" means—
(a) severe disablement allowance;
(b) incapacity benefit;
(c) contributory employment and support allowance;
"qualifying income-related benefit" means—
(a) income support;
(b) income-based jobseeker's allowance;
(c) income-related employment and support allowance;
"qualifying course" means a qualifying course as defined for the purposes of Parts 2 and 4 of the Job Seeker's Allowance Regulations 1996;
"qualifying person" means a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;
"reduction week" means a period of seven consecutive days beginning with a Monday and ending with a Sunday;
"relative" means a close relative, grandparent, grandchild, uncle, aunt, nephew or niece;
"relevant week", in relation to any particular day, means the week within which the day in question falls;
"remunerative work" has the meaning given by regulation 10 of these Regulations;
"rent" means "eligible rent" to which regulation 12 of the Housing Benefit (Persons who have acquired the qualifying age for state pension credit) Regulations 2006 refer, less any deductions in respect of non-dependants which fall to be made under paragraph 8 (non-dependant deductions) of Schedule 1;
"savings credit" is to be construed in accordance with sections 1 and 3 of the State Pension Credit Act 2002;
"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;
"service user group" means a group of individuals that is consulted by or on behalf of—
(a) a Health Board, Special Health Board or the Agency in consequence of a function under section 2B of the National Health Service (Scotland) Act 1978,
(b) a landlord authority in consequence of a function under section 105 of the Housing Act 1985,
(c) a public authority in Northern Ireland in consequence of a function under section 49A of the Disability Discrimination Act 1995;
(d) a public authority in consequence of a function relating to disability under section 49 of the Equality Act 2010,
(e) a best value authority in consequence of a function under section 3 of the Local Government Act 1999,
(f) a local authority landlord or registered social landlord in consequence of a function under section 53 of the Housing (Scotland) Act 2001.

(g) a relevant English body or a relevant Welsh body in consequence of a function under section 242 of the National Health Service Act 2006,
(h) a Local Health Board in consequence of a function under section 183 of the National Health Service (Wales) Act 2006,
(i) the Care Quality Commission in consequence of a function under section 4 or 5 of the Health and Social Care Act 2008,
(j) the regulator or a private registered provider of social housing in consequence of a function under section 98, 193 or 196 of the Housing and Regeneration Act 2008, or
(k) a public or local authority in Great Britain in consequence of a function conferred under any other enactment, for the purposes of monitoring and advising on a policy of that body or authority which affects or may affect persons in the group, or of monitoring or advising on services provided by that body or authority which are used (or may potentially be used) by those persons;

"single applicant" means an applicant who neither has a partner nor is a lone parent;

"the Skipton Fund" means the ex-gratia payment scheme administered by the Skipton Fund Limited, incorporated on 25th March 2004, for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with the scheme's provisions;

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

"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" means a person, other than a person in receipt of a training allowance, who is attending or undertaking—
(a) a course of study at an educational establishment; or
(b) a qualifying course;

"tax year" means a period beginning with 6th April in one year and ending with 5th April in the next;

"training allowance" means an allowance (whether by way of periodical grants or otherwise) payable—
(a) out of public funds by a Government department or by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise, the Chief Executive of Skills Funding or the Welsh Ministers;
(b) to a person for his maintenance or in respect of a member of his family; and
(c) for the period, or part of the period, during which he is following a course of training or instruction provided by, or in pursuance of arrangements made with, that department or approved by that department in relation to him or so provided or approved by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise or the Welsh Ministers,
but it does not include an allowance paid by any Government department to or in respect of a person by reason of the fact that he is following a course of full-time education, other than under arrangements made under section 2 of the Employment and Training Act 1973 or is training as a teacher;

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

"universal credit" has the meaning given by section 1 of the Welfare Reform Act 2012;

"voluntary organisation" means a body, other than a public or local authority, the activities of which are carried on otherwise than for profit;

"war disablement pension" means any retired pay or pension or allowance payable in respect of disablement under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003;

"war pension" means a war disablement pension, a war widow's pension or a war widower's pension;

"war widow's pension" means any pension or allowance payable to a woman as a widow under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person.

"war widower's pension" means any pension or allowance payable to a man as a widower or to a surviving civil partner under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

"water charges" means—
(a) as respects England and Wales, any water and sewerage charges under Chapter 1 of Part 5 of the Water Industry Act 1991,
(b) as respects Scotland, any water and sewerage charges established by Scottish Water under a charges scheme made under section 29A of the Water Industry (Scotland) Act 2002,
in so far as such charges are in respect of the dwelling which a person occupies as his home;

"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 these Regulations, 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 these Regulations, 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); or
(b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income based jobseeker's allowance is payable to him or would be payable to him but section 19 or 19A or regulations made under section 17A or 19B of that Act;
(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 these Regulations, 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 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 these Regulations, two persons shall be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.
(6) In these Regulations, 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.

3. Meaning of "pensioner" and "person who is not a pensioner"

In these Regulations a person is -
(a) 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 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 income-based jobseeker's allowance or an income-related employment and support allowance; or
(bb) a person with an award of universal credit.

4. Meaning of "couple"

(1) In these Regulations "couple" means—
(a) a man and woman who are married to each other and are members of the same household;
(b) a man and woman who are not married to each other but are living together as husband and wife;
(c) two people of the same sex who are civil partners of each other and are members of the same household; or
(d) two people of the same sex who are not civil partners of each other but are living together as if they were civil partners.
(2) Two people of the same sex are to be treated as living together as if they were civil partners if, and only if, they would be treated as living together as husband and wife were they of opposite sexes.

5. Polygamous marriages

(1) This regulation 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 regulation 4 neither party to the marriage is to be taken to be a member of a couple.

6. Meaning of "family"

(1) In these Regulations "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 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

(b) a person to whom section 6 of the Children (Leaving Care) Act 2000 (exclusion from benefits) applies.

7. 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 who regulation 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 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 purpose of these Regulations a child or young person is the responsibility of only one person in any support week and any person other than the one treated as responsible for the child or young person under this regulation is to be treated as not so responsible.

8. Households

(1) Subject to paragraphs (2) and (3), an applicant and any partner and, where the applicant or his partner is treated (by virtue of regulation 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 to 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 or 23(2)(a) of the Children Act 1989) or by a voluntary organisation under section 59(1)(a) of that Act, or in Scotland boarded out or placed with the applicant or his partner under a relevant enactment; or

(b) placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or

(c) placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002, the Adoption Agencies (Scotland) Regulations 2009 or the Adoption (Northern Ireland) Order 1987.

(3) Subject to paragraph (4), 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 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 regulation "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; and
(o) the Legal Aid, Sentencing and Punishment of Offenders Act 2012.

9. Non-dependants

(1) In these Regulations, "non-dependant" means any person, except someone to whom 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, 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 regulation 8 (households);
(d) subject to 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 sections 6 or 7 of the 1992 Act (persons liable to pay council tax);
(e) subject to 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 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 scheme.

10. Remunerative work

(1) Subject to the following provisions of this regulation, a person must be treated for the purposes of these Regulations 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 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 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 must 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 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 2
Prescribed classes of persons

11. Pensioners

(1) subject to paragraph (2), the classes of pensioners described in paragraph 1 of Schedule 1 are classes of person prescribed for the purpose of paragraph (2)(9)(b) of Schedule 1A to the 1992 Act and which must be included in an authority's scheme.

(2) Pensioners whose capital exceeds £16,000

are a class of person prescribed for the purposes of that paragraph and which must not be included in an authority's scheme.

(3)Capital for the purposes of paragraph (2) is to be calculated in accordance with Part 6 of Schedule 1.

12. Persons treated as not being in Great Britain

(1) Persons treated as not being in Great Britain. are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in the authority's scheme.

(2) Except where a person falls within paragraph (5) or (6), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.

(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 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 (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 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 sub-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 28 July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31 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 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 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;

(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-based jobseeker's allowance or on an income-related employment and support allowance; 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 (right of residence of a Croatian who is an "accession" State national subject to worker authorisation")

(6) A person falls within this 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 regulation—

"claim for asylum" has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999;

"Crown servant" means a person holding an office or employment under the Crown;

"EEA Regulations" means the Immigration (European Economic Area) Regulations 2006; and

"Her Majesty's forces" has the same meaning as in the Armed Forces Act 2006.

13. Persons subject to immigration control

(1) Subject to paragraph (1A), persons subject to immigration control are a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A to the 1992 Act and which must not be included in an authority's scheme.

(1A) A person who is a national of a state which has ratified the European Convention on Social and Medical Assistance (done in Paris on 11th December 1953) or a state which has ratified the Council of European 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 same meaning as in section 115(9) of the Immigration and Asylum Act 1999.

14. Students

(1) A person who is a student to whom paragraph 40(1) of Schedule 9 applies is a class of person prescribed for the purposes of paragraph 2(9)(b) of Schedule 1A who is not entitled to support under this scheme.

(2) In this paragraph "student" has the meaning given by paragraph 38 of Schedule 9 of this scheme.

PART 3

15. Entitlement to Support

(1) A pensioner is entitled to receive support under this scheme in accordance with Schedules 1 to 8.
(2) A person who is not a pensioner but who is a member of a couple or a polygamous marriage where the other member is a pensioner is entitled to receive support under this scheme if they qualify for support in accordance with Schedules 1 to 8.
(3) A person who is not a pensioner to whom neither of paragraphs (1) or (2) apply is entitled to receive support under this scheme in accordance with Schedules 7 to 12.

SCHEDULE 1: Pensioners

PART 1

1. Classes of persons entitled to a support under this scheme

(1) The classes of pensioners described in paragraphs 2 to 4 are entitled to support under this scheme.
(2) In those paragraphs, references to an 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.

2. Class A: pensioners whose income is no greater than the applicable amount

On any day class A consists of any person who is a pensioner—
(a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
(b) who subject to paragraph 5 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;
(c) in respect of whom a maximum council tax support amount can be calculated;
(d) who does not fall within a class of persons prescribed for the purposes of paragraph 2(9) of Schedule 1A to the 1992 Act as a class of person which must not be included in an authority's scheme;
(e) whose income (if any) for the relevant week does not exceed his applicable amount; and
(f) who has made an application.

3. Class B: pensioners whose income is greater than the applicable amount

On any day class B consists of any person who is a pensioner—
(a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
(b) who, subject to paragraph 5, is not absent from the dwelling throughout the day;
(c) in respect of whom a maximum council tax support amount can be calculated;
(d) who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the 1992 Act as a class of person which must not be included in an authority's 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.

4. Class C: alternative maximum council tax support

(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 5, is not absent from the dwelling throughout the day;
(c) in respect of whom a maximum council tax support amount can be calculated;
(d) who does not fall within a class of person prescribed for the purposes of paragraph 2(9) of Schedule 1A to the 1992 Act as a class of person which must not be included in an authority's 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, 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.

5. 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 where and for so long as—

(i) the person resides in that accommodation;

(ii) the part of the dwelling in which he usually resided is not let or sub-let; and

(iii) that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,

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

(b) a period of absence not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as—

(i) the person intends to return to the dwelling;

(ii) the part of the dwelling in which he usually resided is not let or sub-let; and

(iii) that period is unlikely to exceed 13 weeks; and

(c) a period of absence not exceeding 52 weeks, beginning with the first whole day of 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.

(3) This sub-paragraph applies to a person who—

(a) is detained in custody on remand pending trial or required, as a condition of bail, to reside—

(i) in a dwelling, other than the dwelling referred to in 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;

(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.

(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—

"medically approved" means certified by a medical practitioner;

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

"residential accommodation" means accommodation which is provided 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.

PART 2
Applicable amounts for the purposes of calculating eligibility for support under a scheme and amount of reduction

6. Applicable amounts

(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 to these Regulations;

(b) an amount in respect of any child or young person who is a member of his family, determined in accordance with paragraph 2 of that Schedule;

(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).

(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.

PART 3
Maximum council tax support for the purposes of calculating eligibility for support under the scheme and amount of support

7. Maximum council tax support amount under a scheme

(1) Subject to sub-paragraphs (2) to (4), the amount of a person's maximum council tax support in respect of a day shall be 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 8 (non-dependant deductions).

(2) In calculating a person's maximum council tax support under the authority' 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 support under that authority's scheme), is to be taken into account.

(3) Subject to sub-paragraph (4), 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 support 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.

(4) Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, sub-paragraph (3) does not apply in his case.

(5) The reference in sub-paragraph (3) 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) of the Schedule to the Default Scheme Regulations applies.

(6) In this paragraph "relevant financial year" means, in relation to any particular day, the financial year within which the day in question falls.

8. Non-dependant deductions

(1) Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in paragraph 7 are—

(a) in respect of a non-dependant aged 18 or over in remunerative work, £- x 1/7;

(b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply, £- x 1/7.

(2) In the case of a non-dependant aged 18 or over to whom sub-paragraph (1)(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is—

(a) less than £-, the deduction to be made under this paragraph is that specified in sub-paragraph (1)(b);

(b) not less than £- but less than £-, the deduction to be made under this paragraph is £-;

(c) not less than £- but less than £-, the deduction to be made under this paragraph is £-.

(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 and, where, but for this paragraph, the amount that would fall to be deducted in respect of one member of a couple or polygamous marriage is higher than the amount (if any) that would fall to be deducted in respect of the other, or any other, member, the higher amount shall be deducted.

(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 subparagraph, 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) blind or treated as blind by virtue of sub-paragraphs (12) or (13) below; or

(b) receiving in respect of himself either—

(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 allow 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 of the Schedule to the Default Scheme Regulations (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 5(6) of this Schedule, 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) 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; or

(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.

(9) In the application of sub-paragraph (2) there is to be disregarded from the nondependent'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 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 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 sub-paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.

(11) An applicant, or as the case may be, his partner is blind or treated as blind for the purposes of sub-paragraph (6)(a) if the applicant or his partner is blind and in consequence registered in a register compiled by a local authority under section 29 of the National Assistance Act 1948 (welfare services) or, 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.

(12) For the purposes of sub-paragraph (11), a person who has ceased to be registered as blind on regaining his eyesight shall nevertheless be treated as blind 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 4
Alternative maximum council tax support for the purposes of calculating eligibility for support under the scheme and amount of support

9. Alternative maximum council tax support under a scheme

(1) Subject to sub-paragraphs (2) and (3), the alternative maximum council tax support in respect of a day where the conditions set out in paragraph 4 (alternative maximum council tax support) are fulfilled, is the amount determined in accordance with Schedule 3 (amount of alternative maximum council tax support).

(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 support in his case, the amount determined in accordance with Schedule 3 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 5
Amount of support under the scheme

10. Amount of support under a scheme: Classes A to C
(1) Where a person is entitled to support under the authority's scheme in respect of a day, the amount of the support to which he is entitled is as follows.
(2) Where the person is within class A, that amount is the maximum council tax support amount in respect of the day in the applicant's case.
(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 3 (income greater than applicable amount).
(4) Where the person is within class C, that amount is the amount which is the alternative maximum council tax support in respect of the day in the applicant's case.
(5) Sub-paragraph (6) applies where both—
(a) sub-paragraph (2) or sub-paragraph (3), and
(b) sub-paragraph (4),
apply to a person.
(6) The amount of the support to which he is entitled is whichever is the greater of—
(a) the amount of the support given by sub-paragraph (2) or sub-paragraph (3), as the case may be, and
(b) the amount of the support given by sub-paragraph (4).

PART 6
Income and capital for the purposes of calculating eligibility for support under the authority's scheme and amount of support.

CHAPTER 1
General

11. 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 the applicant.
(3) Where an applicant or the partner of an applicant is married polygamously to two or more members of his household—
(a) the applicant must be treated as possessing capital and income belonging to each such member; and
(bb)the income and capital of that member must be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

12. 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-dependent and an applicant have entered into arrangements in order to take advantage of the authority's scheme and the non-dependant has more income and capital than the applicant.

(2) Except where the applicant is on a guarantee credit 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 will 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

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

14. Calculation of applicant's income in savings credit only cases
(1) In determining the income and capital of an applicant 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.
(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 24(1)(c)(calculation of income on a weekly basis);
(c) the higher amount disregarded under this Schedule in respect of—
(i) lone parent's earnings; or
(ii) payments of maintenance, whether under a court order or not, which are 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 4 (sums disregarded from earnings);
(e) the income and capital of any partner of the applicant who is treated as a member of the applicant's household under regulation 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 12 (circumstances in which 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;
(h) any amount to be disregarded by virtue of paragraph 6 of Schedule 4 to these Regulations.
(3) Paragraphs 16 to 36 of this Schedule 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 31 to 36 of this Schedule.
(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;
(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.

15. Calculation of income and capital where state pension credit is not payable
Where neither paragraph 13 (applicant in receipt of guarantee credit) nor 14 (calculation of income in savings credit only cases) applies in the applicant's case, his income and capital is to be calculated or estimated in accordance with paragraphs 16 to 21 and 24, 25, 27 to 29 and chapter 3 (capital) of this Part.

16. Meaning of "income"

(1) For the purposes of classes A to C, "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 6 (capital disregards);

(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;

(v) an increase of disablement pension under section 104 or 105 of that Act;

(vi) child benefit;

(vii) any guardian's allowance payable under section 77 of the SSCBA;

(viii) any increase for a dependant, other than the applicant's partner, payable in accordance with Part 4 of that Act;

(ix) any

(aa) social fund payment made under Part 8 of that Act; or

(bb) occasional assistance;

(x) Christmas bonus payable under Part 10 of that Act;

(xi) housing benefit;

(xii) council tax benefit;

(xiii) bereavement payment;

(xiv) statutory sick pay;

(xv) statutory maternity pay;

(xvi) ordinary statutory paternity pay payable under Part 12ZA of the SSCBA;

(xvii) additional statutory paternity pay payable under Part 12ZA of that Act;

(xviii) statutory adoption pay payable under Part 12ZB of that Act;

(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, in any case where article 30(1)(b) applies; or

(ii) under article 12(8) of that Order, 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) 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) shall be the amount of working tax credit or child tax credit awarded less the amount of that deduction.

(4) The adjustments specified in this 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.

(5) In sub-paragraph (1)-

(a) in paragraph (w), an "equity release scheme" means a loan—

(i) made between a person ("the lender") and the applicant;

(ii) by means of which a sum of money is advanced by the lender to the applicant by way of payments at regular intervals; and

(iii) which is secured on a dwelling in which the applicant owns an estate or interest and which he occupies as his home, and

(b) in paragraph (J)(ix) "occasional assistance" means any payment or provision made by a local authority, the Welsh Ministers or the Scottish Ministers for the purposes of—

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

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

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

(ii) enabling qualifying individuals to establish or maintain a settled home, and "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.

(6) In sub-paragraph (5)(b) "local authority" means a local authority in England within the meaning of the Local Government Act 1972.

17. Calculation of weekly income

(1) Except in a case within sub-paragraph (2) or (4), for the purposes of calculating the weekly income of an applicant, where the period in respect of which payment is made—

(a) does not exceed a week, the whole of that payment must 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.

(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.

(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 4 (sums disregarded from earnings) 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) are to be treated as though they were earnings.

(11) Income specified in Schedule 5 (amount disregarded in calculation of income other than earnings) is to be disregarded in the calculation of the applicant's income.

(12) Schedule 6 to these Regulations (capital disregards) 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 37 (calculation of tariff income from capital).

(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.

18. Earnings of employed earners

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

(j) ordinary statutory paternity pay payable under Part 12ZA of that Act;

(k) additional statutory paternity pay payable under Part 12ZA of that Act;

(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'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)(g).

19. Calculation of net earnings of employed earners

(1) For the purposes of paragraph 24 (calculation of income on a weekly basis), the earnings of an applicant derived or likely to be derived from employment as an employed earner to be taken into account must, subject to paragraph 17(5) and Schedule 4 (sums disregarded from earnings), be his net earnings.

(2) For the purposes of sub-paragraph (1) net earnings must, except where subparagraph (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, ordinary or additional 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.

(3) In this regulation "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;

(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 17(2)(b) (calculation of weekly income) his net earnings are 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 section 35,36 or 37 of the Income Tax Act 2007 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.

20. Calculation of earnings of self-employed earners

(1) Where the earnings of an applicant consist of earnings from employment as a self-employed earner, the weekly amount of his earnings must 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 will be his assessment period.

21. Earnings of self-employers earners

(1) Subject to sub-paragraph (2), "earnings", in the case of employment as a self employed earner, 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 or 23(2)(a) of the Children Act 1989 or, as the case may be, section 26(1) of the Children (Scotland) Act 1995; 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;
(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 pursuant to section 26(3A) of the National Assistance Act 1948;
(iv) the National Health Service Commissioning Board or a clinical commissioning group established under section 14D of the National Health Service Act 2006; or
(v) a Local Health Board established by an order made under section 11 of the National Health Service (Wales) Act 2006;
(e) any sports award.

22. Notional income

(1) An applicant 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 of the SSCBA;
(c) graduated retirement benefit payable under sections 36 and 37 of the National Insurance Act

(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.
(4) This sub-paragraph applies where a person who has attained the qualifying age for state pension credit—
(a) is entitled to money 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 maximum amount of income which may be withdrawn from 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 Pensions Scheme Act 1993.
(9) Subject to sub-paragraphs (10) and (12), a person will be treated as possessing income of which he has deprived himself for the purpose of securing entitlement to support under the authority's scheme or increasing the amount of the support.
(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.
(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's participation in a service user group.
(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 paragraph (13), the authority must—
(a) determine the income and capital of that applicant in accordance with paragraph 14(1) (calculation of applicant's income in savings credit only cases) 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 that 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.

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

23. Income paid to third parties

(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 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 do not possess, or are 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's participation in a service user group.

24. Calculation of income on a weekly basis

(1) Subject to paragraph 28 (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 under paragraph 37 (calculation of tariff income from capital); and

(c) deducting from the sum of paragraphs (a) and (b) any relevant child care charges to which paragraph 25 (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 subparagraph 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 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, £- per week;

(b) where the applicant's family includes more than one child in respect of whom relevant child care charges are paid, £- per week.

25. Treatment of child care charges

(1) This paragraph applies where an applicant 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 subparagraph (9).

(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 regulation 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 by 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 (England) 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 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) Relevant child care charges are to 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.

(10) For the purposes of sub-paragraph (1)(c) the other member of a couple is incapacitated where—

(a) he is aged not less than 80;

(b) he is aged less than 80, and—

(i) an additional condition specified in paragraph 26 is treated as applying in his case; and

(ii) he satisfies that condition 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's applicable amount would include the support component or the work-related activity component on account of the other member having limited capability for work but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008;

(d) 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 shall be treated as one continuous period;

(e) 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 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;

(f) 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;

(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;

(g) a pension or allowance to which sub-paragraph (vii) or (viii) of paragraph (f) 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 inpatient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005;

(h) 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 made under section 113(2) of the SSCBA; or

(ii) an abatement as a consequence of hospitalisation;

(i) 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

(j) an AFIP would be payable to that person 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.

(k) paragraph (f),(g),(h) or (i) 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

(l) 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.

(11) For the purposes of sub-paragraph (10), once sub-paragraph (10)(d) 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 paragraph is to, 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.

(12) For the purposes of sub-paragraph (10), once sub-paragraph (10)(e) 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 to, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter apply to him for so long as he has, or is treated as having, limited capability for work.

(13) 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 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 would be payable but for 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 blind in a register compiled under section 29 of the National Assistance Act 1948 (welfare services) or, 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

(d) who ceased to be registered as blind 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.

(14) For the purposes of sub-paragraph (1) a person on maternity leave, paternity leave or adoption leave is to be treated as if he is engaged in remunerative work for the period specified in sub-paragraph (15) ("the relevant period") provided that—

(a) in the week before the period of maternity leave, paternity 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, ordinary statutory paternity pay by virtue of section 171ZA or 171ZB of that Act, additional statutory paternity pay by virtue of section 171ZEA or 171ZEB of that Act, statutory adoption pay by virtue of section 171ZL of that Act, maternity allowance under section 35 of that Act or qualifying support.

(15) For the purposes of sub-paragraph (14) the relevant period begins on the day on which the person's maternity, paternity leave or adoption leave commences and shall end 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, ordinary or additional statutory paternity pay or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credit ends,

whichever shall occur first.

(16) In sub-paragraphs (14) and (15)—
(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; 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).
(17) In sub-paragraphs (6), (8)(a) and (13)(d), "the first Monday in September" means the Monday which first occurs in the month of September in any year.

26. Additional condition referred to in paragraph 28(11)(b)(i): disability

(1) Subject to sub-paragraph (2), the additional condition referred to in paragraph 25(11)(b)(i) is that either—
(a) the applicant or, as the case may be, the other member of the couple—
(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 and the applicant has since remained continuously entitled to council tax benefit (for the period prior to 1st April 2013) or support under the authority's scheme (for the period on or after 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 28(10)(g) (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 28(10)(g); or
(v) was in receipt of an AFIP but its payment has been suspended in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution; or
(vi) is provided by the Secretary of State or a clinical commissioning group with an invalid carriage or other vehicle under paragraph 9 of Schedule 1 to the National Health Service Act 2006 or, in Scotland, under section 46 of the National Health Service (Scotland) Act 1978 (provision of services by Scottish Ministers) or receives payments by way of grant from the Secretary of State under paragraph 10(3) of Schedule 1 to the Act of 2006 or, in Scotland, by Scottish Ministers under section 46 of the Act of 1978; or
(vii) is blind and in consequence registered in a register compiled by a local authority under section 29 of the National Assistance Act 1948 (welfare services) or, 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
(b) the applicant, or as the case may be, the other member of the couple —
(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 on regaining his eyesight is nevertheless to be treated as blind 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), where any two or more periods of incapacity are separated by a break of not more than 56 days, those periods must be treated as one continuous period.

(4) 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 SSCBA (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.
(5) In the case of a person 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) the reference to a period of 56 days in sub-paragraph (3) must be treated as a reference to a period of 104 weeks.

27. Calculation of average 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.

28. Disregard of changes in tax, contributions etc

In calculating the applicant's income the authority may disregard any legislative change—
(a) in the basic or other rates of income tax;
(b) in the amount of any personal tax relief;
(c) in the rates of social security 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 earnings exception 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;
(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.

29. Calculation of net profit of self-employed earners

(1) For the purposes of paragraph 24 (calculation of income on a weekly basis) the earnings of an applicant to be taken into account are—
(a) in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
(b) in the case of a self-employed earner whose employment is carried on in partnership, 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 33 (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;
(2) For the purposes of sub-paragraph (1)(a) the net profit of the employment must, except where sub-paragraph (8) applies, be calculated by taking into account the earnings of the employment over the assessment period less—
(a) subject to sub-paragraphs (4) to (7), any expenses wholly and exclusively incurred in that period for the purposes of that employment;
(b) an amount in respect of—
(i) income tax; and
(ii) social security contributions payable under the SSCBA,
calculated in accordance with paragraph 30; and
(c) one-half of the amount calculated in accordance with sub-paragraph (10) in respect of any qualifying premium.

(3) 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 (4) to (7), any expenses wholly and exclusively incurred in that period for the purposes of the employment.
(4) Subject to sub-paragraph (5), no deduction is to be made under sub-paragraph (2)(a) or (3), 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; and
(f) any expenses incurred in providing business entertainment.
(5) A deduction must be made under sub-paragraph (2)(a) or (3) in respect of the repayment of capital on any loan used for—
(a) the replacement in the course of business of equipment or machinery; and
(b) the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.
(6) The authority must refuse to make a deduction in respect of any expenses under sub-paragraph (2)(a) or (3) where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.
(7) For the avoidance of doubt—
(a) a deduction must not be made under sub-paragraph (2)(a) or (3) 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.
(8) 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) social security contributions payable under the SSCBA,
calculated in accordance with paragraph 30 of this Schedule; and
(b) one-half of the amount calculated in accordance with sub-paragraph (10) in respect of any qualifying premium.
(9) 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.
(10) 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 is to 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 365;
(b) in any other case, by dividing the amount of the qualifying premium by the number equal to the number of days in the period to which the qualifying premium relates.
(11) In this paragraph, "qualifying premium" means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of claim.

30. Calculation of deduction of tax and contributions of self-employed earners
(1) The amount to be deducted in respect of income tax under paragraph 29(1)(b)(i), (2)(b)(i) or (8)(a)(i) (calculation of net profit of self-employed earners) is to 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 of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under section 35,36 or 37 of the Income Tax Act 2007 (personal allowances) as is appropriate to his circumstances.
(2) 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 reliefs deductible under this paragraph must be calculated on a pro rata basis.

(3) The amount to be deducted in respect of social security contributions under paragraph 29(1)(b)(i), (2)(b)(ii) or (8)(a)(ii) of this Schedule is the total of—

(a) the amount of Class 2 contributions payable under section 11(1) or, as the case may be, 11(3) of the 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 earnings exception) 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, (3) of paragraph 29;

(b) in the case of employment as a child minder, one-third of the earnings of that employment.

CHAPTER 3
Capital

31. Calculation of capital

(1) The capital of an applicant to be taken into account must, subject to sub-paragraph (2), be the whole of his capital calculated in accordance with this Part.

(2) There must be disregarded from the calculation of an applicant's capital under sub-paragraph (1), any capital, where applicable, specified in Schedule 6 (capital disregards).

(3) An applicant's 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 support was allowed before those arrears were paid.

32. 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.

33. Calculation of capital outside the United Kingdom

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

34. 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 support under the authority's scheme or increasing the amount of that support except to the extent that that capital is reduced in accordance with paragraph 35 (diminishing notional capital rule).

(2) A person 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) 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 31 (calculation of capital) be disregarded; and
(b) he must, subject to sub-paragraph (4), 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.

(4) 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 (3) is to be disregarded.

(5) Where an applicant is treated as possessing capital under sub-paragraph (1) the foregoing provisions of this Chapter apply for the purposes of calculating its amount as if it were actual capital which he does possess.

35. Diminishing notional capital rule

Where an applicant is treated as possessing capital under paragraph 34(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 support under the authority's scheme; and
(b) but for paragraph 34(1), he would have received greater support under that 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 to be equal to the aggregate of—

(a) an amount equal to the additional amount of support in council tax to which subparagraph (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 that 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 would have been entitled to support in council tax under the authority's scheme in the relevant week but for paragraph 34(1).

(5) In such a case the amount of support in the amount of the capital which 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 34(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, within the meaning of regulation 2 of those Regulations (interpretation), which includes the last day of the relevant week, the amount which is equal to—

(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) must be re-determined under that sub-paragraph if the applicant makes a further application for support in council tax under the authority's scheme 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 34(1) ;

(ii) in a case where there has been at least one re-determination in accordance with sub-paragraph (5), 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 council tax support under the authority's scheme,

whichever last occurred; and

(b) the applicant would have been entitled to support under the authority's scheme but for paragraph 34(1).

(9) The amount as re-determined pursuant to sub-paragraph (7) does not have effect if it is less than the amount which applied in that case immediately before the redetermination and in such a case the higher amount shall 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 council tax support under the authority's 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) and (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 34(1) -

(a) was first taken into account for the purpose of determining his entitlement to council tax support under the authority's scheme; or

(b) was taken into account on a subsequent occasion for the purpose of determining or re-determining his entitlement to council tax support on that subsequent occasion and that determination or re-determination resulted in his beginning to receive, or ceasing to receive, a reduction in council tax under that authority's scheme;

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 of 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.

36. Capital jointly held

Except where an applicant possesses capital which is disregarded under paragraph 34(4) (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.

37. Calculation of tariff income from capital

The capital of an applicant, calculated in accordance with this Part, 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.

PART 7
Extended reductions [support]

38. Extended reductions [support] (qualifying contributory benefits)

(1) Except in the case of an applicant who is in receipt of state pension credit, an applicant who is entitled to support under a 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, 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 support under the authority's scheme by virtue of falling within any of classes A to C where—

(a) the applicant ceased to be entitled to support under the authority's 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).

39. Duration of extended reduction [support] period (qualifying contributory benefits)

(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.

40. Amount of extended reduction [support] (qualifying contributory benefits)
(1) For any week during the extended reduction period the amount of the extended support (qualifying contributory benefits) the applicant is entitled to is the greater of—
(a) the amount of council tax support under the authority's scheme 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 support under the authority's scheme to which the applicant would be entitled by virtue of falling within any of classes A to C for any reduction week during the extended reduction period, if paragraph 38 (extended reductions [support] (qualifying contributory benefits)) did not apply to the applicant; or
(c) the amount of support under the authority's scheme to which the applicant's partner would be entitled by virtue of falling within any of classes A to C, if paragraph 38 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 extended support (qualifying contributory benefits) under this paragraph and the applicant's partner makes an application for support under the authority's scheme, no support is to be awarded during the extended support period.

41. Extended reductions [support] (qualifying contributory benefits): movers
(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 support (qualifying contributory benefit) awarded from the Monday from which this paragraph applies until the end of the extended support period is the amount of support under the authority's ("the first authority") 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 the first authority to—
(a) the second authority; or
(b) the mover directly.

42. Relationship between extended reduction (qualifying contributory benefits) and entitlement to a council tax support by virtue of classes A to C
(1) Where an applicant's support under the authority's scheme would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 38(1)(b) (extended reduction [support](qualifying contributory benefits)) , that support does not cease to have effect until the end of the extended support period.
(2) Part 9 (period of entitlement, changes of circumstances) does not apply to any extended support (qualifying contributory benefits) payable in accordance with paragraph 40(1)(a) or paragraph 41(2) (amount of extended reduction: movers).

43. Continuing reductions where state pension credit claimed
(1) This paragraph applies where—
(a) the applicant is entitled to support under the authority's scheme;
(b) sub-paragraph (2) is satisfied; and
(c) either—
(i) the applicant has attained the qualifying age for state pension credit or, if his entitlement to income-based jobseeker's allowance or income related employment and support allowance continued beyond that age, has attained the age of 65; or
(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 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 support under the authority's scheme for the period of 4 weeks beginning on the day following the day on which the applicant's entitlement to income support or, as the case may be, income-based jobseeker's allowance, or income-related employment and support allowance, ceased, if and for so long as the applicant otherwise satisfies the conditions for entitlement to support under the scheme.
(4) Where support under that scheme is awarded for the period of 4 weeks in accordance with sub-paragraph (3), and the last day of that period falls on a day other than the last day of a reduction week, then support under the 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 shall be disregarded;
(b) the maximum council tax support amount of the applicant is to be that which was applicable in his case immediately before that period commenced.
(6) The appropriate maximum council tax support amount is to be calculated in accordance with paragraph 7(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 8 (non-dependant deductions) falls to be made.

44. Extended reductions: movers into the authority's area
Where—
(a) an application is made to the authority ("the current authority") for support under it's scheme, and
(b) the applicant, or the partner of the applicant, is in receipt of extended support from—
(i) another billing authority in England; or
(ii) a billing authority in Wales;
the current authority must reduce any support to which the applicant is entitled under its scheme by the amount of that extended support.

PART 8
When entitlement begins and change of circumstances

45. Date on which entitlement begins
(1) Subject to sub-paragraph (2), any person by whom or in respect of whom an application for support under the authority's scheme is made and who is otherwise entitled to that support 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 the authority's 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 shall be so entitled from that reduction week.

46. Date on which change of circumstances is to take effect
(1) Except in cases where paragraph 28 (disregard of changes in tax, contributions, etc) applies and subject to the following provisions of this paragraph and paragraph 47 (change of circumstances when state pension credit in payment), a change of circumstances which affects entitlement to, or the amount of, support under the authority's 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 sections 11 or 11A (discounts) of that Act, 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 the authority's 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 the authority's scheme.
(10) Sub-paragraph (11) applies if—
(a) the applicant or the applicant's 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 amount of the deduction which falls to be made under paragraph 8 (non-dependent deductions) 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 support under the authority's 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 the first day of the next reduction week to commence after the date determined under that sub-paragraph.

47. Change of circumstances where state pension credit in payment

(1) Sub-paragraphs (2) and (3) apply where—
(a) an 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 support he receives under the authority's 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 support he receives under that 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 that scheme, the 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 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 support the applicant receives under the authority's 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 support the applicant receives under the authority's 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 the 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 support the applicant receives under the authority's scheme, the change of circumstances referred to in paragraph (b) takes effect from the day specified in su 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 the authority's 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 43 (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 its scheme; or
(ii) providing services relating to its 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 14(1) (calculation of applicant's income in savings credit only cases).

PART 9
Applications

48. 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 for support 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 he occupies as his home, and

(iii) the application 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 for support 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 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) an applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under the authority's scheme, and

(ii) the applicant makes an application for support under that 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 an 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 an 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 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.

(3) Where the defect referred to in paragraph 7 of Schedule 7(applications 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 the

(4) The authority must 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 7 (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 7 (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 support under that authority's scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority must treat the application as having been made on the day on which the liability for the tax arises.
(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 support under the authority's scheme in the reduction week immediately following the date of his application but the authority is of the opinion that unless there is a change of circumstances he will be entitled to support under its scheme for a period beginning not later than -
(a)in the case of an application made by-
(i) a pensioner; or
(ii) a person who has attained, or whose partner has attained, the age which is 17 weeks younger than the qualifying age for state pension credit;
the seventeenth reduction week following the date on which the application is made, or
(b) in the case of an application made by a person who is not a pensioner, the thirteenth reduction week following the date on which the application is made,
the authority may treat the application as made on a date in the reduction week immediately preceding the first reduction week of that period of entitlement and award a reduction accordingly.
(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 of income support, a job seekers allowance or an employment and support allowance.

49. Back-dating of applications
(1) This paragraph applies only to persons who are pensioners.
(2) Subject to sub-paragraph (3), the time for the making of an application under the authority's scheme is as regards any day on which, apart from satisfying the condition of making an application, the applicant is entitled to such support, that day and the period of three months immediately following it.
(3) In any case where paragraph 48(1)(a) applies (date on which application made; state pension credit comprising guarantee credit), sub-paragraph (2) does not entitle a person to apply for support under the authority's 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).

50. Further provision about applications
Schedule 8 to these Regulations makes further provision about applications for the council tax support scheme.

SCHEDULE 2: Applicable amounts for pensioners

PART 1
Personal allowances

Personal allowance

1. 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 6(1)(a) of Schedule 1.

Column (1)	Column (2)
Person, couple or polygamous marriage	Amount
(1) Single applicant or lone parent – (a) Aged under 65; (b) Aged 65 or over.	(1) (a) £- (b) £-
(2) Couple – (a) Both members aged under 65; (b) One or both members aged 65 or over.	(2) (a) £- (b) £-
(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 – (a)for the applicant and the other partner to the marriage; (b) for each additional spouse who is a member of the same household as the applicant.	(3) (a) £- (b) £-
(4) If the applicant is a member of a polygamous marriage and one or more members of the marriage are aged of 65 or over – (a) for the applicant and the other partner to the marriage; (b) for each additional spouse who is a member of the same household as the applicant.	(4) (a) £- (b) £-

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 6(1)(b) of Schedule 1.

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; (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.	(a) £- (b) £-

(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.

PART 2
Family premium

3. Family premium

The amount for the purposes of paragraph 6(1)(c) of Schedule 1 in respect of a family of which at least one member is a child or young person is £-.

PART 3
Premiums

4. The premiums specified in Part 4 are, for the purposes of paragraph 6(1)(d) of Schedule 1, applicable to an applicant who satisfies the condition specified in this Part in respect of that premium.

5. Subject to sub-paragraph (2), for the purposes of this Part, once a premium is applicable to an applicant under this Part, a person is to be treated as being in receipt of any benefit for—

(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 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 2012or 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 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 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 subparagraph (2)(b)(ii), and that partner is blind or is treated as blind 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 if he is registered in a register compiled by a local authority under section 29 of the National Assistance Act 1948 (welfare services) or, 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.

(5) For the purposes of sub-paragraph (4), a person who has ceased to be registered as blind on regaining his eyesight is nevertheless be treated as blind 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 subparagraphs (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 entitled an in receipt notwithstanding section 86 of that Act and regulations made thereunder;
(c) as being in receipt of an AFIP, if he would, 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;
(d) 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.
(8) For the purposes of sub-paragraph (2)(a)(iii) and (2)(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) a reference to a person being in receipt of a carer's allowance is to include reference 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).

7. Enhanced disability premium

(1) The condition is that-
(a) that 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 payment in accordance with regulations under section 86 of the Welfare Reform Act 2012, be payable at the enhanced rate under 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 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 within the meaning of paragraph 6(4) of this Schedule 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 shall 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 of this Schedule, 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, 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.

PART 4

12. Amounts of premium specified in Part 3

Provision	Amount
(1) Severe Disability Premium— (a) where the applicant satisfies the condition in paragraph 6(2)(a); (b) where the applicant satisfies the condition in paragraph 6(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 6(7); (ii) in a case where there is no-one in receipt of such an allowance.	(1) (a) £-; (b) (i) £-; (ii) £-.
(2) Enhanced disability premium.	(2) £- 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) £- in respect of each child or young person in respect of whom the condition specified in paragraph 8 is satisfied
(4) Carer Premium.	(4) £- in respect of each person who satisfies the condition specified in paragraph 9.

SCHEDULE 3: Amount of alternative maximum council tax reduction for pensioners

1.—(1) Subject to paragraphs 2 and 3, the alternative maximum council tax reduction in respect of a day for the purpose of paragraph 9 of Schedule 1 is determined in accordance with the following Table and in this Table—

(a) "second adult" means any person or persons residing with the applicant to whom paragraph 4(2) of Schedule 1 applies (class C); and

(b)"person to whom paragraph 75(1) of Schedule 1 to the Default Scheme Regulations 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 support under the authority's 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) *Second adult*	(2) Alternative maximum council tax reduction
(a) Where the second adult or all second adults are in receipt of income support, an income- related employment and support allowance or state pension 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 £- per week;	(i) 15 per cent of the council tax due in respect of that day;
(ii) is not less than £- per week but less than £- 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 73(1) of Schedule 1 to the Default Scheme Regulations 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

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, or any disability living allowance or any personal independence payment under Part 4 of the Welfare Reform Act 2012 or an AFIP; and

(b) any payment to which paragraph 8(9)(b) or (10) of Schedule 1 to these Regulations refers (and sub-paragraph (13) of paragraph 8 applies to this paragraph as it applies in relation to that paragraph).

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

SCHEDULE 4: Sums disregarded from applicant's earnings for 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 subparagraph (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;

(b) a part-time fire-fighter employed by the Scottish Fire and Rescue Service established under section 1A of the Fire (Scotland) Act 2005;

(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 9 of Part 3 of Schedule 2 (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 section 64 to 70 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 blind in a register compiled by a local authority under section 29 of the National Assistance Act 1948 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

(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 SSCBA, 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 2007 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 2007 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 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 was in receipt of a reduction under the authority's 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 the authority's (including under another authority's) scheme; or

(c) employment,

following the first day in respect of which that benefit is awarded or the support given under that 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 13 of Schedule 1 does not apply,

the amount specified in sub-paragraph (7) ("the specified amount").

(2) Where this paragraph applies, paragraphs 1 to 5 and 7 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 11 of Schedule 1 (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 shall 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;

(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 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 subparagraph (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 5 to these Regulations had the applicant's income which does not consist of earnings been sufficient to entitle him to the full disregarded thereunder.

8. Except where the applicant or his partner qualifies for a £20 disregard under the preceding provisions of this Schedule—

(a) £5 must be disregarded if an applicant who has no partner has earnings;

(b) £10 must be disregarded if an applicant who has a partner has earnings.

9. Any earnings, other than earnings referred to in paragraph 17(9)(b) of Schedule 1, derived from employment which ended before the day in respect of which the applicant first satisfies the conditions for entitlement to a reduction under the authority's 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 shall 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 applicable amount includes a family premium under paragraph 3 of Schedule 2; 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 24(1)(c) of Schedule 1 (calculation of income on a weekly basis); and

(c) £17.10.

(4) The provisions of regulation 10 (remunerative work) are to apply in determining whether or not a person works for on average not fewer than 30 hours per week, but as if the reference to 16 hours in paragraph (1) of that regulation 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 5: Amounts to be disregarded in the calculation of income other than Earnings for Pensioners

1. In addition to any sum which falls to be disregarded in accordance with paragraphs 2 to 6, £10 of any of the following, namely—

(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 adjusted 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 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.

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, £20and 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;

(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 there under, 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) £57.35

whichever is less.

(3) In this paragraph and paragraph 18 a reference to a "student loan" or a "grant" is a reference to a student loan or a grant within the meaning of Part 11 of the Schedule to the Default Scheme Regulations.

20.—(1) Where an applicant's applicable amount includes an amount by way of a family premium, £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 4, 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 6 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 6 (capital disregards), 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 6: Capital disregards for Pensioners

PART 1
Capital to be disregarded

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 the authority's 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

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 is to apply for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;

(b) a person referred to in sub-paragraph (1)(c), that sub-paragraph shall apply for the period beginning on the date on which the trust payment is made and ending two years after that date.

(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 is to apply 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, 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 stepparent, 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 stepparent, 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.

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 of this Schedule 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 paragraph 16 of schedule 1).

(2) In sub-paragraph (1), "benefit" means—
(a) attendance allowance under section 64 of the SSCBA;
(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 that 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; or
(p) social fund payments under Part 8 of the SSCBA.

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 has been received by the applicant in full on or after the day on which he became entitled to support under an authority's 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;
(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,
(f) paragraph 18 of Schedule 10 to the Universal Credit Regulations 2013

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) is to have effect until the award comes to an end.

(4) In this paragraph—

"the award", except in sub-paragraph (2), means—
(a) the award of support 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" means—
(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 an application for support under the authority's scheme was made;

"relevant benefit" means any benefit specified in paragraph 21(2); and
"the relevant sum" means the payment referred to in sub-paragraph (1) or the total amount referred to in sub-paragraph (2).

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 5 (amounts to be disregarded in the calculation of income other than earnings for pensioners) 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 may be disregarded under this paragraph.

27.—(1) Subject to sub-paragraph (2) where an applicant falls within class C (alternative maximum council tax reduction), the whole of his capital.

(2) Sub-paragraph (1) does not apply, where an applicant falls within class B (income greater than applicable amount) and class C.

28. Where a person elects to be entitled to a lump sum under Schedule 5 or 5A to the 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; or

(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.

29. Any payments made by virtue of regulations made under—

(a) section 57 of the Health and Social Care Act 2001 (direct payments); or

(b) section 12B of the Social Work (Scotland) Act 1968 (direct payments in respect of community care services);

(c) sections 12A to 12C of the National Health Service Act 2006 (direct payments for health care);

(d) Article 15 of the Health and Personal Social Services (Northern Ireland) Order 1972 (general social welfare); or

(d) section 8 of the Carers and Direct Payments Act (Northern Ireland) 2002 (direct payments).

29A. A payment made under the Age-Related Payments Regulations 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 of this Schedule 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 7: All applicants: procedural matters

PART 1
Applications

Procedure by which a person may apply for support under the scheme

1. Paragraphs 2 to 7 apply to an application made 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.

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. Where an application made in writing is defective because—

(a) it was made on the form supplied for the purpose but that form is not accepted by the authority as being properly completed; or

(b) it was made in writing but not on the form approved for the purpose and the authority does not accept the application as being in a written form which is sufficient in the circumstances of the case having regard to the sufficiency of the written information and evidence

the authority may, in a case to which sub-paragraph (a) applies, request the applicant to complete the defective application or, in the case to which sub-paragraph (b) applies, supply the applicant with the approved form or request further information and evidence.

(2) An application made on a form provided by the authority is properly completed if it is completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

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 t 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 t authority requests during the telephone call.

PART 2
Appeals

Procedure by which a person may appeal against certain decisions of the authority

8.(1) A person who is aggrieved by a decision of the authority which affects-

(a) the person's entitlement to support under its scheme, or

(b) the amount of any support to which that person is entitled

may serve a written notice on the authority stating the matter by which, and the grounds on which, he is aggrieved.

(2) 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.

(3) Where, following notification under sub-paragraph (2)(b)(i) or (ii), the person is still aggrieved, or if the authority fails to notify the person aggrieved in accordance with sub-paragraph (2)(b) within two months of the service of his notice, he may appeal to a valuation tribunal under section 16 of the 1992 Act.

PART 3
Discretionary reductions

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

9.(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 purpose 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 support under its scheme,

that person's application for support under the authority's scheme may also be treated as an application for a reduction under section 13A(1)(c).

PART 4
Electronic communication

10. Interpretation

In this Part–

"information" includes an application, a certificate, notice or other evidence; and

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

11. Conditions for the use of electronic communication

(1) The authority may use an electronic communication in connection with applications for, and awards of, support under its 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 approved for the purposes of this Part.

(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.

12. 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.

13. 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 the authority's 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 may not be taken to have been delivered to an official computer system by means of an electronic communication unless it is accepted by the system to which it is delivered.

14. 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.

15. 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 is presumed to have been the case where—

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

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

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

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

16. Proof of content of information

If it is necessary to prove, for the purpose of any legal proceedings, the content of any information sent by means of an electronic communication, the content is presumed to be that recorded on an official computer system.

SCHEDULE 8: All applicants:– other matters

PART 1

1. Extended reductions[support]: persons who are not pensioners

Paragraph 2 applies only in relation to persons who are not pensioners.

2. Extended reductions[support]: movers into the authority's area

Where-

(a) an applicant is made to the authority for support under its scheme, and

(b) The applicant, or the partner of the applicant, is in receipt of an extended reduction from—

(i) another billing authority in England; or

(ii) a billing authority in Wales;

the current authority must reduce any reduction to which the applicant is entitled under its scheme by the amount of that extended reduction.

PART 2

3. Applications

Except for paragraph 6 (which applies to persons who are not pensioners only), paragraphs 4 to 9 apply to persons who are pensioners and persons who are not pensioners.

4. Who may make an application

(1) In the case of a couple or members of a polygamous marriage an application is to be made by whichever one of them they agree should so apply or, in default of agreement, by such one of them as the authority determines.

(2) Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act, and—

(a) a deputy has been appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or

(b) in Scotland, his estate is being administered by a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on his behalf; or

(c) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,

that deputy, judicial factor, guardian or attorney, as the case may be, may make an application on behalf of that person.

(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

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 terminates when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).
(6) Anything required by the authority's scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in subparagraph (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 9(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.

5. Change of circumstances: persons who are not pensioners
Paragraph 6 applies only in relation to persons who are not pensioners.

6. Date on which change of circumstances is to take effect
A change of circumstances which affects entitlement to, or the amount of, support under the authority's scheme ("change of circumstances"), takes effect from the first day of the reduction week following the date on which the change actually occurs, and where that change is cessation of entitlement to any benefit under the benefit Acts, the date on which the change actually occurs shall be the day immediately following the last day of entitlement to that benefit. Where the change is a nominal amount the authority may decide that the change takes affect from a different date
(2) Subject to sub-paragraph (3), 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.
(3) 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 sections 11 or 12 of that Act, it shall take effect from the day on which the change in amount has effect.
(4) 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.
(5) 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.
(6) 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 (5) they take effect from the day to which the appropriate sub-paragraph from (2) to (5) above refers, or, where more than one day is concerned, from the earlier day.
(7) 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 shall take 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.
(8) Without prejudice to sub-paragraph (7), 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.

7. Evidence and information

(1) Subject to sub-paragraph (3), a person who makes an application for support under the authority's scheme must satisfy sub-paragraph (2) in relation both to himself and to any other person in respect of whom he is making the application.

(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 support 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 support is made;

(b) to a person who—

(i) is a person treated as not being in Great Britain for the purposes of these Regulations;

(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 support under the authority's scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or any question arising out of the application or the award, as may reasonably be required by that authority in order to determine that person's entitlement to, or continuing entitlement to support under its 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 who is a pensioner to furnish any certificates, documents, information or evidence relating to a payment to which subparagraph (7) applies.

(6) Where the authority makes a request is made under sub-paragraph (4), it must—

(a) inform the applicant or the person to whom support under its scheme has been awarded of his duty under paragraph 9 (duty to notify change of circumstances) to notify the authority of any change of circumstances; and

(b) without prejudice to the extent of the duty owed under paragraph 9, indicate to him either orally or by notice or by reference to some other document available to him on application and without charge, the kind of change of circumstances which is to be notified.

(7) This sub-paragraph applies to any of the following payments—

(a) a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;

(b) a payment which is disregarded under paragraph 16 of Schedule 6 for Pensioners and paragraph 29 of schedule 11 for working age (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 8(10) of Schedule 1.

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

(a) the name and address of the pension fund holder;

(b) such other information including any reference or policy number as is needed to enable the personal pension scheme to be identified.

Amendment and withdrawal of application

8.—(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 7, 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 7, the

(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.

9. Duty to notify changes of circumstances

(1) Subject to sub-paragraphs (3) and (9) an applicant (or any person acting on his behalf) must comply with sub-paragraph (2) if there is a relevant change of circumstances at any time—
(a) between the making of an application and a decision being made on it, or
(b) after the decision is made (where the decision is that the applicant is entitled to support under the authority's scheme) including at any time while the applicant is in receipt of such support.
(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, support under the authority's scheme (a "relevant change of circumstances") by giving notice to the authority—
(a) in writing; or
(b) by telephone—
(i) where the authority has published a telephone number for that purpose or for the purposes of Part 1 of Schedule 7 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 a 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 support under the authority's 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, an income-related employment and support allowance or universal credit.
(5) Notwithstanding sub-paragraph (3)(b) or (c) an applicant is required by subparagraph (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 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.
(7) A person who has been awarded support under the authority's 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.
(8) In addition to the changes required to be reported under sub-paragraph (7), a person whose state pension credit comprises only a savings credit must also report—
(a) changes affecting a child living with him which may result in a change in the amount of support under the authority's 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 12 of Schedule 1 (circumstances in which income of a non-dependant is to be treated as applicant's); or
(ii) a person to whom paragraph 14(2)(e) of Schedule 1 refers (partner treated as member of the household under regulation 8),
and whether such a person or, as the case may be, non-dependant stops living or begins or 0resumes

(9) A person who is entitled to support under the authority's scheme and on state pension credit need only report to that authority the changes specified in subparagraphs (7) and (8).

PART 3
Decisions by the authority
10. This Part applies to persons who are pensioners and persons who are not pensioners.

11. Decision by authority
The authority must make a decision on an application under its scheme within 14 days of paragraph 48 of Schedule 1 for Pensioners, paragraph 64 of schedule 9 for working age, paragraph 7 of this schedule and Part 1 of Schedule 7 being satisfied, or as soon as reasonably practicable thereafter.

12. Notification of decision
(1) The authority must notify in writing any person affected by a decision made by it under its scheme—
(a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;
(b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.
(2) Where the decision is to award a reduction the notification under sub-paragraph (1) must include a statement—
(a) informing the person affected of the duty imposed by paragraph 9;
(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 support 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 the authority's 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 its 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,
(d) a person appointed by the authority under paragraph 4(3) of this schedule (persons appointed to act for a person unable to act);

PART 4

13. Circumstances in which a payment may be made

This part applies to persons who are pensioners and persons who are not pensioners.

14. Payment where there is a joint and several liability

(1) Where-

(a) a person is entitled to support under the authority's scheme in respect of his liability for the authority's council tax as it has effect in respect of a chargeable financial year;

(b) the person entitled to the support is jointly and severally liable for 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 the support 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 support.

(3) Where a person other than a person who is entitled to support under the authority's scheme made the application and that first person is a person acting pursuant to an appointment under paragraph 4(3) or is treated as having been so appointed by virtue of paragraph 4(4), the amount of the reduction may be paid to that person.

SCHEDULE 9 – People who are not pensioners

PART ONE
Introduction

1. Additional Interpretation

In this Schedule the following words have the following meanings assigned to them, notwithstanding any definition in other parts of the scheme -

"applicable amount" means— the amount calculated in accordance with paragraphs 4, 5 and 6 of Schedule 9 and Schedule 10;

"assessment period" such period as is set out in paragraphs 13 to 15 of this Schedule over which income falls to be calculated;

"child care costs element" has the meaning given by regulation 31 of the Universal Credit Regulations 2013;

"council tax benefit" means council tax benefit under Part 7 of the SSCBA;

"earnings" has the meaning given by paragraph 16 and 18 of this Schedule.

"employment zone" means an area with Great Britain designated for the purposes of 60 of the Welfare Reform Act 1997 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;

"extended reduction" means a reduction under this scheme for which a person is eligible pursuant to paragraph 52 of this schedule;

"extended reduction period" means the period for which a person is in receipt of an extended reduction in accordance with paragraph 53 or 58 of this schedule;

"extended reduction (qualifying contributory benefits)" means a reduction under this section of the scheme for which a person is eligible pursuant to paragraph 57 of this schedule;

"housing costs element" has the meaning given by regulation 25 of the Universal Credit Regulations 2012;

"mobility supplement" means a supplement to which paragraph 10 of Schedule 12 refers;

"net earnings" means such earnings as are calculated in accordance with paragraph 17 and 18 of this Schedule, as the case may be;

"rent" means "eligible rent" to which regulation 11 of the Housing Benefit Regulations 2006 refer, less any deductions in respect of non-dependants which fall to be made under paragraph 8 of this schedule;

"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;

"tax year" means a period beginning with 6th April in one year and ending with 5th April in the next.

2. Classes of persons entitled to Receive Support under this scheme

Any person who is not a pensioner is entitled to support under this Schedule if

(a) they are for that day liable to pay council tax to the Authority in respect of a dwelling in which he is resident;

(b) they are not absent from the dwelling throughout the day;

(c) in respect of whom a maximum council tax support amount can be calculated;

(d) they do not fall within a class of person not entitled to support under this scheme;

(e) their capital on that day does not exceed £16,000, and

(f) they have made an application for support under this scheme.

3. Amount of council tax support

(1) A person entitled to support under this scheme shall be entitled to the maximum council tax support unless their income calculated in accordance with this scheme exceeds their applicable amount.

(2) If paragraph (1) does not apply to a person entitled to support under this scheme they shall be entitled to 80 per cent of the amount by which their income calculated in accordance with this scheme exceeds their applicable amount.

(3) If amount of council tax support calculated in accordance with paragraph (2) is less than zero then it shall be deemed to be zero.

PART TWO
Applicable Amounts

4. Applicable amounts for the purposes of calculating eligibility for support under this scheme and the amount of that support

(1) Subject to paragraphs 5 and 6, the applicable amount for a week for a person is the aggregate of such of the following amounts 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 Schedule 10

(b) an amount in respect of any child or young person who is a member of his family, determined in accordance with Schedule 10;

(c) the amount of any elements which may be applicable to him, determined in accordance with that Schedule

(d) the amount of either the—

(i) limited capability for work and work-related activity element; or

(ii) limited capability for work element, which may be applicable to him in accordance with that Schedule

(e) 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 10—

"additional spouse" means a spouse of either party to the marriage who is additional to the other 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.

5. Polygamous marriages

Where an applicant is a member of a polygamous marriage, his applicable amount for a week 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 of Schedule 10 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 that Schedule (applicable amounts) 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;

(d) the amount of any elements which may be applicable to him determined in accordance with Parts 1 and 2 of that Schedule;

(e) the amount of either the—

(i) limited capability for work and work-related activity element; or

(ii) limited capability for work element, which may be applicable to him in accordance with that Schedule

which may be applicable to him in accordance with Part 2 of that Schedule (the components);

(f) the amount of any transitional addition which may be applicable to him in accordance with Parts 3 and 4 of that Schedule (transitional addition).

6. Applicable amount: persons who have an award of universal credit

(1) In determining the applicable amount for a week of an applicant—

(a) who has, or

(b) whose partner has, or

(c) who (jointly with his partner) has,

an award of universal credit, the applicable amount will be the calculation or estimate of the maximum amount of the applicant, or the applicant's partner, or the applicant and his partner jointly (as the case may be), subject to the adjustment described in subparagraph (2).

(2) The adjustment referred to in sub-paragraph (1) is where a housing costs element has been awarded to the applicant, his partner or the applicant and his partner jointly, the amount of that element is to be deducted from the applicable amount.

(3) In this paragraph "maximum amount" means the maximum amount calculated by the Secretary

PART THREE
Maximum Council Tax Support under this Scheme

7. Maximum council tax support amount for the purposes of calculating eligibility for support under the authority's scheme

(1) Subject to sub-paragraphs (2) to (4), the amount of a person's maximum council tax support amount in respect of a day is 80 per cent of the amount A/B where—

(a) A is the lower of

(i) 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, reduced by any reduction made in consequence of any enactment in or made under the 1992 Act (other than a reduction under this scheme); and

(ii) the amount that would have been determined as payable under (i) if the property was in valuation band B and

(g) B is the number of days in that financial year less any deduction in respect of non-dependants which fall to be made under paragraph 8.

(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 maximum council tax support 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.

(3) Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, sub-paragraph (2) does not apply in his case.

(4) The reference in sub-paragraph (2) to a person with whom an applicant is jointly and severally liable for council tax does not include a student to whom paragraph 40(2) applies.

(5) In this paragraph "relevant financial year" means, in relation to any particular day, the financial year within which the day in question falls.

8. Non-dependant deductions

(1) Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in paragraph 7 in respect of a non-dependant is £- [figure to be set annually] unless it is shown to the authority that his normal net weekly income is less than £- [figure to be set annually]

(2) 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 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.

(3) 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 subparagraph, to the couple's or, as the case may be, all members of the polygamous marriage's joint weekly net income.

(4) 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.

(5) 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) blind or treated as blind by virtue of paragraph 9 of Schedule 10 (additional condition for the limited capability for work element); 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 allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution.

(6) 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 6 (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 5(6) of this Schedule 1, 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 reserved Forces (within the meaning of section 374 of the Armed Forces Act 2006) who is absent, while on operations, from the dwelling usually occupied as their home.

(7) 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; or

(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.

(8) In the application of sub-paragraph (2) there is to be disregarded from the non dependant's weekly net income—

(a) any attendance allowance, disability living allowance or 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 or the Independent Living Fund (2006) which, had his income fallen to be calculated under paragraph 26 (calculation of income other than earnings), would have been disregarded under paragraph 23 of Schedule 12 (income in kind); and

(c) any payment which, had his income fallen to be calculated under paragraph 26, would have been disregarded under paragraph 35 of Schedule 12 (payments made under certain trusts and certain other payments).

(9) No deduction is to be made in respect of a non-dependant who is a lone parent with a child under 5 years old.

PART FOUR
Calculation of Income and Capital: Applicant's Family and polygamous marriages

9. Income and capital for the purposes of calculating eligibility for support under this scheme and amount of support

(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) 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 must be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

10. 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-dependent 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 must 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.

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

(1) This paragraph applies to an applicant—
(a) who has, or
(b) whose partner has, or
(c) who (jointly with his partner) has
an award of universal credit
(2) Where paragraph (1) above applies the authority will, subject to the following provisions of this paragraph, determine the income of the applicant using the calculation or estimate of the income of the applicant, or the applicant's partner, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining that award and accordingly part four does not apply to that applicant except to the extent stated in this paragraph.
(3) Where paragraph (1) applies but the Secretary of State has not made any calculation or estimate as described in paragraph (2) the authority will make its own calculation based on the same rules as the Secretary of State would use and the authority's calculation or estimate shall, for the purposes of this Scheme be deemed to have been calculated or estimated by the Secretary of State.
(4)The authority will change the figure for income calculated or estimated by the Secretary of State as follows—
(a) the figure will be increased by the amount of any universal credit payable net of the child care costs element and housing costs element;
(b) the figure will be decreased by the amount of any sum to be disregarded under Schedule 12 of this scheme (sums to be disregarded in the calculation of income other than earnings);
(c) the figure will be increased by the amount of the income and capital of the applicant or any partner of the applicant who is a member of the applicant's household, to the extent that it is not taken into account in determining the net income of the person claiming universal credit;
(d) paragraph 10 (circumstances in which income of non-dependant is to be treated as applicant's), if the authority determines that the provision applies in the applicant's case;
(e)by multiplying the monthly amount of the payment by 12, dividing the product be the number of days in the financial year and multiplying the product by 7.
(5) Paragraphs 9, 10, 23 to 29 and 31 (calculation of income) apply only for the purpose of determining any modifications which fall to be made to the figure for earned income under sub-paragraph (4).
(6) In determining the capital of an applicant—
(a) who has, or
(b) whose partner has, or
(c) who (jointly with his partner) has
an award of universal credit, the authority will use the calculation or estimate of the capital of the applicant, the applicant's partner or the applicant and his partner jointly (as the case may be) made by the Secretary of State for the purpose of determining that award.
(7) Where paragraph (6) applies but the Secretary of State has not made any calculation or estimate as described in paragraph (6) the authority will make its own calculation based on the same rules as the Secretary of State would use and the authority's calculation or estimate shall, for the purposes of this Scheme be deemed to have been calculated or estimated by the Secretary of State.

12. Average weekly earnings of employed earners

(1) Where the income of an applicant 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 claim 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 claim 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 earnings.
(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.
(4) For the purposes of this paragraph the applicant's earnings are to be calculated in accordance with paragraphs 16 and 17.

13. Average weekly earnings of self-employed earners

(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 18 to 24.

14. Average weekly income other than earnings

(1) The income of an applicant 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; and nothing in this paragraph authorises the authority to disregard any such income other than that specified in Schedule 12.
(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 26 of this part.

15. Calculation of weekly income

(1) For the purposes of paragraphs 12 (average weekly earnings of employed earners), 14 (average weekly income other than earnings) and 31 (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 13 (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.

16. Earnings of employed earners

(1) Subject to sub-paragraph (2), "earnings", in the case of employment as an employed earner of a person who is not a pensioner, 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, additional statutory paternity pay or statutory adoption pay payable under the SSCBA, 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).

17. Calculation of net earnings of employed earners

(1) For the purposes of paragraph 12 (average weekly earnings of employed earners), the earnings of an applicant derived or likely to be derived from employment as an employed earner to be taken into account 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 13 of Schedule 12.

(3) For the purposes of sub-paragraph (1) net earnings must 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) 100% of any contributions made in that period to an occupational or personal pension scheme

(4) In the case of an applicant who has been employed as an employed earner the following sums shall be disregarded:
(i) 35% of the applicant's earned income; and
(ii) a sum equal to 2 hours gross pay at the highest rate National Minimum Wage which applies to any person in England.

18. Earnings of self-employed earners

(1) This paragraph applies for the purpose of calculating earned income that is not employed earnings and is derived from a trade, profession or vocation ("self-employed earnings").

(2) A person's self-employed earnings in respect of an assessment period are to be calculated by taking the amount of the gross profits (or, in the case of a partnership, the person's share of those profits) of the trade profession or vocation and deducting from that amount—

(a) any payment made to HMRC in the assessment period in respect of the trade, profession or vocation by way of—
(i) Class 2 contributions payable under section 11(1) or (3) of the SSCBA or any Class 4 contributions payable under section 15 of that Act; or
(ii) income tax; and
(b) 100% of any contributions made by the person in the assessment period to a personal pension scheme (unless a deduction has been made in respect of those contributions in calculating a person's employed earnings).
(b) a sum equal to 2 hours gross pay at the highest rate National Minimum Wage which applies to any person in England.

(3) The gross profits of the trade profession or vocation in respect of an assessment period are the actual receipts in that period less any deductions for expenses specified in paragraph 19 of this schedule

(4) The receipts referred to in paragraph (3) include receipts in kind and any refund or repayment of income tax, value added tax or national insurance contributions relating to the trade profession or vocation.

19. Permitted expenses

(1) The deductions allowed in the calculation of self-employed earnings are amounts paid in the assessment period in respect of-
(a) expenses that have been wholly and exclusively incurred for purposes of that trade profession or vocation; or
(b) in the case of expenses that have been incurred for more than one purpose, an identifiable part or proportion that has been wholly and exclusively incurred for the purposes of the trade, profession or vocation,

excluding any expenses that were incurred unreasonably.

(2) Expenses deducted in accordance with paragraph (1) may include value added tax.

(3) No deduction may be made for—
(a) expenditure on non-depreciating assets (including property, shares or other assets to be held for investment purposes);
(b) any loss incurred in respect of a previous assessment period;
(c) repayment of capital or payment of interest in relation to a loan taken out for the purposes of the trade, profession or vocation;
(d) expenses for business entertainment.

(4) This paragraph is subject to paragraph 20 of this Schedule.

20. Flat rate deductions for mileage and use of home and adjustment for personal use of business premises

(1) This regulation provides for alternatives to the deductions that would otherwise be allowed under paragraph19 of this Schedule.

(2) Instead of a deduction in respect of the actual expenses incurred in relation to the acquisition or use of a motor vehicle, the following deductions are allowed according to the mileage covered on journeys undertaken in the assessment period for the purposes of the trade, profession or vocation—
(a) in a car, van or other motor vehicle (apart from a motorcycle), £- pence per mile for the first 833 miles and £- pence per mile thereafter; and
(b) on a motorcycle, £- pence per mile,

and, if the motor vehicle is a car or motor cycle, the only deduction allowed for the acquisition or use of that vehicle is a deduction under this paragraph.

(3)Where a person carrying on a trade, profession or vocation incurs expenses in relation to the use of accommodation occupied as their home, instead of a deduction in respect of the actual expenses, a deduction is allowed according to the number of hours spent in the assessment period on income generating activities related to the trade, profession or vocation as follows—
(a) for at least 25 hours but no more than 50 hours, £-;
(b) for more than 50 hours but no more than 100 hours, £-;
(c) for more than 100 hours, £-.

(4) Where premises which are used by a person mainly for the purposes of a trade, profession or vocation are also occupied by that person for their personal use, whether alone or with other persons, the deduction allowed for expenses in relation to those premises is the amount that would be allowed under regulation 19(1) if the premises were used wholly and exclusively for purposes of the trade, profession or vocation, but reduced by the following amount according to the number of persons occupying the premise for their personal use—