

Council Assembly (Ordinary Meeting)

Wednesday 28 November 2012

7.00 pm

Harris Academy Peckham, 112 Peckham Road, London SE15 5DZ

Supplemental Agenda No.1 Appendices to Item 6.1

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Item No. 12.	Classification: Open	Date: 23 October 2012	Meeting Name: Cabinet
Report title:		Local Council Tax Reduction Scheme	
Ward(s) or groups affected:		All	
Cabinet Member:		Councillor Richard Livingstone, Finance, Resources and Community Safety	

FOREWORD - COUNCILLOR RICHARD LIVINGSTONE, CABINET MEMBER FOR FINANCE, RESOURCES AND COMMUNITY SAFETY

This report considers the impact of the government's decision to abolish Council Tax Benefit, as part of its wide-ranging changes to the welfare state, and the council's role in providing the new local Council Tax Reduction Scheme to replace it. The government is only providing funding for this scheme at 90% of the expenditure needed in the past to provide Council Tax Benefit, at a time when the number on benefits is rising.

Clearly, the council does not welcome these changes, in particular the shortfall in government funding, given the other pressures being placed on those in receipt of benefits and given the continuing recession.

However, government has told the council that unless we develop a proposal for a local Council Tax Reduction Scheme (CTRS) in time to inform our considerations in the New Year for the 2013/14 budget, a default scheme will be implemented that reflects the existing Council Tax Benefit scheme. The default scheme will not deliver the 10% saving and the council would have to fund the gap from elsewhere within its budget. Given that government's annual settlements with the London Borough of Southwark have decreased substantially since May 2010 and are set to decrease significantly further in future years, the council is unable to cover the estimated shortfall in funding of at least £2.8m without impacting on either services or the level of Council Tax.

As government has directed that pensioners should see no reduction in support under the replacement scheme, the council can only afford to give 85% Council Tax Support to claimants of working age without detriment to services or the level of Council Tax. It should be noted that many London boroughs facing similar pressures are considering lower levels of Council Tax Support for recipients than the level proposed for Southwark.

It is also important that the council takes steps to ensure that those current beneficiaries that are eligible for Council Tax exemptions, for example as a result of their disabilities, take up those entitlements.

We have now completed an eight-week consultation exercise that sought views from every Council Tax Benefit recipient, community groups and groups advocating for those sections of our community most likely to be affected.

The proposals set out in this report seek cabinet approval and recommendation to Council Assembly in November of a decision to adopt the following:

- A revised Section 13A Discretionary Policy, which sets out the process by which

- a reduction can be sought under this legislation
- Southwark's local Council Tax Reduction Scheme.

RECOMMENDATIONS

That Cabinet note:

1. That following the abolition of Council Tax Benefit (CTB) by government from 1 April 2013, the council is required to adopt a Local Council Tax Reduction Scheme (CTRS) in its place by 31 January 2013 with a 10 per cent reduction in funding.
2. The extent and outcome of the consultation together with the equality analysis undertaken following approval of the approach on the 17 July 2012 and proposals to further support communities.

That Cabinet recommends to Council Assembly:

3. That the Section 13A Local Government Finance Act 1992 Policy (to be amended by the Local Government Finance Bill 2012) which forms the basis of the regulatory framework for the scheme is adopted.
4. To adopt the preferred CTRS (Council Tax Reduction Scheme) option which will result in capping council tax support to 85 percent of current entitlement levels and abolish Second Adult Rebate for non-pensioners in 2013/14.
5. That the strategic director for finance and corporate services closely monitors the impact of CTRS on the council tax collection fund.
6. That an economic wellbeing strategy is implemented to mitigate the impact on claimants facing a reduction in benefit that includes a programme of benefit maximisation undertaken via the council's Rightfully Yours service.
7. That financial inclusion and responsibility are promoted through the provision of budgeting, employment and arrears advice in partnership with relevant external organisations and support networks including London Mutual credit union, Jobcentre Plus and local advisory services.

BACKGROUND INFORMATION

8. Since the introduction of council tax in 1993, the council has administered a housing and council tax benefit scheme in accordance with national legislation, under direction of the Department for Work and Pensions (DWP). The purpose of the Council Tax Benefit (CTB) element was to assist those on low incomes pay their council tax by way of a means tested assessment.
9. The government announced in the Spending Review 2010 that support for council tax would be localised with a 10 per cent reduction in funding. On 8 March 2012 the Welfare Reform Act 2012 received Royal Assent. The Welfare Reform Act contains the provisions for the abolition of CTB, paving the way for new localised schemes to be introduced from April 2013 through forthcoming legislation.

10. Funding for local schemes will be provided by the Department for Communities and Local Government (DCLG), by way of a grant to billing and precepting authorities in proportion to their share of the council tax payable. The funding in the first year will equate to an overall 10 per cent reduction in the projected current expenditure on CTB. Under the existing scheme expenditure on CTB is fully funded by the DWP, however under DCLG the funding will be ring-fenced and not demand driven.
11. At current levels of CTB expenditure a 10 per cent reduction in funding is estimated at approximately £2.8m for this council, (£2.1m Southwark element and £0.7m GLA precept). On 17 July 2012, cabinet concluded that the council is unable to meet what effectively is a cut in benefit expenditure, in full or in part, and must therefore pass on this cut in expenditure to the people who currently claim CTB.
12. Under the forthcoming provisions of the Local Government Finance Bill 2012 (which will amend the LGFA 1992) a requirement under Section 13A will be for the council to amend our policy on the power for councils to reduce the amount of tax available. The policy will include the new S13A(2) local council tax reduction scheme (CTRS), which in its administration and application recognises and provides for the 10 per cent reduction in benefit expenditure. The policy is shown at appendix A.
13. The government has stated that people of pension age must be protected from these cuts so that if they currently receive benefit entitlement they will not lose out under the new scheme. However, this does mean that since the burden of the 10 per cent cut has to be borne by the remaining working age benefit claimants, the overall cut equates to a 15 per cent reduction for working age claimants.
14. The following tables capture the split between working age and non-working age claimants in Southwark and provide an analysis of working age claimants.

Council Tax Benefit (CTB) Caseload – September 2012 data

Figure 1.

Caseload type	All ages	Working Age	Non-Working Age
Number of claimants	35,878	23,689	12,189
Expenditure	£27,840,154	£18,274,205	£9,565,949

Working Age (WA) caseload analysis - September 2012 data

Figure 2.

Passported benefit	Non-passported benefit	Claimant or partner working	Claims with children	Lone parents	Households with a disability
16,317	7,372	5,195	11,102	8,763	4,262

15. DCLG have reminded authorities that when designing local schemes, they should have regard for vulnerable groups and their statutory responsibilities in respect of child poverty, disabled people, and homelessness. In addition, the local authority has clear duties set out under the Equality Act 2010, including the duty to eliminate discrimination and advance equality of opportunity. Schemes

are also required to be consistent with Universal Credit and provide incentives to work.

16. In the report presented to cabinet on 17 July 2012, cabinet were informed of the approach that had been adopted to develop various scheme options, including an explanation of the existing CTB caseload together with narrative of the different types of claim, e.g. passported and non-passported.
17. Cabinet were also informed that detailed modelling activity had been undertaken using the existing working age CTB data, enabling an analysis of individual benefit entitlements to identify household groups, how many claims are made from those groups, income types and income levels. This information enabled the council to determine which strategies could be used to deliver the necessary savings and support a local scheme.
18. The report presented to cabinet in July also set out some of the IT constraints the council faced in developing a local scheme, brought about by the lack of clarity at the time on what was deliverable through the existing software provider.

KEY ISSUES FOR CONSIDERATION

The Preferred Option

19. On 17 July 2012 cabinet considered several model schemes but agreed that due to the shortfall in central funding, a preferred option would be presented to stakeholders for consultation. This option delivered the 10 per cent reduction in expenditure across working age claimants which was considered not so disproportionately unfair to any particular claimant group as it mirrors the existing means tested scheme.
20. The scheme headlines are captured in the table below.

Figure 3.

Scheme or Element	Saving achieved	Customer Impact
85% cap applied to current award of Council Tax benefit. Cap equates to a 15% reduction of current benefit award across all working age customers.	£2,741,131	Cap equates to an average loss of £115.71 in annual benefit award across all working age customers, but ranges from £0.08 to £304.72
Abolition of Second Adult Rebate for working age claimants	£57,846	Cap equates to an average loss of £227.74 in annual benefit award across 254 working age customers

21. The preferred CTRS scheme is based upon existing CTB rules; these recognise and provide for additional benefit to be paid to claimants with children and claimants with disabilities. In addition, retention of the existing Extended Payments mechanism for people moving into employment supports the incentive to work principle through provision of a four week 'run-on' of benefit at the previous rate of entitlement.

22. Before adopting a local scheme for CTRS or changing a scheme once adopted, it is a statutory requirement to consult with local taxpayers, stakeholders and major preceptors. On 17 July cabinet approved the consultation approach and an eight week consultation period which commenced on 18 July and ended on 12 September. The consultation enabled stakeholders to express views on the preferred option and to proffer comments and alternative views. The consultation approach and the questions which formed the basis of the consultation are captured in Appendix B.

Consultation

23. The consultation approach consisted of two separate strands to maximise coverage and visibility to Southwark residents. The first strand consisted of an online consultation open to all residents and representative organisations. The consultation asked for feedback on the preferred CTRS scheme and asked for any enhancements that could be made.
24. Promotion of the online consultation consisted of writing directly to all 36,080 existing CTB claimants, advising that CTB for working age claimants was to change from 1 April 2013 and signposting them to the online consultation pages via a direct link. Paper copies of the consultation were made available and promoted through the Customer Service Call Centre, One Stop shops, Libraries and 3rd sector partner organisations. Throughout the consultation period the promotion of the consultation at the One Stop Shops and Libraries was reviewed and additional marketing material introduced to increase public awareness and engagement. The consultation was also promoted via a number of media channels including conventional and new media such as articles in Southwark Life, the South London Press, Twitter and web pages.
25. The second key strand of the consultation strategy involved direct engagement with stakeholders and representative groups through attendance at twenty public events including Community Councils, Housing Forums, Financial Inclusion workshops, Tenant Councils and other stakeholder forums. These events were attended by a total audience in excess of 600 and included CTB recipients, community representatives, members of the advocacy sector and landlords. Issues raised, comments and feedback were captured at these sessions and formed part of the subsequent consultation analysis.
26. The proposed scheme was shared with the Greater London Authority (GLA) and the Mayor of London as prescribed; The Mayor of London's office confirmed that the GLA would be responding on their behalf and this was received on 12 September 2012. The response is included in appendix C of this report. A summary of their reply and the council's response is set out in paragraph 49.
27. Full detail of the consultation process is given in appendix D and includes:
- the log of responses received
 - the schedule of direct engagement activity and attendance

Consultation response

28. In total, **153** consultation responses were received. Of this total:
- **127** completed forms were received online
 - **26** paper forms were received via post, One Stop Shops or libraries

- Of these, 137 were from individuals, 7 were from voluntary organisations and 9 were from landlords
 - In addition to the 153 responses received, a further 31 forms were returned without comment
29. A separate written response to the consultation was received from Southwark Legal Advice Network (SLAN) on 11 September 2012 and can be found in appendix I of this report. SLAN is a group that builds on the existing Southwark Community Legal Services Partnership, which includes voluntary sector advice providers, private practice solicitors, community and statutory agencies. To reflect SLAN's local prominence and the number of stakeholders they represent in Southwark, a separate council response is set out in paragraph 50.
30. A consistent approach to analysing the outcomes of the online and direct consultation was used. All direct responses and engagement activity were recorded in a matrix allowing officers to identify all themes that emerged. This enabled a high level view of the main concerns and issues that were being raised through both consultation strands to be formed.

Consultation response - Main themes and issues raised

31. The main themes and messages from the online consultation and direct engagement are detailed below:

Issues and Themes	Number of times raised through Online consultation	Number of times raised through Direct engagement
Low income / poverty / means testing	91	15
Disability	47	5
Wider welfare reform	26	12
Other	20	0
Not able to work	16	0
Family	14	0
Local economy	9	0
Recovery approach	11	8
Migration	6	0
Vulnerability including addictive behaviour	8	0
Adverse impact on service	5	2
Opposed to pensioner protection	4	1
Fraud	3	0
Reduce Council expenditure and fraud	0	3
Non-dependent pensioners	0	2
Migration	0	2
Council Tax increase / amend discounts	2	0

32. The three most frequently raised issues through consultation were poverty, disability and wider welfare reform and the following paragraphs capture representative responses from the consultation exercise. In addition, concerns around the impact on families and children are included as these issues were often connected by responders to other themes such as poverty. The Equality Analysis conducted into CTRS also highlighted that this group could be impacted by the scheme.

- **Poverty / Low income**

33. The issue of poverty and income levels was raised as a concern by 91 individual responders, two representative groups and at direct engagement sessions attended by 478 attendees. Some of the direct comments received are detailed below:

Responder type	Quote
CTB recipient	"I am on JSA and only have £10.47 per week after paying utilities so can only afford to eat 5 days a week if I have to pay some CT the only way I can afford it is to cut down further on food money."
CTB recipient	"I receive £71 a week J.S.A, and out of this I need to pay per week £26 water/hot water charges, £9 (reduced) bus fares. £12 Utilities bills, Total £47...This leaves me with £24 a week for food, clothes, toiletries etc. Approx = 1/3 of my allowances (J.S.A). Even If I was asked to pay £4 a week, this for me would be huge loss. By the Government passing Council Tax to local councils they are keeping the rich and making poor even poorer! Can this be right and ethical."
CTB recipient	"Income support and other supports from the government are just too low to meet rising costs of basic things: with rising living costs (water, gas etc) coming to around £23 per week."
CTB recipient	"This will be affecting my weekly income and I will have to cut back on some of the basic necessities and needs to meet this shortfall in Funding. I will have to cut back on my weekly basic food expenses and other needs. Thanks."
CTB recipient	"I find this shocking considering I receive only £142 every 2 weeks jobseekers' allowance and you are proposing to take money off that tiny amount towards Council Tax. This will result in even more significant financial difficulties for me and others in my position. £142 every 2 weeks is barely enough to get by without you adding to the burden by taking more off it."
Registered Social Landlord	"This will impact on the low wage workers. One possibility may be to increase the Council Tax on expensive properties to compensate for those on low income."

- **Disability**

34. Disability was raised as a concern by 47 individual responders, two representative groups and at direct engagement sessions attended by 100 attendees. Some of the direct comments received are detailed below:

Responder type	Quote
CTB recipient	"Disabled residents should continue to receive 100% discount under the new scheme if they are currently in receipt of Council Tax benefit."
CTB recipient	"As a disabled person I feel that I should not have to use my disability benefits to pay for my Council Tax."
CTB recipient	"I am of working age but unable to work dues to my medical status. I have cancer which has spread in my body and my treatment for this makes me extremely tired and unwell . I receive DLA & ESA higher support rate because of these. I hope that I would be able to pay any charge levied on my but I cannot increase my capacity to work, it is not expected that my health will improve. People in similar circumstances will be distressed by these new council proposals."
CTB recipient	"I am disabled and receive E.S.A .and the amount of money I get is worked out by the government to be precisely what I need to live on each week. If in future I cannot get full Council Tax benefit and have to take the shortfall from my other benefit payments, would the government be in default of its contract with me? The money I would be then have to live on would be less than amount agreed upon? Could I seek a judicial review?"

Responder type	Quote
CTB recipient	"Not all working age claimants can work. People who are currently in receipt of DLA are going to have their benefits halved in the autumn of 2013 when the mobility component is stopped. A charge for Council Tax, no matter how small, will impact most on this group who are also losing a large proportion of their income."
Voluntary organisation	"It is completely unfair to squeeze the unemployed and disabled further by blaming government changes and cuts. Money could be clawed from some of the vast amounts spent on road humps for example. In fact there are many council departments like maintenance that waste vast amounts of money far in excess of 2.8 million per year."

- **Wider welfare reform**

35. Wider welfare reform was raised as a concern by 26 individual responders, one representative group and at direct engagement sessions attended by 323 attendees. Some of the direct comments received are detailed below:

Responder type	Quote
CTB recipient	"Before cutting or decreasing any benefits the government should think about people too. The prices are rising, benefits are cut, no profits for the family. I have been living on the low income, but after this new offers I see that I won't have enough money for myself as well as for the baby. I suggest to rise income support as much as decrease any benefits."
CTB recipient	"I think this is a disgrace. As well as the fact that we will have to pay 14% of our rent as we are deemed to be under-occupied, I don't know how we are going to be able to live."
CTB recipient	"It will make things even more difficult given that other benefit levels will be going down over the next few years because the government has changed the way annual increases are pegged to inflation. It feels like all the cuts are being dumped on the poorest."
CTB recipient	"It will be a very difficult situation for many, as in reality the total amount of support may fall much more. Without knowing the exact impact of the so called universal credit for example, it may well be that some people on low incomes will face an impossible situation. Also the DLA review will put many people out of reach of automatic Council Tax benefits. If this government reform will save as much as they think a similar saving in the Council Tax benefits should be available to the council, without having to make everybody suffer. I would have thought the idea behind the government plans is to simplify all benefits and how they affect each other - Southwark method of solving the shortfall would work totally against it."
Charitable Trust	"We consider this Consultation is flawed because it fails to address the impact of housing benefit caps and the position of people who will be faced with the choice of paying either the increase in rent occasioned by the HB cap or paying the minimum 15% to be demanded by Southwark. Which should a person pay? We consider that all persons affected by the caps eligible for full CTB continue to receive it. People cannot be expected to absorb the effect of two caps in benefit simultaneously."

- **Families / Child poverty**

36. Families and Child Poverty were raised as a concern by 14 individual responders. Some of the direct comments received are detailed below:

Responder type	Quote
CTB recipient	"Some people could probably swallow this up, i.e. the single person without children, or indeed families on limited income. Other areas can not swallow it at all and will become a greater burden on already stretched and too small living budgets."
CTB recipient	"It may encourage some people to find or take paid work to help support their families. On the other hand it will hit hard those families who are already working and are on low income substantially. And those who struggling to make ends meet through no fault of their own."
CTB recipient	"I've been on income for one year now, single mum to two children, one going through assessments for DCD,ADHD,ASD. I would not be able to work right now with these assessments so don't feel it's right to punish me for this when I had worked from age 14 to 29."
CTB recipient	"I am a single parent already trying to support my family on a low income by working part-time. I have been committed to bringing up my children without state benefit if possible, but feel this is not taken in to consideration and am constantly anxious about managing financially for the future."
Landlord	"This change will affect many people (people who really need) I hope that the government purposes to better use the money since it will take the budgets of families."

Council's response to main themes and issues raised

37. The council understood when the consultation commenced that any proposed change away from existing entitlements available under the existing CTB scheme would be highly challenging for local residents, irrespective of the fact that the changes were being introduced as a consequence of government legislative change. The council had considered alternative schemes, but only the application of an 85 percent cap on CTB entitlement was felt to deliver the savings required whilst not being disproportionately unfair to any particular group. A full Equality Analysis of the impact of the proposal has been completed to inform this decision, the details of which are summarised in the Community Impact Statement at paragraph 51 of this report.
38. The greater weight of response from the representative groups and online response draws attention to low levels of income, disabled claimants or households with children. They suggest that a reduction in benefit and a requirement to pay council tax of over £5 per week in some cases will only add to the financial burden already faced by these groups. There is no doubt that challenges may be faced by claimants in these groups, particularly if they have not paid council tax in the past. In responding to this understandable concern, the council will need to ensure that maximum support is available to these groups so that they are informed about their individual changes and to direct them to support partners who are able to deliver appropriate support including budgeting, financial and debt management.
39. The proposed scheme itself is based upon existing CTB legislation which makes provision for claimants with children and / or disabilities to receive a greater level of financial support compared to working age households that fall outside of those groups. By adapting the CTB scheme, this principle is retained within the preferred CTRS scheme and as a result, households with children and / or disabilities will continue to receive proportionately more benefit than other working age claimants. This detail is demonstrated at Appendix E

40. Similarly the government's stated intention of encouraging claimants in to work is also supported by the Extended Payments principle which is retained under the new CTRS scheme.
41. A plan of engagement with the above groups will therefore need to be developed and together with our third sector partners encourage and direct affected claimant groups to support centres and events in run-up to March 2013 and thereafter. These actions are in line with those identified in our Equality Analysis and include:

Issue	Mitigating action	Working with
Financial inclusion	We will continue to work with third parties including credit unions and advice agencies to identify opportunities to increase the provision of financial education and budgeting support.	<ul style="list-style-type: none"> • Credit Unions • Advice sector • Voluntary organisations • Rightfully Yours
Recovery of Council Tax	We will review recovery policies and procedures to ensure that they are fair and reflect the shift in behaviour that is required from tax payers previously not liable for any Council Tax.	Other L/A's to ensure a consistent approach
Community engagement	As part of the operational roll-out of CTRS, due regard will be given to affected groups to ensure that engagement and communications are targeted to offer relevant support and advice.	<ul style="list-style-type: none"> • Advice sector • Voluntary organisations • Adult Social Care • Rightfully Yours
Severely Mentally Impaired (SMI) take-up	Tax Payers with a severe mental impairment are entitled to a full exemption from Council Tax. A take-up campaign for SMI exemptions will be implemented in the run-up to April 2013 through Southwark's Rightfully Yours service. This will ensure that people who fulfil the criteria are exempt from paying Council Tax and will therefore not be subject to the 15% reduction.	<ul style="list-style-type: none"> • Rightfully Yours • Adult Social Care • 3rd Sector Agencies
Disability Living Allowance take-up	A take-up campaign for Disability Living Allowance will be implemented in the run-up to April 2013 through Southwark's Rightfully Yours service. This will ensure that people who qualify will be more likely to receive a greater level of support under CTRS and will be exempt from some of the wider welfare reforms coming into affect from April 2013.	<ul style="list-style-type: none"> • Rightfully Yours
Disregarded incomes	In line with CTB, CTRS will disregard War pensions / War Disablement Pensions as income.	N/A
Equality analysis	Following the introduction of CTRS, further equality analysis will be conducted to measure the impact of this policy and whether this has had any unanticipated, disproportionate affect on any particular groups.	N/A

42. Welfare reform was the third most common issue identified through consultation. A range of activities are taking place across the authority in response to the government's welfare reform agenda. This activity is set out in appendix F, and a plan will be developed to enable affected groups to access relevant support and advice through appropriate channels.

Consultation response – removal of second adult rebate

43. The abolition of Second Adult Rebate was commented on by 111 individual responders and six representative groups. At the direct engagement sessions, some attendees commented on its abolition but this was not a source of significant discussion. Some of the direct comments received are detailed below:

Responder type	Quote
CTB recipient	"As Southwark resident I was not aware of the 2nd adult rebate scheme."
CTB recipient	"This will affect many families in Southwark on low income. Many young adults living in a family may be forced onto the streets."
CTB recipient	"Second adult rebate should be available on the local Council Tax support scheme especially on those on low income."
Council Tax Payer	"I am concerned that this will discourage true carers from be able to look after loved ones and/or encourage single motherhood status. Why can there not simply be a cap so that after jobseekers allowance and all the other non-Council Tax benefits, the addition of Council Tax benefit can not cause the total benefits to be in excess of that?"
CTB recipient	"This part of the proposal is perfectly acceptable, at least for now; when the economy does pick up in the future then the situation should be reviewed."
CTB recipient	"I would support this measure. But I don't agree that older persons should have protected status."
Council Tax Payer	"Daylight robbery."

Council's response to consultation on removal of second adult rebate

44. Second Adult Rebate is currently paid to 254 claimants. Although claimed by the person liable for council tax, the rebate is based on the income of the 'second adult', who is usually a grown up child or elderly parent residing with the claimant. The rebate is designed to refund the liable person for the Single Person Discount they lose in allowing a second adult with a low income to live with them.
45. A smaller response was received through consultation on this aspect of the scheme. Amongst some responses there was confusion about what Second Adult Rebate is and what the effects of removing this entitlement may be, particularly on low income households
46. Although it is proposed that Second Adult Rebate is abolished for working age cases, Southwark's preferred CTRS scheme will continue to support households with a low income.
47. Accordingly, officers will contact recipients of this rebate prior to April 2013 advising them to make an application for CTRS based on their own income rather than their second adult.

Issue	Mitigating action	Working with
CTRS take-up	Contact all Second Adult Rebate recipients prior to April 2013 to inform them of the implications of CTRS and to offer them the opportunity to make a claim based on their household income levels.	N/A

Consultation response – alternative enhancements and suggestions to scheme

48. A wide range of alternative comments to the scheme were identified through consultation. Below are some of the direct comments that were received:

Responder type	Quote
CTB recipient	“All cuts should be borne across the whole area of the council activities and not have just one particular council service adversely affected. The whole budget should be set so that everyone can see that it is fair and just. The council itself should also look to reduce the impact of any cuts by reducing the operating costs of the council and rooting out waste and inefficient operations. I am not convinced that the proposed scheme is the way forward and would vote against it.”
CTB recipient	“The right thing to do. But the council must reduce its expenditure as well. Do not cut jobs this is not the way. But try to save. I see so much waste in my area that I could not enumerate it here.”
CTB recipient	“I believe the Children’s and Families division of Southwark Council needs to have a larger budget reduction. In addition the demolition of Mabel Goldwin House and the Spa Road Complex has brought in enough money to be able to ease this process. Why does Southwark Council sell off its property that it owns and then rents 160 Tooley St. This seems mad. I was a Southwark employee in Facilities management for 21 years so I know my stuff.”
CTB recipient	“I think you should have some means testing scheme in place to help people get extra benefit or grant direct from the government. As there are lots of people who can not afford to pay part or full Council Tax. as it is not possible for them to do so.”
Council Tax Payer	“I think benefit cheats should be properly looked into in order to strengthen the proposed introduction so as not to give room for any financial constraint.”
CTB recipient	“It should be engineered so that present claimants in receipt of full rebate should be protected and continue to benefit.”
CTB recipient	“The council could consider other streams of revenue to seek funds to make up for the government cuts, such as parking fees and fines, rather than expecting disability welfare recipients to make up for it from an already low income.”
Charitable Trust	“... Southwark should not lose sight of the fact that under the Local Government Finance Act 1992 the Council Tax is designed as a property tax ultimately payable by owners, and consideration should be given to ways of increasing the amount levied on properties in bands G and H and empty properties and second homes not by reducing support to the poorest in the community.”
Voluntary organisation	“Letting people know now that they will be making up the 15% difference so that they can prepare.”

49. Many of the suggestions and enhancements received through consultation covered similar topics allowing officers to summarise them. Below is a summary of the suggestions received, along with a council response to each.

Enhancements to scheme	Number of times raised	Council response
Means test CTRS	25	Southwark's CTRS scheme will be means tested and as a result offer more support to households with a lower income level.
Support the disabled	25	Southwark's CTRS scheme will be means tested and as a result offer more support to households with a lower income level. By adapting the existing CTB scheme, CTRS will also offer more support to disabled households than their non-disabled equivalents.
Do not apply a Benefit Cap	24	In order to achieve the £2.8m saving required, it is the councils' view that a cap is the fairest approach so that no one group is disproportionately affected. A number of options were considered and modelled earlier in the year but an 85% cap emerged as the preferred scheme.
Support those on benefits	23	Southwark's CTRS scheme will be means tested and as a result offer more support to households with a lower income level; this includes households already in receipt of benefits. By adapting the existing CTB scheme, CTRS will also offer more support to disabled households than their non-disabled equivalents.
Support those with low earnings	16	Southwark's CTRS scheme will be means tested and as a result offer more support to households with a lower income level. This includes households in receipt of low earnings. Southwark's CTRS scheme has also retained Extended Payments which supports work incentives and help people back into employment. Southwark has also opted not to amend the income taper or earnings disregards that already exist within CTB.
Support families	11	Southwark's CTRS scheme will be means tested and as a result offer more support to households with a lower income level. This includes families in receipt of low earnings. By adapting the existing CTB scheme, CTRS will also offer more support to families than households without children.
Increase Council Tax	7	The council has made a commitment to freeze Council Tax.
Prevent homelessness	7	Southwark's CTRS scheme will be means tested and as a result offer more support to households with a lower income level. However there is no direct correlation between CTRS and homelessness as Council Tax arrears do not lead to eviction.
Increase the level of support	5	We will continue to do all we can to support our most vulnerable residents; however the council is not in a position to meet the £2.8m reduction in funding from central government. Southwark's CTRS scheme will remain a means tested discount and as a result offer more support to households with a lower income level including disabled households and families.

Enhancements to scheme	Number of times raised	Council response
Do not protect pensioners	7	The council has no discretion over this element of the scheme and is required by central government legislation to ensure that pensioners see no reduction in the level of support they currently receive under the existing CTB scheme.
Reduce fraud	4	The council has a range of controls in place to prevent, detect and investigate benefit fraud. We also rely on the vigilance of the community to help us detect the fraudsters. In July 2012 The Department of Communities and Local Government published a statement of intent detailing the necessary powers, offences and penalties, to allow local authorities to investigate and tackle potential fraudulent CTRS claims. ¹
Support long-term unemployed	3	Southwark's CTRS scheme will be means tested and as a result offer more support to households with a lower income level. This includes households in receipt of various out-of-work benefits. Southwark's CTRS scheme has also retained Extended Payments which supports work incentives and help people back into employment. Southwark has also opted not to amend the income taper or earnings disregards that already exist within CTB.

GLA response

50. Detailed below are some of the key points raised in the GLA response (appendix C), along with the council's response:

GLA response	Council reply
"In the GLA's view final decisions on local Council Tax support schemes should not be divorced from those taken in respect of the technical reforms."	Officers welcome this comment and work is already underway to model the potential impact of technical reform of council tax in Southwark. The final decision on adoption of these must be made by Council Assembly and consideration will be given as to how collectible these new sums would be and the impact on the council's housing revenue account on any potential savings.
"The GLA notes that Southwark's draft scheme does not provide for any additional protection to any working age claimant group – although pensioners would continue to receive Council Tax support on the same basis as at present in line with the national framework set by central Government. In the Council's view to offer protection to all disabled and family groups for example would	The modelling contained within this report and accompanying Equality Analysis demonstrates that by adapting the existing CTB scheme, Southwark's CTRS scheme continues to offer a greater level of support to disabled households and households with children. Officers acknowledge the GLA comments received and welcome the view that Southwark's scheme is in compliance with the national policy framework.

¹ <http://www.communities.gov.uk/publications/localgovernment/localisingcounciltaxstatement>

GLA response	Council reply
<p>disproportionately impact upon the remaining small group of working age claimants.</p> <p>Ultimately the decision as to which groups are designated as vulnerable is a matter for local determination having regard to the potential impact on other working age claimants or Council Taxpayers and service users more generally. We recognise that Southwark has complied with the policy framework set by central government in deciding not to offer protection to specific categories of claimant.”</p>	
<p>“The GLA considers that a key priority for the design of a localised Council Tax support scheme is to ensure that it does not disincentivise those in work or those seeking to move into work. In order to ensure that schemes meet this objective billing authorities should therefore take particular care in determining their policies on earnings disregards and extended payment periods (i.e. run ons).</p> <p>We would encourage the Council to consider how its final scheme could be designed in a way which does not disincentivise work.”</p>	<p>Officers acknowledge the comments made here and recognise the importance of incentivising work.</p> <p>In recognition of this, Southwark’s CTRS scheme has maintained the existing Extended Payment arrangements affording claimants an extra four weeks of benefit at previous entitlement levels when they make the move into employment.</p> <p>In addition, contrary to some other local authority approaches Southwark has opted not to amend the income taper or earnings disregard that already existed in CTB to maintain the existing incentives that formed part of the former scheme.</p>
<p>“The GLA would encourage the Council to provide it with an indicative Council Tax base forecast as soon as options are presented to members for approval in December or January (if not before) in order that it can assess the potential implications for the Mayor’s budget for 2013-14. This should be accompanied ideally by supporting calculations disclosing any assumptions around collection rates and discounts granted having regard to the final Council Tax support scheme design.”</p>	<p>The information specified will be shared with the GLA at the earliest opportunity.</p>

Southwark Legal Advice Network’s (SLAN) response

51. Detailed below are some of the key issues and enhancements raised in SLAN’s response to the consultation (appendix I), along with the council’s responses:

SLAN response / enhancement	Council reply
<p>“One of the ways in which the shortfall of £2.8m might be covered is to continue to improve collection rates. If Southwark’s collection rate of 94.5% (2011-12) could reach 97% then the bulk of the shortfall would be</p>	<p>Maximising council tax collection is an important priority for the council as demonstrated by the 2011/12 collection rate of 94.5%, which represented a 1.8% increase in collection from the previous financial year. This year a review of Single Persons’ Discount is underway with the aim of increasing collectible council tax by a further £0.5m.</p>

SLAN response / enhancement	Council reply																						
covered.”	<p>There are however extraordinary economic pressures being placed on all council tax payers, not just CTB recipients, including low levels of employment, high rent levels and wider economic factors.</p> <p>Modelling work is currently underway in partnership with a third party to try and understand tax payers' propensity to pay next year so that we can ensure that collection is maximised.</p>																						
“Phased introduction of the scheme – e.g. maximum payment in Year 1: 5%, Year 2: 10%, Year 3: 15%.”	<p>Whilst a phased introduction might offer some transitional protection to current benefit recipients, it would not deliver the savings necessary to operate the scheme.</p> <p>Given that government's annual settlements with the London Borough of Southwark have decreased substantially since May 2010 and are set to decrease significantly further in future years, it is unable to cover the estimated shortfall in funding of at least £2.8m without impacting on either services or the level of council tax. However, the Council will continually review the impact of the scheme and the future strategy.</p>																						
“Ceiling support based on B and D or E (i.e. those living in higher bands not to receive higher support).”	<p>A liability cap at band C was explored as part of the modelling activity that took place earlier in the year. Modelling demonstrated that capping at band C delivered a saving of £380,395, far short of the £2.8m required.</p> <p>Capping at band C would also lead to some significant reductions in financial support for certain benefit recipients, with some households set to lose over £900 per year:</p> <p><u>Impact of Band C cap (value of annual financial support lost):</u></p> <table border="1" data-bbox="826 1420 1275 1783"> <thead> <tr> <th>Amount of annual CTRS lost</th> <th>Number of claims affected</th> </tr> </thead> <tbody> <tr> <td>£0 - £99.99</td> <td>576</td> </tr> <tr> <td>£100 - £199.99</td> <td>680</td> </tr> <tr> <td>£200 - £299.99</td> <td>120</td> </tr> <tr> <td>£300 - £399.99</td> <td>14</td> </tr> <tr> <td>£400 - £499.99</td> <td>429</td> </tr> <tr> <td>£500 - £599.99</td> <td>11</td> </tr> <tr> <td>£600 - £699.99</td> <td>58</td> </tr> <tr> <td>£700 - £799.99</td> <td>3</td> </tr> <tr> <td>£800 - £899.99</td> <td>0</td> </tr> <tr> <td>£900 or more</td> <td>13</td> </tr> </tbody> </table> <p>(Based on July 2012 data)</p> <p>The modelling also showed that the banding of a property bears little relation to the income of the household, with some households affected in receipt of Income Support and Jobseeker's Allowance. The impact of the cap on these groups could therefore be extremely disproportionate and their ability to make up this shortfall</p>	Amount of annual CTRS lost	Number of claims affected	£0 - £99.99	576	£100 - £199.99	680	£200 - £299.99	120	£300 - £399.99	14	£400 - £499.99	429	£500 - £599.99	11	£600 - £699.99	58	£700 - £799.99	3	£800 - £899.99	0	£900 or more	13
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SLAN response / enhancement	Council reply
	would therefore be limited.
<p><i>“Increased allowances for non dependants living in household (i.e. when calculating income).”</i></p>	<p>The impact of doubling existing non-dependant deductions was explored as part of the modelling activity that took place earlier in the year. Modelling demonstrated that doubling deductions would deliver a saving of £309,764, far short of the £2.8m required.</p> <p>At the time modelling took place, the number of claims with non-dependent deductions stood at 1,173.</p> <p>A consideration in future years for increasing non-dependent deductions would be that they rely on the non-dependent making a contribution to the claimant’s household in order to make up the shortfall in rent and Council Tax. A risk associated with increasing these deductions is that non-dependents on very low income will simply be unable to make up the shortfall from their income leading to the claimant falling into arrears.</p>
<p>“Aligning capital ceiling with £8,000 proposed for Universal Credit (i.e. no ‘taper’ between £8,000 and £18,000).”</p>	<p>As part of our modelling activity earlier in the year we explored a range of capital ceilings from £6,000 up to £15,000. None of the modelling conducted achieved a significant saving due to the small number of claims that have capital of this level.</p> <p>A further consideration was that having different capital levels for Housing Benefit and CTRS could create additional confusion for claimants.</p> <p>In addition, implementation of this option would rely on our software provider being able to deliver different capital calculations for Housing Benefit and CTRS, presenting a significant risk to the scheme implementation should this option not be available.</p>
<p>“Creation of a sizeable hardship fund (e.g. for backdating support for those on lowest income).”</p>	<p>We are currently reviewing our approach to a discretionary hardship payment in light of the localisation of the social fund from April 2013; however there will be severe financial restrictions in place.</p>
<p>“100% support for households with someone with severe disability.”</p>	<p>Offering full protection to disabled households was explored as part of the modelling activity that took place earlier in the year.</p> <p>The modelling demonstrated that this approach would leave a shortfall of over £516,000 as the 15% reduction imposed on other claims was not great enough to cover the £2.8m funding shortfall. We established that in order to achieve the necessary saving, non-disabled working age households would need to face a 19% reduction in their current benefit levels, which would bring the average reduction for this group to £144.91p.</p> <p>A further risk associated with awarding protection to disabled households is that there is not a full record of how many disabled households are within our caseload. Under</p>

SLAN response / enhancement	Council reply
	<p>the current assessment regime it is not necessary to record a disability status on claims that are 'passported' and there are therefore likely to be more disabled households than we are currently able to identify. With over 68% of our caseload receiving a passported status, there is a significant risk that the £2.8m saving required would not be achieved should the number of disabled households increase. The subsequent percentage reduction imposed on non-disabled households would then have to be even greater.</p> <p>Further analysis of Southwark's CTRS scheme offers a comparison between the protection offered to disabled households under the existing CTB scheme and that offered under CTRS. It demonstrates that by adapting the existing CTB scheme, disabled households will on average receive a higher award of CTRS than non-disabled households. Therefore whilst these groups will see a 15% reduction in financial support they will still receive greater levels of financial support under CTRS.</p>
<p>"100% support for single parents with children under 5 years."</p>	<p>As part of our modelling activity earlier in the year we explored the impact of protecting single parents with children under 5 years of age.</p> <p>The modelling demonstrated that this approach would not achieve the required £2.8m saving required and would therefore put pressure on other groups including single parents with children over 5 and other family groups. Southwark's CTRS scheme adapts the existing CTB scheme and therefore retains the family premium and dependant's allowance.</p> <p>Further analysis of Southwark's CTRS scheme offers a comparison between the protection offered to single parents under the existing CTB scheme and that offered under CTRS. It demonstrates that by adapting the existing CTB scheme, single parents will on average receive a higher award of CTRS than non-parents. Therefore whilst single parents will see a 15% reduction in financial support they will still receive greater levels of financial support under CTRS than claimants without children.</p>
<p>"Does the local authority intend to revisit its collection and recovery of arrears provision?"</p>	<p>This has been identified as one of our mitigating actions within this report.</p> <p>Although Council Tax collection and recovery must remain robust, we recognise that this activity must be fair, transparent and proportionate.</p>
<p>"We don't know how well it is known that people with severe and enduring mental illness do not need to pay Council Tax, or how many exemptions there are in Southwark. Perhaps it will be helpful if more people in this category</p>	<p>This has been identified as one of our mitigating actions within this report.</p> <p>Southwark's Rightfully Yours team will conduct a promotional campaign around this exemption and explore joint working activities with the NHS.</p>

SLAN response / enhancement	Council reply
can be helped towards exemption.”	

Community impact statement

52. An updated Equality Impact Assessment on localising support for council tax was published by the Department of Communities and Local Government in June 2012.² There is a requirement from DCLG for the council to carry out its own equalities assessment.
53. An Equality Analysis (EA) has been completed for the proposed CTRS scheme and can be found at appendix G of this report. The EA document provides a comprehensive analysis of the equality implications arising from the proposed scheme and the related mitigating actions.
54. The EA identified that over and above those CTB recipients of pensionable age who receive favourable treatment as a consequence of government policy the proposed scheme does not discriminate against any individual or group of beneficiaries.
55. The EA modelled a number of outcomes in relation to different recipients and households and most importantly highlighted that alternative models would have resulted in creating a higher impact on those not protected or protected less favourably.
56. The EA modelled offers an analysis of the impact on CTRS and disabled households. It identifies that even with a 15 percent reduction in support, these households will continue to receive a higher level of benefit as a result of retaining the disregards and premiums that form part of the current CTB scheme.
57. The EA identified that there is limited information in relation to the level of entitlement by racial group due to the absence of this data in the benefit assessment system. The approach adopted however will reflect the existing council tax benefit scheme profile therefore no community will receive differential treatment.
58. The EA sets out a series of mitigating actions that will be taken in response to the impacts identified by the analysis, including financial support and advice.
59. The EA will be presented in full as part of the report put to council assembly later in the year for consideration and reflection at the decision making stage.

Resource and operational implications

Default scheme

60. If authorities have not adopted a CTRS scheme for 2013/14 by 31 January 2013, then the current ‘default’ council tax benefit scheme will continue as the default position. This is legislative provision set out in the Local Government Finance Bill 2012 currently before Parliament. This would mean that the whole of the

² <http://www.communities.gov.uk/publications/localgovernment/lgfblocalisingcounciltax>

financial impact of the 10 per cent funding reduction would fall to the council and its preceptors and claimants would experience no change.

Detail of the scheme

61. Under Section 13a of the Local Government Finance Act 1992 (“the 1992 Act”) (to be inserted by the Local Government Finance Bill 2012), each Billing Authority in England is required to make a council tax reduction scheme specifying the eligibility for reduction which are to apply to amounts of council tax payable by persons, or classes of persons, whom the authority considers to be in financial need. These reductions are to be shown as discounts on future council tax bills.
62. The council has developed a local CTRS scheme, a full version of which is set out within appendix H. The prescribed requirements to be included in the scheme are set out in the 1992 Act and the draft Council Tax Reduction Schemes (Prescribed Requirements) Regulations 2012. As both the amended 1992 Act and the draft regulations are not yet in force, the scheme is in draft form. The 1992 Act is due to be amended once the LG Finance Bill 2012 receives Royal Assent in late October / November, and enables the Secretary of State to make Regulations accordingly.
63. The scheme rules set out how the scheme is to be administered for both pensioner age and working age recipients. For pensioners these are prescribed by The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012. The prescribed requirements regulations have thus far only been published in draft form. For working age claimants these are local rules developed as a requirement of The Local Government Finance Act 2011, with certain elements of the working age scheme also prescribed by The Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012.
64. The council’s local rules for the working age recipients replicate as far as is possible the current council tax benefit regulations and therefore capture the application process, method of application, the detailed basis of the calculation, means testing of income and the decision making process.
65. Those claimants in receipt of council tax benefit as at March 2013 will automatically qualify for CTRS without the need to make a new claim, saving residents the burden of applying again in the same year. With the exception of those of pensioner age, entitlement will be capped at 85 percent from 1 April 2013 and liability for the balance will therefore be shown upon council tax bills issued in March 2013 for the 2013/14 financial year.

Proposed application process from 2013

66. Under Universal Credit, housing benefit will begin to be phased out from October 2013 at the earliest and housing costs will then be addressed under Universal Credit from April 2014.
67. The requirement under the local scheme is that CTRS shall be a means tested discount, therefore as applications for housing benefit will continue “as is” in 2013 the existing processes and systems can be adapted. The advantages of this are numerous both for the claimant and the council including established access channels, systems and processes and staff familiar with processing.

68. It is not proposed therefore to develop a new application process at this time. The existing application process will remain in place, however this position will remain under review in 2013/14 as the plans for the introduction of Universal Credit emerge.

Impact on technology

69. As a result of the very limited time available for implementation of a local scheme by April 2013 the advantage of Southwark's preferred CTRS scheme is that it can be based on the current software system. Our supplier is already working on a range of expected changes to ensure the IT system is capable of delivering the scheme together with any changes to core entitlements in preparation for this date. A full testing programme will form part of the established end of year and annual billing processes.
70. There is significant risk attached to the implementation of an IT solution in time for April 2013, which is not helped by the fact that final regulations are yet to receive Royal Assent making it very difficult for IT providers to build the system architecture. The risk attached to this work stream is being monitored and mitigation put in place where possible. We will continue to work closely with our software provider; however delivery of a suitable solution is dependent on them.

Impact on revenues and benefits operations

71. The changes referred to in this report constitute part of a wider range of government reforms relating to revenues and benefits policies and procedures. Whilst in principle the proposals outlined in the report minimise the impact of procedural changes given that assessment criteria are consistent with those currently applied in the operation. However, these will require close scrutiny and in particular the assistant director will wish to closely monitor any new pressures on administration arising from payment behaviours and any subsequent recovery action necessary.
72. Consideration will need to be given in the context of wider system changes and the movement of external resource from a capacity basis to a flexible resilience approach.
73. While the service will continue to seek ways in which it can streamline operations and reduce support costs services will need to be maintained at least at current levels. Given the nature and scale of changes in revenues and benefits systems great care will need to be taken in removing any costs within operations in the short term.

Impact on council tax collection and recovery

74. Analysis is currently underway with a third party into the impact that CTRS is likely to have on the council tax collection fund. In particular, customers' propensity to pay will be analysed and will inform our recovery strategy going forward.

Adopting the scheme

75. The determination of the level of local taxation is a matter reserved to council assembly in the constitution; the adoption of the CTRS reflects an amendment to the current level of CTB and the amounts payable by residents.
76. Officers are of the view that subject to the considerations discussed, the proposed CTRS scheme should be adopted. Cabinet is advised to agree the recommendations set out above.
77. The CTRS scheme will require entitlement to support to be shown as a discount on council tax bills from April 2013. Therefore in order to ensure that the scheme is factored into the tax base calculation for 2013/14 the local scheme will need to have been formally approved by the council no later than November 2012.
78. In addition, the timescales for implementation are extremely challenging and there are limits upon the scheme design choices available to the council at least in the short term. It will be important for the council to closely monitor the impact of its first scheme in order to ensure that it can be refined and improved over time. This review will be linked to further Equality Analysis, which is a commitment set out in our mitigating activities.

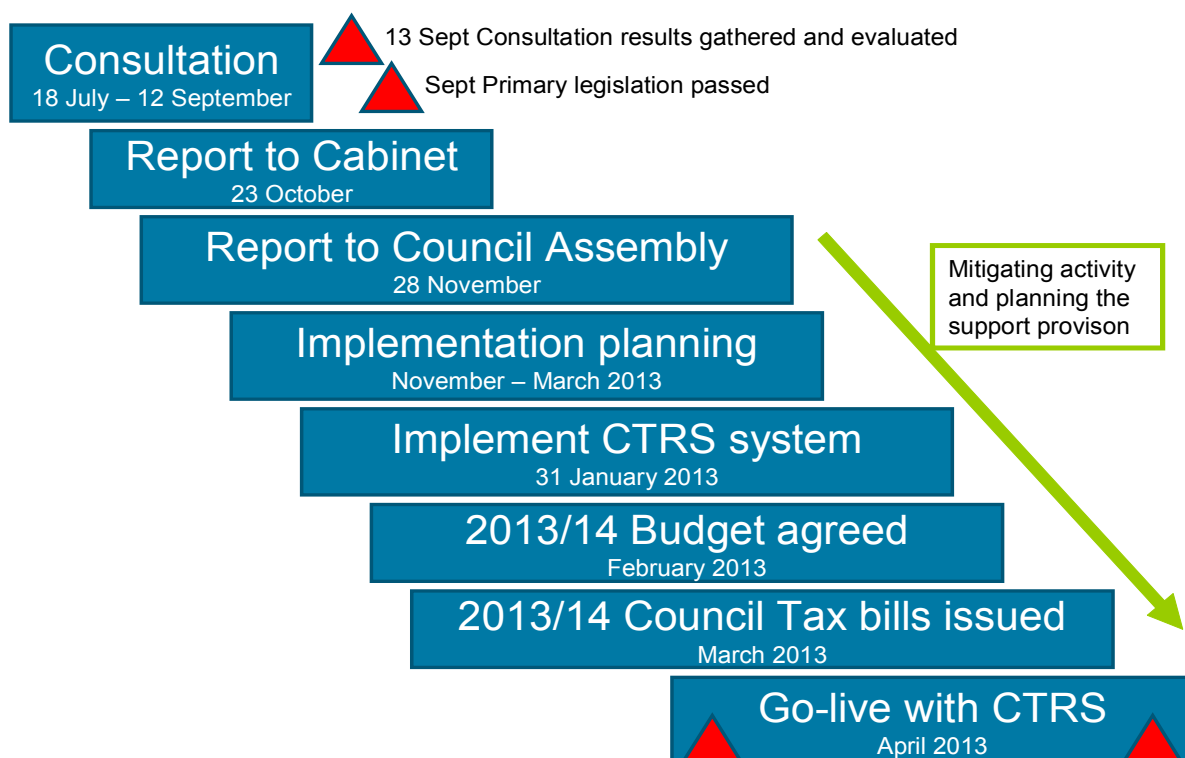
Primary Timetable for Local scheme implementation

79. The timetable for implementation and associated activity to date is as follows:-

Figure 4.

Activity	Lead	Date
Develop scheme proposals	Revenues and benefits officers	May –June 2012
Model scheme impacts	Revenue and benefits officers	May- June 2012
Develop consultation approach	Revenues and benefit officers/legal and communications	June 2012
Prepare consultation material	Revenues and benefits officers	June/July 2012
Equality Assessment	Revenues and benefit officers	June – Sep 2012
Share CTRS scheme with GLA	Revenues and benefits officers	10 July 2012
Report to cabinet to agree proposed CTRS scheme and consultation approach	Strategic director of finance and corporate services	17 July 2012
Confirm decision with GLA	Revenues and benefits officers	18 July 2012
Consultation period	Revenues and benefits officers	18 July – 12 September 2012
Consultation results gathered and evaluated		September to 20 September 2012

Activity	Lead	Date
Primary Legislation passed	DCLG	September 2012
Report to cabinet for recommendation to council assembly	Strategic director of finance and corporate services	23 October 2012
Report to council assembly to adopt local scheme	Strategic director of finance and corporate services	28 November 2012
Plan implementation for CTRS scheme following decision and DCLG regulations	Revenues and benefit officers	November 2012- March 2013
2013/14 Council Tax base agreed	Council	January 2013
Implement CTRS system	Revenues and benefits officers	31 January 2013
2013/14 Budget agreed	Council	February 2013
Issue 2013/14 Council Tax Bills	Revenues and benefits	March 2013
Go Live with CTRS scheme	Revenues and benefits	April 2013



Financial implications 2013/14

80. The current subsidy budget for council tax benefit is £27.8m, some 22 per cent of the total council tax yield. This includes the GLA element, Southwark's share being some £20.8m.
81. The government announced in the 2010 Spending Review that government resources to fund council tax benefit would be reduced by 10 per cent. The government is proposing to replace council tax benefit with grant funding. The council estimates that in consideration of our current benefit caseload and benefit trends the future grant should be £25.0m leaving a potential gap of £2.8m against the current £27.8m if the scheme continues without change.
82. The latest government projections however suggest that this grant will be £24.1m, (£18.0m Southwark and £6.1m GLA), leaving a potential larger funding gap of £3.7m against the current £27.8m if the scheme continues without change. Officers are currently unable to reconcile the government figures and in the absence of confirmed regulations it is unclear how the government has approached their calculations and projections. Officers will continue to keep this under review and will continue to press government for justification of their projections.
83. The government suggests it has based its proposed level of funding for 2013/14 on our projected level of spend and this is lower than our actual spend in 2011/12. The level of spend will be determined by the number of claims made for CTRS in payment, influenced by the number of pensioner and working age claimants, therefore there is an assumption within government that our caseload will decrease, this is not however representative of our caseload or caseload trends. If this assumption is proved wrong and there is a significant increase in claims from working age claimants the council will be required to meet this additional cost.
84. The options proposed will reduce the cost of the CTRS scheme by £2.7m, this leaves a potential funding gap of £1m against the governments indicative CTRS grant figures. Provisional 2013/14 figures will not be available until the 2013/14 Local Government Finance Report is announced, which will not be until after the chancellor announces his autumn statement on 5 December.
85. Any shortfall after Southwark's 2013/14 CTRS grant is announced will be shared in proportion to council tax with the GLA, Southwark's share being £750k.
86. The approach for the localised scheme provides for the deficit being fully funded through reduced benefits to working age claimants.
87. There is a risk that council tax arrears will increase as a result of this new scheme as less support will be available to residents on a low income which will affect their ability to pay the balance outstanding.
88. An initial tranche of £84k in New Burdens funding has been given to Southwark and the DCLG has indicated that additional funding may follow to assist with one-off implementation costs, transition costs and the recurring costs for the first three years in operation of the system. The initial grant will be used towards the

immediate costs associated with implementation of the new system, consultation, process re-design and any associated staff training.

89. The government intend that the local scheme should be applied by way of a discount, and this will reduce the council tax base. Current estimates show that the discount will be equivalent to approximately 20,600 band D equivalent properties. In an ideal situation, the value of council tax lost from the discount would equal the CTRS grant awarded by the government, however a significant factor in this methodology is that the reduced tax base would reduce the amount that could be raised through a one per cent increase in council tax by some £188k.

SUPPLEMENTARY ADVICE FROM OTHER OFFICERS

Director of Legal Services

90. Cabinet is aware that recommendations 3-7 are within the ambit of Cabinet to agree.
91. Cabinet is advised that decisions relating to the budget and the setting of local taxation are reserved to council assembly under Part 3A of the Council's Constitution. Therefore cabinet is enabled to agree to recommendations and refer to the next assembly meeting for approval.
92. In respect of Recommendations 3 and 4, cabinet is alerted to the fact that the recommendations to council assembly are predicated upon legislation that has not yet been passed through Parliament. The parliamentary timetable indicates that the Bill will be enshrined in legislation before the default date of 31 January 2013, and before the January Council Assembly date and possibly before the November 2012 Council Assembly. Cabinet is advised that it may agree the recommendation to council assembly in spite of the absence of the legislation; the decision as to whether to agree the proposals rests with council assembly under the constitutional framework.

Recommendation 3

93. Cabinet is asked to note the legislative basis for the introduction of a policy relating to support for residents in paying their council tax. The Local Government Finance Bill is before Parliament and due to report on 10 October 2012 prior to a 3rd reading in the House of Lords. The Bill provides for the insertion of s.13A into the Local Government Finance Act 1992 which empowers local authorities to make reductions in the amount of council tax a person is liable to pay.
94. A written policy explaining the availability of this power and criteria for assistance will help the council minimise the risk of legal challenge by ensuring that decisions are made with reference to an agreed policy and in a transparent manner. Cabinet is therefore advised to agree the recommendation to council assembly that a policy is adopted under s.13A. of the 1992 Act

Recommendation 4

95. Cabinet is advised that the legislative basis for the introduction of a support scheme derives from the abolition of the existing council tax benefit under s.33 of the Welfare Reform Act 2012. The Local Government Finance Bill ("the Bill") provides

for the establishment of a Council Tax Support scheme (CTRS) under the wider s.13A policy detailed above in Recommendation 3. Local authorities must put in place a scheme for council tax support by 31 January 2013. If a scheme is not in place, a default scheme will be imposed on the council.

96. Cabinet is advised that in considering whether to make the recommendation to adopt the proposed scheme of reduction; decision makers must consider the outcome of the consultation exercise and demonstrate they have taken on board the views expressed by stakeholders. If cabinet are not able to agree with particular views they must provide cogent reasons as to why in their decision.
97. Cabinet is further advised that decision makers must consider the outcomes of the Equality Impact Assessment in advance of decision making. In the event that cabinet is minded to agree the recommendation, it must provide evidence of consideration of the EqIA outcomes in its decision. Cabinet is reminded of the requirement to have due regard to the public sector equality duty set out in s.149 Equality Act 2010 in its deliberations and conclusion.
98. In advance of its deliberations on the recommendations, cabinet is reminded that the council has statutory duties in respect of mitigating the effects of child poverty in the area, under the Child Poverty Act 2010.
99. In advance of its deliberations on the recommendations, cabinet is reminded that the council has statutory duties to provide advice and assistance to persons who are or are at risk of homelessness under the Housing Act 1996.
100. Cabinet is also reminded that the Southwark's Children and Young Peoples Plan is in place from 2010-2013 and includes a priority to narrow the gap and ensure that children and young people in the borough have the same opportunities.
101. Cabinet is advised that it may agree to refer the linked proposal to remove the current second adult rebate from the proposed CTRS scheme, to council assembly. As with the advice relating to the recommendations above, cabinet is advised to consider the stakeholder response to the consultation on the entire scheme, the relevant equality implications as well as the statutory requirements of the council.

Strategic Director of Finance and Corporate Services

102. The strategic director of finance and corporate services notes the recommendations to this report, and that the option proposed will reduce the amount of CTRS by £2.8m by applying an 85 per cent cap on benefit awards to all working age claimants.
103. It is also noted that officers will continue to seek clarification on the continued uncertainty regarding the precise nature of any gap between the indicative grant announced by the government and the cost of CTRS if the proposed option is approved.
104. The strategic director of finance and corporate services also notes that the figures based in this report are based on current workloads that may change before final decisions are made in November not least given the current pressures arising from the general economic climate.

105. The reduction in tax base resulting from the new CTRS discount, its effect on future council tax income and impact on additional resources that may be generated from increases will be monitored closely. Any further information will be incorporated in the council tax base report and be presented to council assembly in the new year.
106. The impact on administrative effort and associated costs of the new scheme will be reviewed continually.

BACKGROUND DOCUMENTS

Background Papers	Held At	Contact
None		

APPENDICES -

Note: Appendices circulated separately to cabinet members and available on the web site

No.	Title
Appendix A	Southwark Council Tax Section 13A Policy - Discretionary Relief
Appendix B(i)	Consultation Plan
Appendix B(ii)	Consultation questions
Appendix C	Response from GLA
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Appendix I	Southwark Legal Advice Network – Consultation response

AUDIT TRAIL

Cabinet Member	Councillor Richard Livingstone, Finance, Resources and Community Safety	
Lead Officer	Duncan Whitfield, Strategic Director of Finance & Corporate Services	
Report Author	Dominic Cain, Assistant Director (Revenues & Benefits)	
Version	Final	
Dated	11 October 2012	
Key Decision?	Yes	
CONSULTATION WITH OTHER OFFICERS / DIRECTORATES / CABINET MEMBER		
Officer Title	Comments Sought	Comments included
Director of Legal Services	Yes	Yes
Strategic Director of Finance & Corporate Services	Yes	Yes
Cabinet Member	Yes	Yes
Date final report sent to Constitutional Team		11 October 2012

APPENDIX A**Southwark Council Tax Section 13A Policy****Southwark Council Tax – Discretionary Relief****Background**

Section 13A of the Local Government Finance Act 1992 allows the council to reduce the amount of council tax payable. It can be used for individual cases or the council can determine classes of case in which liability is to be reduced. Southwark Council has not specified any class of case in which liability is to be reduced. However, we will consider claims on individual cases. There are financial implications to awarding any discounts other than those currently available under the statutory legislation and the financial burden of Section 13A discounts has to be met through an increase in the general level of council tax for other payers.

1. How to claim a discretionary reduction

- The application should relate to the current council tax year, unless the liable person has just received an account following late valuation for a previous year(s)
- It must be made in writing by the taxpayer or by someone authorised to act on their behalf to the standard Council Tax address and titled “Section 13a Application”
- The Council may request any reasonable evidence in support of an application Separate claims must be made in respect of different dwellings and/or council tax accounts.

2. Discretionary Relief Policy

Southwark Council will only consider using its powers to reduce council tax liability for any council tax payer or class of payer in exceptional circumstances. We will treat all applications on their individual merits. However some or all of the following criteria should be met for each case;

- There must be evidence of financial hardship or personal circumstances that justifies a reduction in council tax liability
- The taxpayer must satisfy the Council that all reasonable steps have been taken to resolve their situation prior to application
- All other eligible discounts/reliefs/benefits have been awarded
- The taxpayer does not have access to other assets that could be used to pay council tax
- Can the situation be resolved by some other legitimate means, such as the complaints procedure? If it can it is unlikely that an award will be made
- The Council's finances allow for a reduction to be made
- The situation and reason for the application must be outside of the taxpayer's control
- The amount outstanding must not be the result of wilful refusal to pay or culpable neglect

As a consequence of this the power to reduce under this section should only be applied in exceptional circumstances. Any reduction must take into consideration the Borough's Council Taxpayers.

3. Amount of relief

The relief to be awarded is entirely at the Council's discretion.

4. Review of decision

Under the Local Government Finance Act 1992, there is no right of appeal against the Council's use of discretionary powers. However, the Council will accept a customer's written request for a further review of its decision. The Council will then consider whether the customer has provided any additional information against the required criteria that will justify a change to its decision.

APPENDIX B(i)

CONSULTATION PLAN

Date	Activity	Detail	Message
June/July 2012	<p>Engagement with:-</p> <ul style="list-style-type: none"> • Community councils • Community action Southwark • Southwark legal advice forum • Housing associations • Home owners group • Tenant councils • Area housing forums • TMO – Tenant Management Organisation • Information in Summer edition of Southwark life <p>Prepare:-</p> <ul style="list-style-type: none"> • Web page and consultation link • Local Online communities • Press Release • Southwark life entry (next edition) 	<p>Attend two community councils (Bermondsey/Rotherhithe) and Borough/ Bankside and Walworth) on the 2 July 2012 and 12 July.</p> <p>Southwark Legal Advice Network 16 July Bermondsey West Housing Forum 17 July July edition of Southwark life distributed to all households</p> <p>Provide overview of CTRS, outline known requirements of CTRS, timelines, purpose of consultation and support available, make overview available to other listed groups.</p>	<p>How the government is proposing to change council tax benefit. Raise awareness of forthcoming consultation</p> <p>We want your views on Council tax benefit changes.</p>
10 July 2012	Commence consultation with GLA	Present CTRS Scheme proposal to GLA	Responding to 10% cut in council tax benefit subsidy
18 July 2012	Confirm decision of cabinet to GLA		Decision will still be subject to call in for 5 working days.

Date	Activity	Detail	Message
18 July - 5 Sep 2012	Consultation open	Subject to call in consultation opens 25 July 2012 Press release issued	
18 July - 5 Sep 2012	Commence consultation with wider community and stakeholders.	Send notification of consultation to relevant organisations	The council has to introduce a local Council Tax Reduction Scheme (CTRS) and has less money – have your say on the councils proposal
18 July - 5 Sep 2012	Consultation with wider community and stakeholders	Attend TMO 18 July, attend Home owners group 25 July, Financial inclusion Forum 20 July, SOUHAG 26 July Tenant councils and Area Housing forums. Walworth West Housing Forum 19 July	The council has to introduce a local CTRS and has less money – have your say on the councils proposal
18 July - 5 Sep 2012	Consultation with wider community and stakeholders	Attend local Community Councils, 3 rd sector organisations. (Dates TBC)	We want to work with you to support implementation of the CTRS scheme and to support CTRS claimants receive the support they may need
18 July – 5 Sep 2012	Consultation with wider community and stakeholders	Self serve support available in libraries. Support available from 3 rd sector to customers	We want to work with you to support implementation of the CTRS scheme and to support CTRS claimants receive the support they may need
18 July – 5 Sep 2012	Consultation web link open Southwark Life distributed	Notification to all stakeholders and third parties	Consultation open, please engage and visit website and have your say.
13 September	Web link closes	Notification to all stakeholders and third parties.	Consultation closed.
13 September-20	Gather response from web based consultation – feed into EA	Measure and evaluate response for inclusion in October cabinet report	

Date	Activity	Detail	Message
September			
18 July - 5 Sep 2012	Consultation with wider community and stakeholders	Attend local Community Councils, 3 rd sector organisations. (Dates TBC)	We want to work with you to support implementation of the CTRS scheme and to support CTRS claimants receive the support they may need

APPENDIX B(ii)**Council Tax Support Consultation Questions**

1. The government is abolishing Council Tax Benefit (CTB) and the council is required to adopt a Local Council Tax Support scheme in its place from 1 April 2013. The government is also reducing the amount of money it contributes to the new scheme by 10 per cent.

The council has created a scheme which it proposes to introduce and now seeks comments on the proposal. The scheme outline can be found here ([Hyperlink to document](#)).

2. Please suggest any changes that might enhance the proposed scheme.

3. The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?

The council is proposing to introduce a technical change to existing council tax benefit entitlement within the local council tax support scheme;.

4. It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – [hyperlink to document](#))
5. Please let us have any comments upon this proposal.

6. General information

1. Are you a resident of Southwark Council?

1. Yes2. No2. If YES, what is your postcode?

3. Are you a council tax payer?

1. Yes2. No

4. Are you currently receiving council tax benefit?

1. Yes2. No

7. Are you responding to this consultation in your capacity as a representative of any of the following?

Voluntary Organisation	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Housing Association	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Landlord	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>
Other	Yes	<input type="checkbox"/>	No	<input type="checkbox"/>

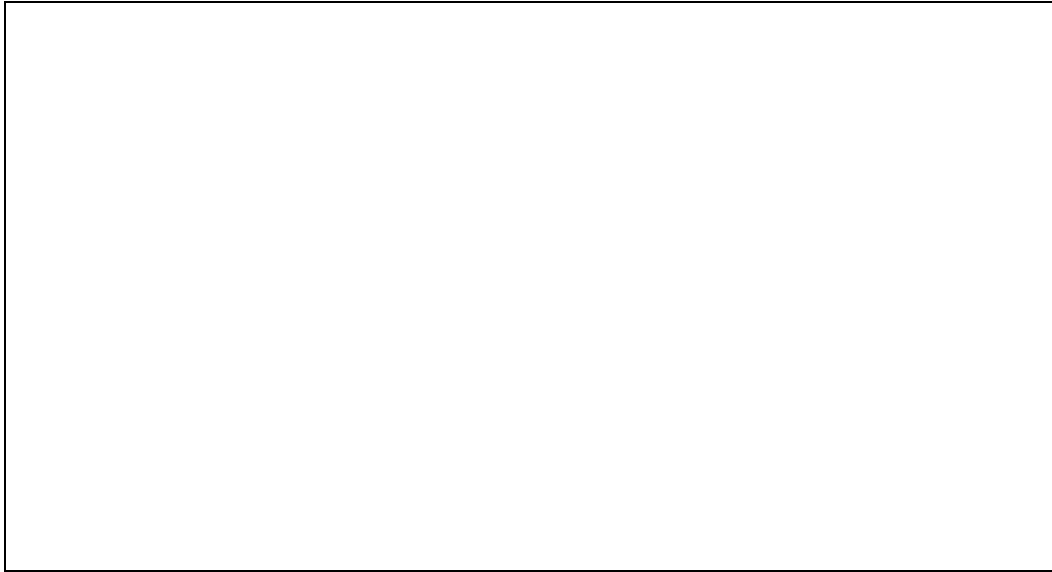
Please tell us your details

Name:

Address:

Email:

8 If you have any other views or comments, or alternative suggestions, then please enter them in the box below

A large, empty rectangular box with a thin black border, intended for users to enter their views, comments, or alternative suggestions.

9. Standard ethnicity, age, community information to be captured here

APPENDIX C**GREATER LONDON AUTHORITY****Resources**

Duncan Whitfield CPFA
 Strategic Director of Finance and Corporate
 Services
 Southwark Council
 160 Tooley Street
 PO Box 64529
 London, SE1P 5LX

City Hall
 The Queen's Walk
 More London
 London SE1 2AA
 Switchboard: 020 7983 4000
 Minicom: 020 7983 4458
 Web: www.london.gov.uk

Our ref: CTBLocalisation
Your ref:
Date: 12 September 2012

Dear Duncan

**LONDON BOROUGH OF SOUTHWARK – DRAFT COUNCIL TAX SUPPORT
 SCHEME
 GREATER LONDON AUTHORITY RESPONSE TO CONSULTATION**

Thank you for your email dated 18 July and attached documentation setting out the draft council tax support (CTS) scheme which the London Borough of Southwark was issuing for consultation with local residents and stakeholders as required under Schedule 4 to the Local Government Finance Bill. The draft scheme published for consultation is summarised in Appendix A to this letter. This letter sets out the Greater London Authority's formal response to this consultation.

Introduction

Firstly the GLA recognises that the determination of council tax support schemes under the provisions of a Local Government Finance Bill is a local matter for each London borough. Individual schemes will need to be developed which have regard to specific local circumstances – both in respect of the potential impact of any scheme on working age claimants (particularly vulnerable groups) and more generally the financial impact on the council and local council taxpayers – and the final policies adopted may differ therefore across the capital's 33 billing authorities for legitimate reasons.

This fact notwithstanding the GLA also shares in the risks and potential shortfalls arising from the impact of council tax benefit localisation in proportion to its share of the council tax in each London billing authority. It is therefore important that we are engaged in the scheme development process and have an understanding both of the factors which have been taken into account by boroughs in framing their proposals as well as the data and underlying assumptions used to determine any forecast shortfalls – which will inform their final scheme design.

We welcome the fact that the London Borough of Southwark's consultation document proposes the establishment a relatively accessible, simple and transparent scheme. The more detailed supporting documentation submitted to the GLA in advance of the formal consultation also provided significant details on the underlying assumptions and data used to frame the draft scheme.

Framing and Publicising Proposals

The Government has expressed a clear intention that in developing their scheme proposals billing authorities should ensure that:

- Pensioners see no change in their current level of awards whether they are existing or new claimants
- They consider extending support or protection to other vulnerable groups
- Local schemes should support work incentives and in particular avoid disincentives to move into work

The GLA concurs with those general broad principles and would encourage all billing authorities in London to have regard to them in framing their final schemes.

It is also essential that schemes are presented in a way which is transparent, understandable and accessible to claimants – and it is therefore desirable if draft and final schemes are accompanied by explanatory information which includes case studies illustrating the potential impact of the proposals on different categories of claimant. Given that the current level of awareness amongst working age claimants likely to be affected by the potential changes is relatively low and may not crystallise until these individuals receive their revised benefit notifications and council tax bills for 2013-14 early next year there remains a significant risk that collection rates will be affected adversely in the first year of the new system.

Financial Context

According to the consultation paper ‘Localising Support for Council Tax in England – Funding arrangements consultation’ issued by CLG in May Southwark is provisionally estimated to receive £18.1m in council tax support grant in 2013-14 with the GLA forecast to receive £6.1m in respect of the Southwark borough area and around £159m for London as a whole. Slightly less than 50% of this funding will be allocated to the business rates retention baseline and will thus have the potential to move in line with the NNDR tax take including the impact of the annual RPI uplift in the multiplier – with the balance being provided through revenue support grant (RSG). The RSG element has the potential to be reduced further over the next CSR period commencing in 2015-16.

In developing its proposals for consultation Southwark has identified a potential difference of around £2.6m between the cost of continuing to provide council tax support on the same basis at a present through the ‘default scheme’ for working age claimants and its expected level of council tax support grant. The forecast shortfall in respect of the GLA’s share is around £0.9m i.e. a total forecast shortfall for the borough of Southwark of £3.5m.

The Council’s draft scheme therefore seeks to identify approaches which would allow it to close the majority of this expected funding gap – with the core element of its proposals being that all working age claimants be required to pay at least 15% of their council tax liability.

Technical Reforms to Council Tax

The GLA considers that in formulating its council tax support scheme each billing authority should both consider and address how it intends to take advantage of the technical reforms to council tax set out in clauses 9-13 of the Local Government Finance Bill which will provide greater flexibility in relation to discounts, exemptions and premiums for second and empty homes. The additional revenues from the technical reforms could be used to reduce any shortfalls and thus the sums which need to be recovered from working age claimants via any changes to council tax support.

We note that the Council has not yet formally considered or determined its position on empty and second homes discounts. As a result this has not yet been considered as a potential revenue stream which could be used to reduce the impact of the council tax support changes on working age claimants. In the GLA's view final decisions on local council tax support schemes should not be divorced from those taken in respect of the technical reforms.

Protecting Vulnerable Claimants

Where boroughs choose not to adopt the default scheme and therefore pass on any shortfalls to claimants they should consider whether it would be desirable to offer protection to the most vulnerable and those in the most difficult circumstances – either within the framework of their scheme or through a hardship scheme.

The GLA notes that Southwark's draft scheme does not provide for any additional protection to any working age claimant group – although pensioners would continue to receive council tax support on the same basis as at present in line with the national framework set by central Government. In the Council's view to offer protection to all disabled and family groups for example would disproportionately impact upon the remaining small group of working age claimants.

Ultimately the decision as to which groups are designated as vulnerable is a matter for local determination having regard to the potential impact on other working age claimants or council taxpayers and service users more generally. We recognise that Southwark has complied with the policy framework set by central government in deciding not to offer protection to specific categories of claimant.

Incentivising Work

The GLA considers that a key priority for the design of a localised council tax support scheme is to ensure that it does not disincentivise those in work or those seeking to move into work. In order to ensure that schemes meet this objective billing authorities should therefore take particular care in determining their policies on earnings disregards and extended payment periods (i.e. run ons).

We would encourage the Council to consider how its final scheme could be designed in a way which does not disincentivise work.

Other Elements of Southwark Draft Scheme

The GLA also notes the other proposed elements of Southwark's draft scheme as set out below:

- the withdrawal of the second adult rebate.
- the retention of the current arrangements for non dependant deductions i.e. the categories of non-dependant and the level of deductions by income band will be the same as in the council tax benefit default scheme regulations at the date the local scheme is created.

The GLA has no specific comments on these two proposed variation at this stage as it regards them as being a legitimate matter for local determination – notwithstanding the need for the Council to consider the equalities impact of its final decision.

Setting the Council Taxbase for 2013-14 and Assumptions in Relation to Collection Rates

The Council will be required to set a council tax base for 2013-14 taking into account the potential impact of the discounts it will be offering in respect of council tax support and the changes in relation to the treatment of second and empty homes.

This will require the Council to make a judgement as to the forecast collection rates from those claimants affected by the changes. It is likely in respect of those working age claimants currently in receipt of 100% benefit that the recovery rates will be significantly below the average percentage collection for council tax as a whole. We also note that the Council does not intend at this stage to offer a hardship scheme.

The GLA would encourage the Council to provide it with an indicative council tax base forecast as soon as options are presented to members for approval in December or January (if not before) in order that it can assess the potential implications for the Mayor's budget for 2013-14. This should be accompanied ideally by supporting calculations disclosing any assumptions around collection rates and discounts granted having regard to the final council tax support scheme design.

Varying Council Tax Payments in Year

The GLA is keen to develop a dialogue with all 33 London billing authorities as to how the budgeting, cashflow and accounting arrangements for council tax support will operate under the new system – particularly in order to manage the sharing of risks. These discussions would also need to address the mechanisms and triggers under which billing authorities will be able to vary their instalment payments to preceptors (i.e. the GLA) in year where, for example, council tax collection rates are lower than anticipated or the actual demand for council tax support is greater than budgeted for.

We anticipate that the Government will address these issues in the secondary legislation on council tax support and business rates retention in the autumn – as similar issues are also likely to apply where business rates revenues are lower than forecast.

In the absence of any nationally prescribed policy the GLA would be keen to develop a common wide approach in London which would apply equally across all 33 billing authorities.

This could for example follow the current approach used for the Crossrail Business Rate Supplement where instalments may be varied no more than once per quarter with the trigger for any variation being where the forecast shortfall in revenues exceeds a set percentage of the total precept instalments payable for the year. This would recognise that there is a balance to be struck between cashflow and resource management and the additional administration which would result for both parties if instalment payments were to be changed.

In practice – where in year forecast shortfalls are not material – the GLA would envisage that any deficits would be recovered through the collection fund deficit calculation in January in the normal way (and thus recovered in the following financial year in cash terms).

I would like to thank you for consulting the GLA and we look forward to working with the London Borough of Southwark over the coming months in order to ensure the successful implementation of the council tax support localisation reforms.

Yours sincerely

Martin Mitchell
Finance Manager

SUMMARY OF DRAFT COUNCIL TAX SUPPORT SCHEME PROPOSED FOR CONSULTATION BY THE LONDON BOROUGH OF SOUTHWARK

At present there are approximately 35,500 council tax benefit claimants in Southwark of which around 24,300 are of working age. Of these around 16,500 are working age claimants passported by DWP who therefore pay no council tax at present.

The Council has identified a potential £2.6m funding shortfall (the difference between providing council tax support to all claimants on the same basis as at present with its forecast council tax support grant of £18.1m). The GLA's potential shortfall in respect of Southwark is around £0.9m against its notional support grant allocation for that borough of £6.1m. This makes a combined total forecast shortfall according to the Council's estimates of £3.5m.

The Council launched its consultation on 18 July with a closing date of 12 September. The consultation was published at the following link

http://www.southwark.gov.uk/downloads/200442/council_tax_benefit_is_changing

The Council's draft scheme will apply a 85% cap to the current council tax benefit award for each working age claimant. This will have the effect of reducing benefit awards by 15% for the existing working age caseload of 24,300 claimants. The cap equates to an average loss of £116.08 in annual benefit award across all 24,301 working age customers, but the impact based on 2012-13 council tax levels ranges from an 8p annual change for one claimant receiving limited council tax benefit at present to as much as £344.77 (e.g. a claimant in a property in the highest council tax bands).

This draft scheme proposes to keep the current system of making deductions from the eligible council tax for each non-dependant person in the household. It proposes that the categories of non-dependant are set out as they are in the council tax benefit regulations at the date this scheme is created. It proposes that the income brackets may be altered in line with the general uprating arrangements in the scheme. As the final stage of the assessment, the 85% cap would be applied following any deduction made in respect of a non-dependent.

Consideration will be given by the Council as to how to determine income from benefits established under the Welfare Reform Act 2012, such as universal credit and personal independence payments, when appropriate regulations have been issued by central Government, setting out the method of calculation for these benefits.

The Council's scheme does not provide for any additional protection to any working age claimant group – pensioners would continue to receive council tax support on the same basis as at present in line with the national framework set by central Government. In the Council's view to offer protection to all disabled and family groups for example would disproportionately impact upon the remaining small group of working age claimants.

The Council also proposes to abolish the second adult rebate. This applies at present where a customer who is working and not receiving council tax benefit has another adult occupier in their property who is on a low income but who is not for example

their partner or a rent paying lodger/tenant. In this case the customer currently receives up to a 25% reduction in council tax due, equal to their single person discount.

Current data suggests that the withdrawal of the second adult rebate would affect 265 claimants in the borough – with an aggregate saving generated of £56,000.

APPENDIX D(i)

CONSULTATION RESPONSE MATRIX

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
<p>Before cutting or decreasing any benefits the government should think about people too. The prices are rising, benefits are cut, no profits for the family. I have been living on the low income, but after this new offers I see that I won't have enough money for myself as well as for the baby. I suggest to rise income support as much as decrease any benefits</p>	<p>As you can see in paragraph 1 I disagree with these changes because I will see me and my family living below or lower the low level of being. But I want to live as well as people of the middle class or level of being (having enough money for food, some clothes and some leisure).</p>	<p>I don't have any comments upon this proposal.</p>	<p>Resident Council Tax Payer CTB recipient</p>	<p>Blank</p>	<p>N/A</p>
<p>To protect all those on the lowest income levels i.e benefits and minimum wages without introducing a cap on the amount of help they receive.</p>	<p>I would have wanted more clarity about what this means - does this mean people of working age who apply for support but are working or/ and also those on income related benefits? It seems unfair that those on low incomes, and therefore needing income support or similar benefits, are to pay 15% of the council tax bill. I think the scheme should have had universal application - some younger people are poorer and have more complicated needs than those of pension age. I would have also wanted the council to limit support to those on higher incomes and think of ways to not pass costs to people living in poverty and on low incomes.</p>	<p>I would support this measure. But I don't agree that older persons should have protected status.</p>	<p>Resident Council Tax Payer CTB recipient</p>	<p>Blank</p>	<p>Blank</p>
<p>I do not support or agree with these proposed changes.</p>	<p>I do not support or agree with these proposed changes. Its affects a large number of people, many of whom, being the poorest in the borough including myself are already finding it difficult just to get by.</p>	<p>I do not support or agree with these proposed changes.</p>	<p>Resident Council Tax Payer CTB recipient</p>	<p>Other</p>	<p>I do not support or agree with these proposed changes.</p>

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
Disabled residents should continue to receive 100% discount under the new scheme if they are currently in receipt of council tax benefit. Pensioner entitlement to council tax benefit should be means tested.	I do not support the proposed scheme of reducing benefit entitlement by 15% for working age customers AT ALL.	Blank	Resident CTB recipient	Blank	The proposal to reduce benefit by 15% for working age customers currently in receipt of council tax benefit is absolutely scandalous. As such, services should be cut first. I do not support this proposed change AT ALL.
I can not suggest anything to enhance it	As a disabled person I feel that I should not have to use my disability benefits to pay for my council tax.	No comment	Resident Council Tax Payer CTB recipient	Blank	Blank
Spread the load dependent upon income.	It is just plain wrong to require additional payments from people who are dependent on benefit payments, that are themselves being reduced.	Blank	Resident Council Tax Payer CTB recipient	Blank	I am a single disabled carer for a vulnerable child and wholly dependent upon benefit. With the change from Incapacity Benefit and Disability Living Allowance to Employment and Support Allowance, a reduction to the social care budget, and prices rising faster than benefit adjustments; where am I supposed to find the necessary additional sums to pay the new council rate charges?
The council should also include the drug addicts whom council provides the free homes etc they should be included in this scheme as well plus the people who are cheating the council taking benefits and working on cash as well and we are happy that the council has excluded the pensioners atleast from this scheme cuz they are already on less and if they have to pay the tax it is really not fair to them i think so.	But i think this is good for the council and for the people who are just fooling around the council claiming free benefits without doing anything plus the eeu countries people who just move to uk because they can claim benefits easily.	The idea is good to collect some more money but it is really bad for the people who are truly seeking any help from council like jsa, income support and really to do not have any job or other income and these days i do not know how they will pay or consider this thing.	Resident CTB recipient	Blank	Just the suggestions for council is that the must decide something about the people who are really in a long term council tax or other benefits should also be shreaded or atleast should be re-evaluated if they are really unable/able to work or not or if they can work they should. And the people who are on drugs and the council is providing them free housing etc. and everything they should be scrapped off from all those benefits.
Taking into consideration the ability withstand a reduction in benefit level would be an enhancement to your plans as age group alone evidently cannot do this. The likely result will be to add to pressure on other agencies	In reducing the disposable incomes of the growing numbers of 'poor' still further you will further depress the local economy.	As above	Resident Council Tax Payer CTB recipient	Other	Why are you not proposing to use property banding (wealth ownership) to taper levels of benefit reductions?

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
Put your voice into diminishing the gap between rich and poor	Weak people are target as always, corrupt taxes by well off are massive. Syria may be a long way by miles but with an inadequate government squeezing people it may also happen in Britain.	N/A	Resident CTB recipient	Other	Blank
Don't do it. Increase amount for the well-off who can afford it.	Absolutely disgusting	Don't really understand what this means. If it means no discount for single people, that is disgusting If it means that there is no second adult rebate if that person claims council tax, again I think that is wrong. People are individuals.	Resident CTB recipient	Blank	Blank
perhaps the charges levied can relate to the number of wage earners in the household?	I am of working age but unable to work due to my medical status. I have cancer which has spread in my body and my treatment for this makes me extremely tired and unwell . I receive DLA & ESA higher support rate because of these. I hope that I would be able to pay any charge levied on my but I cannot increase my capacity to work, it is not expected that my health will improve. People in similar circumstances will be distressed by these new council proposals.	I am not aware of this and cannot comment	Resident CTB recipient	Blank	I need help to manage my illness in my own home, cannot get social services support, yet you may be asking me for money for this charge when I am not in a position to improve my circumstances or health to obtain work.. I am appalled

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
as a pensioner as i read it it does not effect me but you never know	as usual these schemes seem to hit the poorist	yes i agree	Resident Council Tax Payer CTB recipient	Blank	i am sure you are trying to make the changes as fair as possiable
IT SEEMS THAT EVERYTHING IS GOING UP	PEOPLE WHO RELY ON DLA AND THERE PARTNERS AS THERE CARER WILL SUFFER THE GOVERNMENT NEED TO SORT OUT THE SITUATION AS MORE SERVICES WILL SUFFER IN THE AREA	LOW INCOME PEOPLE WILL BE HIT HARDEST	Resident Council Tax Payer CTB recipient	Other	Blank
evaluate fairly, who really needs to receive this benefit	the scheme should be evaluated, by how much a person receives, and if the person has got children under 18 years old	many families who receive this benefit, is hard for them, to buy necessary things. They already have a low income, if you cut this benefit, how can they survive?	Resident Council Tax Payer CTB recipient	Other	I'm a single parent I work 20 hours per week, I receive the minimum hourly. I live in a private flat. The housing, and council tax benefit is not enough to cover my expenses, and for my 11 year old son. To cut down my council tax benefit, how will I survive?
A fairer deal for the long-term unemployed. According to Government figures the average length of unemployment for the over-55's is 14 months. Many of these will only be receiving £71 pw JSA benefit. Over a year this 85% cap represents between 2 and 3 weeks JSA. What will these people be eating when a bill for about £150 drops through their letterbox? I assume this bill will all come in one lump at the end of the CT annual cycle rather than being phased.	Fair on the short-term claimants. Less so on the long term unemployed, disabled and vulnerable.	This, I think, is fair.	Resident Council Tax Payer	Blank	I appreciate that it will initially be less costly for the Council to maintain as much as possible of the existing process and simply cap CTB at 85%. However, this may be offset over time by additional costs of chasing non-payment by those who simply don't have the money. I think you may have to consider alternatives including means-testing. The difficulty there is that savings go down and down if someone is unemployed for a long period of time and there is a danger that they would have to be re-assessed regularly which could be a costly

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					administrative overhead. However, ability to pay should be factored into this proposal. I was recently out of work for 10 months and I know how quickly my modest savings dwindled. I couldn't have paid an extra £150 - I simply wouldn't have had it unless I literally handed over more than 2 week JSA and didn't eat for a fortnight.
How in this economic situation the rents are going up? Why they do not go down? Make everybody pays, but less. Cut down what the council spends in certain areas. See what is happening in Italy, Spain, or Greece or Ireland. We must make the economy runs, but it will never be like before. If I have no job, I cannot pay anything, but if I have any job that makes me pay for some of my bills, the economy is running. My problem is my rent. It is too high. If I have a job where I can make less money but it is enough to pay my bills and probably save, the economy is running. But rent is killing us and the banks are not there to help but to make us slaves of interested rates. It would be better pay a small amount than nothing.	The right thing to do. But the council must reduce its expenditure as well. Do not cut jobs this is not the way. But try to save. I see so many waste in my area that I could not enumerate it here.	It is right. See what is happening in Italy, Spain, Ireland and Greece. We could not commit the same mistake. We must cut down expenditure. We must save, somehow.	Resident CTB recipient	Blank	I have been told you need an electrician. Am I right? Any chance for a job at Southwark Council.
good proposition	yes naturally	of course	Resident CTB recipient	Other	yes please i just wanted to be register in the council property .I would be happy if you can send my an application forme or let me know the proceduce please thank you.
more advertising and held in libraries	how can I afford it benefits are breadline anyway cant afford to live	Blank	Resident Council Tax Payer CTB recipient	Blank	this is draconian and poverty inducing, mental health will suffer

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use the council taxes collected in areas of utmost priority and cut out duplications and unnecessary waste in general.	if the council cannot continue to support all working age claimants due to the present financial and economic downturn, then all residents living in the council will just have to accept whatever changes are made in order to keep the council ticking on during this lean economic period.	this part of the proposal is perfectly acceptable, at least for now; when the economy does pick up in the future then the situation should be reviewed.	Resident CTB recipient	Blank	Blank
If the change does not affect families with income, then the change should be normal.	I think this change will put more poverty families to be in difficult financial situation. At the moment there is no more works. Not helping people with low income won't be the best solution	This is not the best decision. How people without job can live? Many people will go to the street to do bad things which could affect the government. In my opinion this decision is not welcomed.	Resident Council Tax Payer CTB recipient	Housing Association	In my own case, I leave with disability and can not get job at the moment. My wife just came from Africa. I am the one supporting her financially. If the change affects me, How can we survive? My wife does not receive any benefit yet.
No	No	No	Resident CTB recipient	Housing Association	Proposal that there should be a council of the municipality and the population is to talk with the government and explain the conditions of the population and living conditions and difficult circumstances Ornament
Blank	I think it will be devastating, and it will make people homeless, and they will have to beg on the streets. Even now we do not get enough welfare benefits.	Blank	Resident Council Tax Payer CTB recipient	Blank	I would like more support, and more details of proposed changes. What will happen to Houpsing Benefit. I am not happy with the proposed cut of 15%. What will happen to the people who have this 15%, do they have to rob or beg, or commit suicide? I would like someone to contact me with answers to these questions
Reduce the rate of increase to claimants and find the money to do so. A 200% increase in the amount to be paid by these groups is just too high.	It is completely unfair to squeeze the unemployed and disabled further by blaming government changes and cuts. Money could be clawed from some of the vast amounts spent on road humps for example. In fact there are many council departments like maintenance that waste vast amounts of money far in excess of	Unsure as to how this may impact on those on a low income. Feel that it's probably going to have little impact as second adult rebate generally affects family members of working age. I would however suggest that live in carers	Resident Council Tax Payer CTB recipient	Voluntary Organisation	Blank

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	2.8 million per year.	should still have some kind of rebate entitlement. Many carers have a hard enough time as it is without losing the small amounts of financial help the state offers, well below the cost of supplying a state employed carer or residential care. In other words, abolition of the rebate for live in carers could cost more in the long run.			
by abolishing useless translations Services	it is unfair because councils waste millions of pounds each year on its translation services. Why can't translation services be abolished and there would not have to be a 15 per cent reduction	N/A	Resident CTB recipient	Blank	Blank
Blank	i find it absurd because you councils spend a lot of money for ethnic minority events such as black history month why can't that be stoped	Blank	Resident CTB recipient	Blank	stop wasting money on ethnic minority programmes
the overall financial situation of applicants need to be considered,	Income support and other supports from the government are just too low to meet rising costs of basic things: with rising living costs (water, gas etc) coming to around £23 per week.	I think that is extremely unfair. Single people are always discriminated against. The receive the smallest amount of services but pay the same as a 6-person family. It would be fair if it was linked to income, i.e. anyone earning over a certain amount does not get it.	Resident Council Tax Payer CTB recipient	Blank	More people unable to pay/survive will mean more homelessness/social care costs and needs. Ask the government to contribute to the consequences of their policy changes. Long term it will cost more

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There has to be a blanket to cover people who are over 60 and yet below the pensionable age who are unable to afford or do not have sufficient income to meet the 85%. Age is also material in obtaining effective employment	Unfair. People over 60 but below the pensionable age are not able to obtain effective employment and would therefore be struggling to meet any Council Tax payments. Consideration must therefore be shown to vulnerable people. Besides, parties who have never contributed to Tax or National Insurance should not get the benefits at the sacrifice of people who have contributed.	As above. The second adult rebate should be stopped as in most cases this is abused. The saving would then cover vulnerable single claimants.	Resident Council Tax Payer CTB recipient	Blank	Blank
I agreed with the council tax support scheme	My views are Disable people should be exempt	I agree with your proposal	Resident Council Tax Payer CTB recipient	Other	Blank
The leaflet that came with the letter listed four examples of families and how they might be affected by the proposed changes. Everyone looks for the example that includes them. Therefore what way will single people who are receiving Job Seekers Allowance be affected?	There is a very fine line here. The plus es are that by giving people the opportunity to pay they are seen as 'someone' by bureaucrats and therefore this is beneficial. Even those on Job Seekers Allowance can afford to pay something. A while ago I was living in Barnet and I had to pay a small amount even though I was a recipient of Job Seekers Allowance.	There isn't anything I have to say about this.	Resident CTB recipient	Other	Blank
Blank	it does not seem to be good news for anyone	Blank	Resident Council Tax Payer CTB recipient	Blank	Blank
Blank	Reducing the support received is not going to assist working age claimants in this time of austerity, it will make things harder for them.	As above, cutting the second adult rebate will not assist working and middle class families	Resident CTB recipient	Blank	Blank

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Make everyone pay at least 50%	Fine by me	Agreed	Resident Council Tax Payer	Blank	Blank
Blank	its disgraceful because councils across the uk are wasting 100's of millions of pounds each year promoting ethnic diversity on different languages black history month and other events	Blank	Resident CTB recipient	Blank	why can't southwark council lobby the government to save money by abolishing endless array of different languages displayed on streets and councils offices, by removing translation services and black history month do you ever see a white history month promoted ?
take money from single people but protect single mums & pensions as they will not be able to pay, making working age single people pay may encourage them back into work also couples with children or just couples that are unemployed paying will also encourage 1 of them to go back to work	i think single mums & pensions shud be protected families with or without children where none of them are working shud pay as it will encourage at least 1 of them to get a job	there shud be a 2nd adult rebate if you are single as it will be unfair	Resident Council Tax Payer CTB recipient	Other	single mums/pensions & severely disabled people who get disability living allowance shud be protected anybody else shd be made to pay towards it even couples who have children if both adults are unemployed as this will encourage 1 of the adults to get a job as they would be better off, single mums shud not have to pay if children are under 11 years old as until they are 11 they can't be left to look after themselves briefly after school until mum returns home as most single mums get a job when youngest are 11 as it helps reduce child care costs
Blank	I find points 1 and 3 very specific and hence I will add my comments to this box as they are overall comments about this scheme. I understand the need to try and devolve this particular scheme to local authorities with the hope that it will both cut down on benefit abuse and perhaps reduce wastage. After all if an LA is directly accountable for running such a scheme then one hopes it will be more in control of its demographic needs. However I am	Blank	Resident Council Tax Payer CTB recipient	Other	I apologise but I did this in box 2 previously. Thank you for the opportunity to comment.

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	<p>puzzled as to why the council is proposing to cut such a very important benefit and is not keen to cut down on other unnecessary expenditure. For example the recent recycling scheme run in my area. We now have three different colour bins which I am sure cost quite a bit to the council to provide to all households. The area is littered with these unsightly bins, which frankly I'm not sure they are used/ emptied appropriately anyway. The sheer volume of bins has forced the sanitary employees to empty half-filled bins into other more messy ones, thus littering even more as they do not pick up items spilled from bins. Or in other cases not empty the bins at all if they only have one or two items in them. Also we have a new library in Canada Water which is underused. Sure there are some childrens plays organised, but more could be done to make this a viable business initiative for the community and a good earner for the council. For example the external area lends itself to an summer open air cinema with nominal ticket entrance fees for all - trust me people would flock if you would only consider arranging this. The top of the library has been gravelled instead of appropriately landscaped to provide an open air cafe/ restaurant or hire venue for businesses or individuals. And why since this is a modern building where there no provision made for solar panels to ensure we save money on electricity costs for the building etc? The area has an excellent maritime</p>				

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	tradition and guided walks/tours could start from the library and be advertised - not even one special event for the Olympics took place there. There are many other ideas that could generate income for the council to avoid having to cut important services such as the council tax benefit. This culture of cuts and unimaginative procurement is what needs to be changed for Southwark.				
Blank	I am concerned about people like myself who cannot afford what is being proposed. Times are extremely hard for everybody and people from all walks of life are struggling to pay the bills that they already have and feed themselves. People now have to decide between paying their bills or eating because of the economic situation. Council Tax is a tax that people did not ask for but have to pay but being forced to pay for it when you are not working or getting an substantial income to cover it is quite frankly unfair as this will now put more people further into poverty and what will happen if I literally do not have the funds to cover payment, do I have to prepare myself for a prison sentence because I cannot pay for something if I do not have the means.	Blank	Resident Council Tax Payer CTB recipient	Blank	Blank
Raise Council Tax according to size of property and accompanying land, divided by number of residents. This would ensure the very wealthy, who can afford to pay more, pay the highest rates. Re-assess property according to total square meterage per capita.	I am disabled and receive E.S.A .and the amount of money I get is worked out by the government to be precisely what I need to live on each week. If in future I cannot get full Council Tax benefit and have to take the shortfall from my other benefit payments, would the government be	This is ridiculous, an an example of the poor being sorely used to uphold the living standards of the better off. Council Tax should be means tested.	Resident CTB recipient	Blank	It has taken me 6 months to get a reply from Planning. 2 years ago I was awarded compensation for similar delays in service and expect to be compensated similarly this time. My experience of Southwark Council has little to recommend it. I suggest lazy and corrupt staff, who first serve their

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	in default of its contract with me? The money I would be then have to live on on would be less than amount agreed upon? Could I seek a judicial review?				friends and neighbours, are sacked. This would save time and money, then new staff could be employed to do the job in the time it usually takes to speak to someone who understands what a customer is saying!
they should try and focus on those who are more effected by the change and progress upwards ie..... the single claimants btw 25 - 34, and then the single claimants with kids because they receive child benefit as well and so on.	its really bad for the fact that housing benefit is already with a deadly reduction by almost 50%. it gives the claimant no absolutely nothing to go by at all. this might lead to many claimants especially those btw the ages of 24 - 34 to become homeless. the govt decision to this is absolutele ridiculous and it will cost them big in future.	it should be reintroduced back to help assist in the council tax benefit support system	Resident CTB recipient	Other	I would be grateful if this issue is considered before disissal so as not to leave people homeless and in serious confusion about their life as a whole. It will bring down lots of morale in people who needs the council help in having a good life without such hinderance to life itself
The Government should create more jobs, so that the lazy people should be forced to get a job	During this economic climate, I find it difficult to believe that the Government is going to reduced the amount of support to the people who needs it most.	This new scheme will live many low paid claimat in the worst position	Resident CTB recipient	Blank	Blank
an 85% cap on benefit is not right for people on very low incomes	people on low incomes should be protected from this	Blank	Resident CTB recipient	Blank	if these changes are to be made then i suggest that people on low incomes should be protected from this.....its simply out of order and not fair
Working "age" is not the same as working "ability". It would be useful to include disabled in any scheme so as not to create more hardship.	As above, it will increase hardship for people who are genuinely unable to work and have no way of overcoming their situation.	Don't understand this.	Resident Council Tax Payer CTB recipient	Blank	Blank

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The government says Pensioners are protected. What will happen to those with medical conditions that are unable to work and are in receipt of benefits?	What will happen to those claimants that are unable to pay because they are on benefits due to medical reasons. We need more clear and direct information.	Each case should be judged in their own merit and circumstances. These are people, not animals. Cost of living should go down if the government want people to pay their own way.	Resident Council Tax Payer CTB recipient	Blank	I disagree strongly with the council's and government decision to abolish council tax benefit.
Council tax benefit should not be abolished.	This statement is not fair because just because someone is of working age does not mean that they are medically fit to work.	Daylight robbery.	Resident Council Tax Payer	Blank	Blank
Pensioners as well as those with disabilities and medical conditions should be protected.	It shouldn't be all working age claimants. Each case is individual and different.	Blank	Resident Council Tax Payer	Blank	I pay council tax and believe that those with disabilities, medical needs and pensioners should not be included on the all working age bracket. The government and southwark council are preying on the most vulnerable and I think this is unfair when they are already on a low income.
As Southwark resident this is the first i have heard about this new proposed scheme therefore for me to add comments to enhance the scheme would be unjust	Again not sure of the impact this will have.	As Southwark resident I was not aware of the 2nd adult rebate scheme	Resident Council Tax Payer CTB recipient	Voluntary Organisation	Blank
This is poll tax brought back in again by the back door. I suggest you include disabled people in the 100 rebate, how can you expect people to find more money to pay for this when they are disabled and have to remain on benefits?	working age does not mean the ability to work, what about disabled people? I have a disabled daughter I care for, how are we magically supposed to find more money for this Poll tax on top of paying an extra £25 a week for extra bedrooms we have? where is this money going to be found? this is outrageous.	this is just a money generating scam that will affect the poor and disabled, there should be either a discretionary scheme or a scheme where your income as a second adult is taken into account.	Resident Council Tax Payer CTB recipient	Blank	Disabled people should be given 100% rebate as well as pensioners, working age adults who are too disabled to work cannot produce money out of thin air. stop funding wars then you will have enough money.

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There should be consideration given to disabled people who are not yet of pensionable age. You have not mentioned any disability provision.	Not all working age claimants can work. People who are currently in receipt of DLA are going to have their benefits halved in the autumn of 2013 when the mobility component is stopped. A charge for council tax, no matter how small, will impact most on this group who are also losing a large proportion of their income.	If this is based on the household income I think it should be means tested as you say that high income households could be receiving this benefit.	Resident Council Tax Payer CTB recipient	Blank	There should be a wider criteria for council tax benefit other than being of pensionable age. People who are now in their mid-50s have already had their working lives extended when the pension age was raised. This will impact on the most vulnerable.
No comment	No comment	No comment	Resident CTB recipient	Other	No comment
Blank	It should all depend on the circumstances of the claimants.	Blank	Resident Council Tax Payer CTB recipient	Blank	Blank
Top level executives and highest paid Southwark council employees could take a pay cut to cover the shortfall rather than punishing those of us who are already jobless and struggling to survive.	I find this shocking considering I receive only £142 every 2 weeks jobseekers' allowance and you are proposing to take money off that tiny amount towards council tax. This will result in even more significant financial difficulties for me and others in my position. £142 every 2 weeks is barely enough to get by without you adding to the burden by taking more off it.	I agree with this in principle if it applies to those on high incomes as long as those on very low incomes do not suffer.	Resident Council Tax Payer CTB recipient	Blank	Cut non-essential services instead of making those who are in receipt of benefits and in genuine financial difficulties having to cover the cost.
Blank	this is will cause some hardship for the genuine claimant	this is unfair	Resident Council Tax Payer CTB recipient	Blank	my suggestion is that there are a lot of hb/ctb claimant who are not even living in the country while they are getting paid from the council and from their tenant i would like to see a change in the way how benefit is payed,more surprise visit to the claimant addresses to check that they are seriously living in their property or not . i always thought

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					if the government introduces a check on anyone who is leaving the country by checking their insurance number to detect those who are on benefit and living abroad, this will cut a lot of the deficit. this is my opinion
please supply more than one possible option, to have just one suggests a fait a compli and that the decisions have already been made, which makes this exercise worthless.	£2.8 million in the scheme of things does not seem a lot of money. To make an informed judgement more detailed information is required on the overall council budget and how it is spent.	This is outrageous you could have an older parent in their sixties and a low earner, but with an adult child still at home because they cannot get a place of their own. To penalise such a person is criminal especially when you take into account that the parent is reducing the housing need in the borough by allowing an adult child to be at home.	Resident Council Tax Payer CTB recipient	Blank	All cuts should be borne across the whole area of the council activities and not have just one particular council service adversely affected. The whole budget should be set so that everyone can see that it is fair and just. The council itself should also look to reduce the impact of any cuts by reducing the operating costs of the council and rooting out waste and inefficient operations. I am not convinced that the proposed scheme is the way forward and would vote against it.
Downsizing Southwark council's boroughs into its political parts - Southwark is too large a borough to be effective. Some parts of it are too deprived and so the better parts are left to pay for those areas, which can never be profitable. By breaking Southwark up into its political authorities, then parts of it will benefit if that area has voted for a party, which is in power. If this is too difficult to achieve then at least divide Southwark into five different territories so that each authority will then be able to efficiently manage itself and so perfectly judge itself in regards to its own realistic goals without the need for surrounding areas to constantly bail it out if it mismanages itself.	I think it's another way of the government localising a problem, which it cannot fix itself, thereby leaving councils to effectively police its hand-outs, which in this instance will mathematically result in most people being unable to pay the shortfall. It is a stupid unworkable policy and will effect many low-mid-wage workers who have nothing to do with seeing themselves as benefit dependent.	Another absolutely ridiculous proposal and this is exactly the point I am making for it is no surprise when the council is left in-charge of major decisions such as these, that it comes up with such a desperate idea as this, and again backs up my point that government should be the rightful decision makers. Many people have another adult living with them for many reasons, I.E. loneliness, help around the house, favours to friends down on their luck and in most cases it actually costs money to have them. Again it is the council desperately fitting everything into	Resident Council Tax Payer CTB recipient	Other	Blank

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		boxes, which rarely has any bearing on real life.			
very sorry but for my possibility give suggest to this changes should be not possible.	sorry I hope the council will give possibility to peoples not more young.	I'm living alone with many problem about my health.	Resident CTB recipient	Other	Blank
Why doesnt the government stop paying benefits to non uk residents, ie people from Europe can claim job seekers and housing benefit in this country but yet have no benefits system in their own country uk residents are not entitled to these benefits in these countries. Instead of keep taking from the poor, weak and disabled - introduce a scheme to help us!	What happens to the people who are unable to work or who are disabled and rely heavily on this council tax benefit, where are we supposed to get help from?	Blank	Resident Council Tax Payer CTB recipient	Other	Blank
I THINK DISABLED PEOPLE SHOULD HAVE THE SAME RIGHT AS THE ELDERLY AND NOT BE AFFECTED BY THE SCHEME	IF YOU ABLE TO WORK THEN I OKAY WITH THIS BUT IT UNFAIR FOR DISABLED PEOPLE	MY COMMENTS IS IF YOU ABLE TO WORK THEN THE SCHEME WILL WORK BUT DISABLED PEOPLE SHOULD HAVE SAME RIGHTS AS THE ELDERLY HAS	Resident CTB recipient	Blank	I THINK THE GOVERNMENT SHOULD STOP PICKING ON THE MOST VULNERABLE IN SOCIETY
Blank	Ive been on income for one year now, single mum to two children, one going through assessments for DCD,ADHD,ASD. I would not be able to work right now with these assessments so dont feel its right to punish me for this when i had worked from age 14 to 29	Blank	Resident CTB recipient	Blank	I have not seen an example in the booklet for a single mum with children/one disabled child etc so do not know how this will effect me

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is there any other way you can recover money other than this way.	Is there going to be any other other increase ie: working tax or some other way. Can council tax be decreased.	This will mean more hardship on single parent household. I work part-time and this may mean giving up work for me as i may not be able to afford this.	Resident Council Tax Payer CTB recipient	Blank	i may have to leave work as i work 21 hours and really rely on my housing and council tax benefit. This may affect me a great deal.
Any reduction in the present level of housing and council tax benefit will contribute to a rise in the level of homelessness	I fail to understand how the claimant will be able to contribute to council tax if in receipt of benefits which barely cover living costs at present	Blank	Resident Council Tax Payer CTB recipient	Other	Blank
Please can the proposed Council Tax Support scheme also take into account people who are on Benefits and live in their own their home and pay a hefty chunk of money on Service Charges and Building Works/Repairs because even though the Mortgage Arrears/Cost has gone down due to the low Bank of England Rates, the Service Charges and Building Works/Repairs Costs and Charges has gone up astronomically in Southwark Council Area as much as double or triple of what they used to be before the Financial crash of 2008. Thanks	This will be affecting my weekly income and I will have to cut back on some of the basic necessities and needs to meet this shortfall in Funding. I will have to cut back on my weekly basic food expenses and other needs. Thanks.	I don't receive this Benefit but my answer to this is that why is it not cut a little bit while the Council also cut also it's own expenditure further. That is the cuts in Funding should not only affect the poor in Society but also the main Council. Southwark Council should look for more ways of generating Income especially since it is strategically located at the heart of London Commercial Centre. It is a tragic thing for the Southwark Council to be struggling with making ends meet while transactions and businesses worth billions of pounds sterling is passing through the City every working day. Thanks.	Resident CTB recipient	Other / Landlord	Southwark Council should find additional ways and methods of generating more income and stop cutting benefits to the poor people in society. Please be compassionate to us. Help us a little bit with our financial burdens. Thanks.

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
I don't think anyone who is sick or disabled should have their benefit capped or reduced. No one chooses to be this way and we are already struggling under the new government.	I think many people who are already living day to day will find it even harder to survive. With utility bills constantly rising, it is enough to find enough money to pay these let alone the monthly council tax. As a sick and disabled person of working age I am only able to continue living in my house because of the rebate I get and with help from friends lending me money.	This will affect many families in Southwark on low income. Many young adults living in a family may be forced onto the streets.	Resident Council Tax Payer CTB recipient	Blank	I understand how difficult it must be for Southwark Council to try and operate as it once did with so few resources and so little funding from the present government. I was born in Southwark and have lived here 50 years. My only suggestion is what lots of struggling people in this country think who are not represented in the media, and that is to vote the present government out before they run the country into total collapse and cause massive social unrest.
this will be ok has long has people who need this help still get the help that is needed ! and this new scheme is properly explained to everyone ! has to not cause costly mistakes !	this scheme would work if theres more help out there to get people good paid jobs ! and advice on things that would benefit people on getting help back to work .	if this help saves some money then ,that seems fair !	Resident CTB recipient	Other	Blank
NA	I am disabled and am worried this might effect me.	NA	Resident CTB recipient	Voluntary Organisation	I think disabled people should be exempt from the changes to council tax payments
I believe the Childrens and Families division of Southwark Council needs to have a larger budget reduction. In addition the demolition of Mabel Goldwin House and the Spa Road Complex has brought in enough money to be able to ease this process. Why does Southwark Council sell off its property that it owns and then rents 160 Tooley St. This seems mad. I was a Southwark employee in Facilities management for 21 years so I know my stuff.	What will happen to the Southwark Tenants on Disability Living Allowance who are disabled. Will they have to give up more of their money, Shame!	If the second person is working, I agree they should pay.	Resident Council Tax Payer CTB recipient	Blank	I do believe adults who are disabled and especially receiving DLA at the highest levels should be treated as pensioners will be.

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Blank	I don,t' feel this is satisfactory.	Blank	Resident Council Tax Payer CTB recipient	Blank	I don't feel DLA on full rate should be affected.
Blank	I think this is a disgrace. As well as the fact that we will have to pay 14% of our rent as we are deemed to be under-occupied, I don't know how we are going to be able to live.	This will just make things even worse for those on benefit.	Resident Council Tax Payer CTB recipient	Blank	Blank
Letting people know now that they will be making up the 15% difference so that they can prepare.	This is fair on tax-payers for a change. Anyone not in work should be encouraged and assisted to spend their free time in finding a job.	What is a second adult rebate? I phoned Council Tax (0207 525 1850) and Michael put me on hold and left me there. After 6 minutes of classical music I hung up as I am at work and cannot spend a long time like this.	Resident Council Tax Payer	Voluntary Organisation	There is no advice on this going out to residents. At Board Meetings of the TMO it has not been mentioned. There are no leaflets at the TMO office (Fair Community Housing Services) or posters as the council has not sent anything to us about the proposals. Those affected by welfare reform and bedroom tax need to know if this is coming so that they can prepare
Blank	Southwark Council has paid solely£34,880,000 to their retirement plan on 2011/12. Administration fees of £949,000 and Investment expenses of £4,425,000 in the same period. Money is not an issue, the issue is using the tax revenue to secure fat pensions. Nonetheless, the plan has a deficit of £612,200,000. So, before bring hardship for vulnerable works, you should stop giving the money for banks and make something tangible, because It is not going to be difficult for another crisis to appear, wipe out the plan assets which are mostly tax payer money. Use tax payer money for the community you tax. The document I based my views was the draft_statement_of_accounts_2011-	Blank	Resident Council Tax Payer	Other	Blank

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	12.pdf. Pages, 115, 116, 117 and 118. Thank you.				
I would need to know much more detail about the new scheme and how revenue from Council Tax is spent within the Borough before I could make any meaningful suggestion(s).	It appears to me that the proposed scheme hasn't been really considered against the impact of general inflation and the actual percentage increases over general inflation for basic household expenses such as utility bills. Such a scheme is obviously going to create a further reduction to the current levels of household income for those who depend on Council Tax and Housing Benefit and no doubt push many such households further below the Governments own poverty line threshold!	If this is rare, then how much would it cost to implement the change? Has anyone established whether the cost is likely to outweigh any forecasted savings?	Resident Council Tax Payer CTB recipient	Blank	Blank
Exemption for those with a disability	Those with disabilities are already facing massive cuts. Charging people who are massively disadvantaged in terms of income whose situation is unlikely to change is unfair and amounts to discrimination - we do not have the same life chances as those who may get work and be able to pay	I am not aware of the second adult rebate as I am single	Resident CTB recipient	Blank	Southwark Council does an excellent job and provides excellent facilities, these enhance my life as a long term mental health sufferer. However, extra financial burdens on the most vulnerable are not welcome - the disabled should be protected from these vicious cuts
Blank	There should be exemptions in addition to the Pensioners' guarantee. My son, for example, is autistic and receives benefit. Although he of 'working age', he cannot work and will not be able to do so for an indeterminate time. He should be exempt.	Blank	Resident CTB recipient	Other	Alexander LANE is my son, and I am his appointee. I manage all his affairs, and I have completed this form on his behalf.

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means test so all who have funds pay their share, there are several elderly people in the borough who have state and private pensions so can afford to pay	I am on JSA and only have £10.47 per week after paying utilities so can only afford to eat 5 days a week if I have to pay some CT the only way I can afford it is to cut down further on food money	Again for those on very low incomes below the minimum age this will increase their debts and they will have to cut back on essentials like food	Resident Council Tax Payer CTB recipient	Other	This cut will increase poverty and thus residents health will suffer driving up NHS costs
it is unrealistic to expect that mental health patients can pay a council tax bill from their benefits	the scheme will cause distress to mental health patients	Blank	Resident Council Tax Payer CTB recipient	Blank	Blank
Blank	Without a doubt this will have great affect on people with low incomes & those reliant on benefits who already struggle just to afford a basic standard of living.	My comments on the above question is the same here. Low income/benefits receipt families will be greatly affected. In all honesty no matter what comments people give, the Council and/or Government will and always do what they propose to anyway. Thats the point I really want to make. Im sure the Council already know what this will do to families. Also with the new Housing Benefit measures where an extra room will no longer receive housing benefit. Children will get older and move out (even after they are 24). Its not the parents' fault they're left with an empty room. Its not easy to move from one Council place to another. The only ones who really care are the ones going through it.	Resident Council Tax Payer CTB recipient	Other	Blank

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<p>Well you are expecting the poorest to pay as usual. How about raising the council tax across the board to cover your shortfall.</p> <p>A shortfall created arbitrarily by the richest people in the land. It is difficult to see how those least able to afford all this are meant to pay up. It will simply become an noncollectable debt that will involve employing more people to collect the debt thereby defeating the object of the exercise in the first place.</p>	<p>Your examples do not show what happens to unemployed people of working age. Presumably because it makes you look stupid. How are they meant to pay you from their £65.00 per week Job seekers ? The government might just as well have said they are reducing Job seekers allowance - ah ! but then of course they would be the villains - no votes in that are there. Do they think we are all so dumb. No wonder there are riots. The shear frustration.</p>	<p>What is the second adult rebate ? to the uninitiated. Lord Denning said speak plain English. This is not and therefore requires explanation. No doubt it means something to those affected but to the rest of us - not alot</p>	Resident Council Tax Payer CTB recipient	Other	Blank
<p>I support this change and think that it should be made clearer in layman's terms what the cap means. For example, would a family adding an additional child to it be at risk of receiving less benefit than expected. How will access to social housing change if a family grows/changes and requires different accommodation? I can not find more information on the proposed means testing being proposed</p>	<p>As it can not impact petitioners, what other group is there? As I said, more information on means testing would be useful, however I am struggling to find this on your website. For example, will people who are able and working/volunteering/genuinely seeking employment be compensated differently then those who are able but cannot evidence a true will to contribute to society through work/volunteering? And what about growing families and some people on benefits opening admitting that having an additional child adds to their benefits and positively encourages them to add children to their family? In short, I hope that the new system supports and encourages greater independence from the welfare state, as opposed to supporting dependence. Some decisions working towards this may be unpopular but necessary</p>	<p>I am concerned that this will discourage true carers from be able to look after loved ones and/or encourage single motherhood status. Why can there not simply be a cap so that after jobseekers allowance and all the other non-Council Tax benefits, the addition of Council Tax benefit can not cause the total benefits to be in excess of that?</p>	Resident Council Tax Payer	Other	Blank

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Protect working age people, with disabilities that prohibit them from earning a wage, in the same way that the pensioners are to (rightly) be protected. Individually means tested awards/protection	It is unfair to punish me, despite having worked most of my adult life, because arthritic conditions have brought my working life to a close prematurely.	So i am at home on ESA and my son (also with a disability) who is 18years old, but at college, would not be discounted as a full-time student? Considering the government is insisting that all young people are in education, training or employment, this change may be of great adverse impact to households. Also, what happens when the young person has completed education at 18years and due to the economic downturn, they are unable to get a job? Benefits are being reduced, with the expectation for recipients to pay more...	Resident Council Tax Payer CTB recipient	Other	I'm not claiming to have the answers, but I do not think that yet another blanket, 'in stone' policy is best for government (central or local) or the individual circumstances of the communities. They differ greatly in age, gender, employment status, salary and mentality (thinking of the riots of August 2011).
not sure what you mean by this as most of us are not tax experts. I can't think of anything in particular.	If it has to be reduced, then there's no alternative. the money has to come from somewhere. I would make sure that people who have lived here for years (and paid tax etc.) are not losing out to new arrivals to the country though.	I'm not sure whether this affects students living away from home or still at school, say between 16 and 18 or beyond. As a single mother with one child about to start A levels and then go on to university, I would resent having to pay council tax for both of us!	Resident Council Tax Payer CTB recipient	Blank	Blank
Blank	in the present climate i think this is fair enough as long as the impact is not too much	good idea	Resident Council Tax Payer	Blank	Blank

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I think you should have some means testing scheme in place to help people get extra benefit or grant direct from the government. as there are lots of people who can not afford to pay part or full council Tax. as it is not possible for them to do so	It may encourage some people to find or take paid work to help support their families. On the other hand it will hit hard those families who are already working and are on low income substantially. and those who straggling to make ends meet through no fault of there o .	I do not agree as there are lots of young adults who are in full time education and have no means or funds to pay rent or council Tax witch will only push them further into debt, as more and more students are choosing to study close to home to keep the cost of living down should be supported. But on the other hand those who are able but not willing should be made to pay.	Resident Council Tax Payer CTB recipient	Other	I would like to know and what kind of impact this scheme will have on me, as i am one of those families on low income?
Realistically I cannot suggest any changes to the proposed scheme without knowing much more information and the full financial circumstances of Southwark Council	As I am of working age but currently unwell I am not likely to support a scheme that will see my living allowance further reduced at a time when food and utility costs continue to rise.	I cannot comment	Resident Council Tax Payer CTB recipient	Blank	Please note that some of the comments listed below are about my personal circumstances and I do not give permission for them to be placed in the public domain or published. The general comments can be used. 1) I understand that this is a central Government change to the benefits system and Southwark has to respond by introducing a new council tax support scheme. 2) However, this questionnaire does not really give an opportunity to respond. I have read the leaflet that accompanied the letter regarding this matter. But think a discussion and meeting would have been more useful with council reps; ward Councillors and reps from the debt and benefits sector. 3) This new scheme will affect the poorest and may ultimately lead to prison for people who cannot pay their contribution towards council tax. For example, I already have to find approx. £20 per week towards my rent out of ESA. I currently choose between food and other items when trying to juggle the bills and provide the basics for living. I am

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					<p>unsure where I would find anymore funds for council tax. 4) I do not think the Government or the local authority have any idea what it is like to live in such circumstances, and frankly I do not think Government or Southwark care. Picking on the most vulnerable in society is the norm and history shows this to be the case, the poll tax imposition the 1980s is a recent example. Although this was repealed there is still an element of unfairness as council tax is regressive and does not take account of income – poor and wealthy are taxed at the same rate. 5) This proposed change for council tax benefit is not likely to improve my health or enable me to get fully back into work. My health has significantly deteriorated whilst trying to deal with all these new issues (benefit changes). 6) I am not knowledgeable enough about local Government finance and cannot initially suggest alternatives but I think Southwark should be more imaginative when faced with these issues. For example, linking up with charities to assist, channelling section 106 funding into community support for poorer areas in the north of the borough. It may come as a surprise but there are poor areas in North Southwark even though housing is advertised as 'luxury' accommodation. 7) I fear that this change to council tax benefit is only the start and in time the contribution to the costs of council tax to be made by poor people on benefit will gradually be increased (until it exceeds benefits and they cannot pay). I also fear that within 10 years debtor's hostels will be set up for those who cannot afford their rent and council tax</p>

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					contributions. 8) Thank you for requesting my views on this matter, I hope this has assisted the 'tick box' exercise. I am sure that Southwark Council will not take any notice and that the plans as set out in LBS booklet 'Council Tax benefit is changing – Have your say' will go-ahead unchanged.
I don't know what to suggest, obviously worried how i will manage to pay with decrease in benefit	as alot of people are on a low income i feel this will have an impact on an already difficult time for all earners in this current climate, young and old.	again feel any help is being phased out which can only result in more financial problems for people.	Resident Council Tax Payer CTB recipient	Other	I am a single parent already trying to support my family on a low income by working part-time. I have been committed to bringing up my children without state benefit if possible, but feel this is not taken in to consideration and am constantly anxious about managing financially for the future.
Despite all the information provided in the booklet, one area was clearly missed that of a single mother not working with children under 5, and only receiving a proportion of money towards the interest of their mortgage. This bracket of people are penalised anyway from the point of view that housing costs are not met unlike those living in private rented property etc. so there is an automatic struggle finding money to cover costs of the full mortgage, now this one assumes they will have to on top of that find another 15% of council tax from a budget already stretched. Surely every scenario needs to be looked at. As this will totally crucify those of us already struggling enormously.	Some people could probably swallow this up, ie the single person without children, or indeed families on limited income. Other areas can not swallow is at all and will become a greater burden on already stretched and too small living budgets.	Fair enough.	Resident Council Tax Payer CTB recipient	Blank	Blank
I believe the cut should be deeper, towards 20% to 25%.	I support it.	I support it.	Resident Council Tax Payer	Blank	Blank

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I need the full detail of the Council Tax Support Scheme before I can suggest changes to enhance this scheme.	This will impact on the low wage workers. One possibility may be to increase the council tax on expensive properties to compensate for those on low income	This will again have impacts on low wages workers, there must be other avenues to raise this shortfall.	Resident Council Tax Payer CTB recipient	Housing Association	Blank
Please wait until the full impact of the proposed Universal credit (replacing Housing benefit?) and DLA reviews will be known. It may well be that the council can make the expected saving without having to reduce the benefit for those who really need it. If all benefits drop for vulnerable people at the same time, there will be absolute impossible situations and people are already worried about all the changes.	It will be a very difficult situation for many, as in reality the total amount of support may fall much more. Without knowing the exact impact of the so called universal credit for example, it may well be that some people on low incomes will face an impossible situation. Also the DLA review will put many people out of reach of automatic council tax benefits. If this government reform will save as much as they think a similar saving in the council tax benefits should be available to the council, without having to make everybody suffer. I would have thought the idea behind the government plans is to simplify all benefits and how they affect each other - Southwark method of solving the shortfall would work totally against it.	If this rebate is not means tested it should go or become means tested.	Resident Council Tax Payer CTB recipient	Blank	I can only repeat that before we can have an informed opinion, we do need to have the full picture of the whole benefits system overhaul by the central government. Southwark council should not isolate itself from it, as for us affected it will be the big picture that matters, whether we will be still able to survive or not.
The existing housing benefit scheme with appropriate policy amendments is more viable and fiscally efficient.	The existing housing benefit scheme with appropriate policy amendments is more viable and fiscally efficient.	The existing housing benefit scheme with appropriate policy amendments is more viable and fiscally efficient.	Resident Council Tax Payer CTB recipient	Other	Should any changes be implemented i.e where housing benefit is paid/shortfalls are met by tenants via universal credit to each tenant in receipt of council tax benefit/universal credit, it would be fiscally appropriate for each claimant to receive an ongoing direct top up payment from Southwark Council of between approximately 10% -15%, this, for incurring changeover and ongoing administration time and expense that each benefit recipient would have to expend in relation to this scheme. The existing housing benefit

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					scheme with appropriate policy amendments is more viable and fiscally efficient.
Blank	it will make things even more difficult given that other benefit levels will be going down over the next few years because the government has changed the way annual increases are pegged to inflation. It feels like all the cuts are being dumped on the poorest.	Blank	Resident Council Tax Payer CTB recipient	Blank	Blank
A stupid scheme. Disgusting that the Government are tying Council hands in this way. Where are we meant to find the extra money to cover the shortfall, from an already extra tight budget of £71 a week?	If I'm still out of work, where will the money for the extra cost to me, come from? My food bill? My fuel bills? Where? Perhaps I should sell a kidney.	This question makes no sense. As usual the Council are using a convoluted language that the normal person doesn't quite get. Rendering the question unanswerable.	Resident CTB recipient	Blank	It is so unfair that those who have so little are forced to pay more. Not everyone on benefits are there deliberately or willingly. Many of us are looking hard, for decent paid work, to get off benefits. The Government and Councils are very wrong, and unjust in tightening down benefits for the most, who actually need it. Where are we meant to find the extra money from? Would be interesting to know where they expect us to find the extra. It is very difficult to live on £71 week as it is with everyday costs increasing. I'm not exactly living it up, watching every penny, cutting back on fuel bills. Truly ridiculous.
This program affects the family	Exactly even affects on children	This is kind of injustice	Resident CTB recipient	Other	-

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Although some pensioners have plenty of money they still will be exempt from paying council tax, as government directed. They should be assessed according to their "wealth" and, if necessary, pay a small proportion to the council tax bill.	I receive £71 a week J.S.A, and out of this I need to pay per week £26 water/hot water charges, £9 (reduced) bus fares. £12 Utilities bills, Total £47... This leaves me with £24 a week for food, clothes, toiletries etc.. Approx = 1/3 of my allowances (J.S.A). Even If I was asked to pay £4 a week, this for me would be huge loss. By the Government passing council tax to local councils they are keeping the rich, and making poor even poorer! Can this be right and ethical	There should never have been a second adult rebate in the first place. Everything should have been whether bills could be paid by everyone who could afford it.	Resident CTB recipient	Blank	Assess everybody by their wealth, not make the poor even poorer!
Blank	I'm Currently unemployed therefore I need some assistance in paying my council tax. I would be grateful if some help could be given to me. As it could be hard trying to meet these measures. I understand the change or circumstances, we should bear in mind every individual needs.	I have been getting council tax benefits for quite some time now. I don't know how I would manage, with this new proposal. Could make things difficult for me. I hope that measures could be made to help people in getting council tax	Resident CTB recipient	Landlord	I think council tax should carry on make measures that can meet everyone needs. Perhaps helping people pay a percentage of it would be helpful.
None, The benefits is not enough for its needs.	I only work 16hrs with 2 kids to look after, my income is barely enough to look after myself and the kids, we all have to pass out on most of our daily needs to pay more money on council tax. Will leave my kids suffering which is not fair on their human rights.	The hole is rubbish; the council should clean the streets and public areas before they start thinking of any changes. I have been bidding for a property for over four years. These are the things they should be looking into.	Resident Council Tax Payer CTB recipient	Blank	Blank
15% reduction in council tax benefits/support is a huge penalty which will seriously affect the well being of all those penalised, all of whom being the poorest & most vulnerable working age Southwark residents. Had I been born seven years earlier I would not be penalised in this way, nor would I have my housing benefit reduced by a massive 25% in April 2012 due to over-occupancy. Were it not for the fact that government starts that pensioners should not	I am absolutely appalled, I have always paid my council tax & rent & feel that I am being seriously discriminated against for being too ill & incapacitated to work, though no fault of my own. I worked for many years as a primary school teacher in Southwark & loved my job in which I excelled, being loved & respected by children, parents & colleagues. I	This doesn't actually affect me but again, this will seriously affect the poorest & most vulnerable working age Southwark residents – disgraceful	Resident Council Tax Payer CTB recipient	Blank	I seriously urge you to reconsider this 15% reduction in housing benefits/support, I feel suicidal just thinking about how this & the 25% reduction in my existence, and I know there must be many other residents who feel the same.

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<p>be affected, I would propose that the reduction in housing benefits should be reduced to 5% Maximum, but inducing pensioners who will not be affected by over-occupancy.</p>	<p>look forward to the future in fear, knowing I will be unable to cope financially next year. I already live a very frugal existence, to and getting carefully every day, yet I still have debts. I really don't see how I can economise any further to compensate for these massive reductions in housing benefits & council tax benefit. I understand that many Southwark residents are failing to pay their council tax already, obviously these numbers will increase next year. I predict that there will be riots next year because of these serious reductions in benefits.</p>				
<p>Clarity regarding the disabled citizen in receipt of full benefits, presently receiving Council Tax Benefits. I am of "working age" but unable to work</p>	<p>If Statutory regulations define how claimants currently in receipt of council tax benefit will transition onto the new scheme, does that mean the governments present assault on the weakest in society will continue. Their statutory regulations are causing anxiety and stress. How can my Council help the disabled in this if I can only appeal to a Valuation Tribunal. I will have to make a request for "local levels" to reconsider? Again no clarity for those with disablement, who are not senior citizens. Because I suffer lucidity for long enough periods and I am not in a wheelchair, will I have to suffer the anxiety and stress of means testing again!</p>	<p>As I live alone I cannot help but can see among neighbours that two low wage household incomes will be forced to struggle more than those on higher wages, particularly relatives, brother & sister living together for instance.</p>	<p>Resident Council Tax Payer CTB recipient</p>	<p>Other</p>	<p>I need information. Because there are no details regarding the disabled beneath retirement age, in your proposal, how can I truly know what will happen. Eligibility set out in past legislation is clear, but with the present assault by Central Government on the genuinely disabled, I have no way of knowing what will happen. Will I have to pay out of present personal benefits?</p>

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
This shortfall in funding could easily be absorbed by big business in the borough. Within the Bankside area alone there are many major businesses and high net worth individuals who can easily afford to absorb this shortfall.	Completely unfair. I am not able to work through no fault of my own. My Disability benefits are already under threat and now you want me to top up a government imposed shortfall out of my other benefits. How is that either logical or fair ??	completely unfair	Resident CTB recipient	Blank	Please do not allow this to happen. You will make life more difficult for many people already in hardship.
Begin with the new immigrants at once. Harmoniously introduce changes and work your way towards the middle class and the well off to even out wealth, in order spreads out in a greater scale, not overcongested among a small proportion of wealthy people that can easily lead to boom and bust.	Learn to adapt themselves under the present financial climate.	Yes, if they live under the same roof.	Resident CTB recipient	Blank	Blank
I think benefit cheats should be properly looked into in order to strengthen the proposed introduction so as not to give room for any financial constraint.	Well, i feel it will be more appropriate if the local council could freeze the council tax they collect from the working age in proportion to their wages and life style.	I think it ideal if the council could have a short piloting scheme as to how this will impact the people concern, this will go a long way to guide them on how effective the scheme would materialise.	Council Tax Payer	Other	I will suggest that the time scale for the consultation is not reasonable enough for a policy that will affect millions of household in London.
I don't think is good idea.	It's not good for young disabled people.	i don't know	Resident Council Tax Payer CTB recipient	Blank	Blank
It should be engineered so that present claimants in receipt of full rebate should be protected and continue to benefit.	The parameter of considering all working age claimants as a base for reducing the amount of support received, is clearly wrong. It should be strictly related to the individual's economic circumstances.	The second adult rebate scheme should be scrapped only if the council tax rebate is granted based upon the household's total income, and the number of occupants. Or better still, do not scrap it at all. If it ain't broken, don't fix it.	Resident Council Tax Payer CTB recipient	Blank	Extending a blank Council Tax Benefit reduction of 15% regardless of the level of support needed, or income, will impact disproportionately on the poorest in society.

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
Blank	As a person fully reliant on benefits from the government, I cannot see how I could afford such changes. I do not have enough money to buy my children new school uniforms. How will I afford the percentage of benefit that the council will not pay?	As the price of living increases, but yet the pay rates stay the same, how is this suppose to help? Southwark has lots of benefit claimants people who have a low income. Who will this benefit? Not the poor that's for sure!	Resident Council Tax Payer CTB recipient	Blank	Please consider the poor
THIS NEW SCHEME IS A VERY BAD POLICY. PEOPLE ARE LIVING MUCH BELW POVERTY LINE AT THIS HARD TIME	VERY BAD SCHEME. PEOPLE ON BENEFIT SHOULD BE EXPEMPTED	VERY BAD SCHEME. MORE PEOPLE WILL BE MADE HOMELESS.	Resident CTB recipient	Other	I AM IN RECEIPT OF BENEFIT OF £67.A WEEK TO LIVE ON. HOW DO YOU EXPECT ME TO PAY COUNCIL TAX OUT OF THIS AMOUNT WHEN I AM ALREADY STRUGGLING TO LIVE ON THIS? TIMES ARE HARD PEOPLE FINDING IT VERY TOUGH TO SURVIVE. WHILE OTHER PEOPLE LIVE ON FOOD BANK TO FEED THEIR FAMLY. PEOPLE CAN NOT AFFORD TO EAT ONE HOT MEAL A DAY. THIS IS A VERY BAD IDEA. WHY DON'T YOU TAX THE RICH PEOPLE THAT A AVOIDING TAX. RICH ARE GETTING RICHER, WHILE THE POOR MASSIES STRUGGLE TO EAT. VERY UNFAIR SHCEME INDEED
It should be engineered so that present claimants in receipt of full rebate should be protected and continue to benefit.	The parameter of considering all working age claimants as a base for reducing the amount of support received, is clearly wrong. It should be strictly related to the individual's economic circumstances.	The second adult rebate scheme should be scrapped only if the council tax rebate is granted based upon the household's total income, and the number of occupants. Or better still, do not scrap it at all. If it ain't broken, don't fix it.	Resident Council Tax Payer CTB recipient	Blank	Council Tax Benefit should be provided for people whose income is so low that they cannot afford any loss of it. Extending a blank reduction of 15% regardless of the level of support needed, will impact disproportionately on the poorest claimants. Extending a blank Council Tax Benefit reduction of 15% regardless of the level of support needed, or income, will impact disproportionately on the poorest in society.

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
n/a	i'd like a definition of "working age" - aged 61, i'm about to start claiming pension credit from the pension service. will i be exempt from this surcharge?	n/a	Resident Council Tax Payer CTB recipient	Blank	n/a
Blank	The scheme proposal as it currently stands is unfair because it utilises percentage as a capping function. Currently all claimants meet specific non percentage criteria for eligibility and are equally treated by having all of their tax met, because they receive from central government a weekly minimum amount to cover non housing costs. This proposal coupled with the change to housing benefits will result in many households being unable to pay for other essential services for example water, electricity, gas or food. One example of an income support single adult claimant, in rented local authority housing band A, weekly rent of £100 will be use 23% of their income for utilities, food and clothing ie non housing as designated by central government. This scheme when viewed in conjunction with the proposed scheme for housing benefit changes appears to be a local taxation on residents whom for whatever reason are currently facing financial stress through non employment or low wages. Is this an attempt to force those currently (and future) claimants to move out of Southwark. Will the Victorian workhouse be making a come back for all those who will not be able to pay.	The scheme proposal as it currently stands is unfair because it utilises percentage as a capping function. Currently all claimants meet specific non percentage criteria for eligibility and are equally treated by having all of their tax met, because they receive from central government a weekly minimum amount to cover non housing costs. This proposal coupled with the change to housing benefits will result in many households being unable to pay for other essential services for example water, electricity, gas or food. One example of an income support single adult claimant, in rented local authority housing band A, weekly rent of £100 will be use 23% of their income for utilities, food and clothing ie non housing as designated by central government. This scheme when viewed in conjunction with the proposed scheme for housing benefit changes appears to be a local taxation on residents whom for whatever reason are	Resident Council Tax Payer CTB recipient	Blank	Blank

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
		currently facing financial stress through non employment or low wages. Is this an attempt to force those currently (and future) claimants to move out of Southwark. Will the Victorian workhouse be making a come back for all those who will not be able to pay.			
Blank	pensioners are exempt from proposed changes. What about those that are unable to work due to physical or mental disability?	Should this not be means tested based upon the main wage earners level of income?	Resident Council Tax Payer CTB recipient	Blank	These changes will, as always, affect the poorest most.
sorry i have no suggestion	my view is that if it is the best way, go ahead as long as it does not affect pensioner like me. I wish i was still working and could contribute.	I do not support second adult rebate for working age to be removed but the percentage could be reduced.	Resident CTB recipient	Other	no more, thank you
The proposed scheme is unfair and should not be adopted.The consultation leaflets focus mainly on people with disabilities,listing their income from DLA which is not means tested so irrelevant in this context (unless Southwark are trying to use disability income to legitimise plans to remove benefits from people) all very Daily mail,well done! Does the woman in Scenario one really receive £390.74 a week in tax credits? i would question this.	Reducing the amount of support for anyone on a low income is morally wrong.Why is the first response to cut from the most vulnerable? The shortfall should be covered by those most able to pay,i would gladly pay a few quid more so that others won't suffer.	All rebates should be means tested and go to those with the least income.	Resident Council Tax Payer	Other	The shortfall in Council tax benefit should be paid by those most able to pay not those least able,"we are all in it together"
Blank	I THINK THAT THEY WILL LOSE AGAIN, PEOPLE WHO EARN THE LEAST.	Blank	Resident Council Tax Payer CTB recipient	Other	I THINK THAT THE GOVERNMENT SHOULD RAISE THE MINIMUM WAGE. THANK'S

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
no changes is required	this is very unfair. if we are working we are not saving any money as we pay bills, rent, council tax and now on top of this you want us to pay more council tax.	this is unacceptable, people will start to leave their jobs as they will not be able to cope with all this.	Resident Council Tax Payer CTB recipient	Blank	please do not help people become unemployed instead help us go back to work and give us the chance to cope financially
involve more fraud	people will become more unemployed. please do not punish working people as they are trying to live and cope financially but you are making it difficult for people to cope with as you will not financially support us	this is unfair and i am very upset with this proposal.	Resident Council Tax Payer CTB recipient	Blank	please do not let this proposal take place
Publish the correct information when explaining how it works. Also when emailing local councillors asking if the document sent out is showing the correct information it would be polite to at least reply. It also amazes me that the Council can sent out leaflets explaining how council tax benefit is changing and then get the figures and tax banding wrong in scenario four.	Totally wrong. No consideration is being taken to what benefits and enhanced premiums are used to calculate current total benefit entitlement. When someone of working age is deemed unfit to work then they need to have this taken into account and not	totally agree with this. But why did you not also stop the rebate for second homes getting a 50% discount	Resident Council Tax Payer CTB recipient	Other	Yes the shortfall the council is demanding for any working age person in receipt of the current council tax benefit should be calculated in proportion to the amount each person the law says needs to live on.
In my opinion the current system where by the council deduct benefit awarded from the propose yearly tax.is in the right direction, and must stay.	I believe we the pensioners on our limited income would be hard hit if there is any reduction of the benefit awarded	A second adult not in a work even though is not yet on pension would even need more support.	Resident Council Tax Payer CTB recipient	Other	blank
...I am in favor of changes if they are to better.	this change will affect many people (people who really need) I hope that the government purposes to better use the money since it will take the budgets of families	..	Resident Council Tax Payer CTB recipient	Other / Landlord	I hope the government has a good ojetivo for such a change. (some people take advantage of the Government, but many really needs)
Support for single parents	It is not fair	likewise	Resident Council Tax Payer CTB recipient	Other	Greater consideration of vulnerable groups
nothing	less money	good idea	Council Tax Payer	Blank	Blank

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I feel people who can not work for health reasons should not be affected as they are unable to work and not receiving the full benefit could increase their health problems.	I am in the working age group but have a number of health problems and can not work because of this. I fear that if I do not continue to receive the benefit I am currently getting, this will lead to stress which will make my health a lot worse.	Blank	Resident Council Tax Payer CTB recipient	Blank	Please do not penalise people in the working age group who can not work due poor health/disability as this will lead to stress which in turn will cause their health conditions to worsen.
plesa do not change anything to make people pay more tax.	peolpe struggle to live, please do not make them pay extra due to this change	at the end of the day we all know that we will have to pay due to this so called effective changes	Resident Council Tax Payer CTB recipient	Other	this can be called scrap council tax, but it reality it does continue with a different name and ened up to people to pay even more money.
The council could consider other streams of revenue to seek funds to make up for the government cuts, such as parking fees and fines, rather than expecting disability welfare recipients to make up for it from an already low income.	Not all claimants of working age are able to work. Current levels of incapacity or disability benefits are set by government to meet basic living costs, not additional costs such as Council Tax. This will push vulnerable people further into poverty.	Blank	Resident Council Tax Payer CTB recipient	Blank	Blank
We are greatly concerned that the consultation is closing before legislation in the Local Government Finance Bill covering support has been finalised as the Bill is due to go back to Parliament in October 2012. Perhaps this explains the lack of detail in the proposed Council Tax Support scheme which raises a number of issues. To begin with the details of the means test are inadequate. Apart from the maximum discount of 85% it is unclear what discounts will be available and what basis. Secondly the Council needs to have a clear definition of hardship and needs to consider vulnerability in more detail, perhaps as modelled on page 9 of the National Standards for Enforcement Agents. Thirdly applications for support should be considered from February 2013, not April 1st 2013 in order to determine bills correctly from 1 April 2013 when demand notices are due to go out. Fourthly the review process for support is unclear. Will the council	We consider this Consultation is flawed because it fails to address the impact of housing benefit caps and the position of people who will be faced with the choice of paying either the increase in rent occasioned by the HB cap or paying the minimum 15% to be demanded by Southwark. Which should a person pay? We consider that all persons affected by the caps eligible for full CTB continue to receive it. People cannot be expected to absorb the effect of two caps in benefit simultaneously.	We have no opinion on the second adult rebate.	Blank	Voluntary Organisation	We are participating as a charity which advises vulnerable debtors people on low incomes and benefits about council tax and which receives referrals from Southwark

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<p>be able to review existing claimants prior to the introduction of the new scheme? If the review is not completed in time will claimants continue to receive their existing benefits? Does the Council envisage that there will be a right of appeal to the Valuation Tribunal England? Finally Southwark should not lose sight of the fact that under the Local Government Finance Act 1992 the council tax is designed as a property tax ultimately payable by owners, and consideration should be given to ways of increasing the amount levied on properties in bands G and H and empty properties and second homes not by reducing support to the poorest in the community. In short with such unanswered questions above, we believe that Southwark Council must provide further detail on the proposed scheme and re-open its Consultation.</p>					
Blank	Instead of spending £6million pounds on Burgess Park the money could have provided support for people who need it.	I would like the council to ensure that genuinely sick and disabled people's needs are met	Council Tax Payer	Blank	Blank
Don't know how this will work,	I don't see any reason all those things have to change just when people are struggling!	Where are we going now in this country	Resident Council Tax Payer	Other	I think there is no govt at all for what the government is trying to do for people's minds
Blank	is going to be more difficult to pay the whole council tax.	Blank	Resident Council Tax Payer CTB recipient	Other	Blank
It is Unfair for the low income earners especially those on JSA or ESA	I do not think this is a good view or a good way forward. Help should still be given to JSA or ESA Seekers.	Second adult rebate should be available on the local council tax support scheme especially on those on low income.	Council Tax Payer	Blank	Fair judgement and treatment should be given to Southwark residents because the bottom line is that home rental council tax is being paid.

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Please consider the disabled.	my view is, that considerations should be given to working RGE claimants who are unable to work, due to some form of disability.	I am very concerned, that your explanatory letter does not cover information for disabled people.	Resident Council Tax Payer CTB recipient	Blank	Blank
This has been left very late in the day People have little time to prepare. We are your tenants & your voters who brought this council in. Get your landlords etc. together. We need local meetings immediately to discuss how we can fight those cats + protects the vunrable.	I personally will be placed in a very difficult position as I a 61 year old woman due to retire in 2014 and earning only a very low wage. This could mean the loss of my home at this late in my life. I see that many others will be similaly affected.	Do not have any personal knowledge of this situation	Resident Council Tax Payer CTB recipient	Blank	Whilst understanding the position in which the council has tax placed, it is hard for me to understand your overall plan. Where exactly do you propose to house low earners who cannot sustain this increase? Are you ready for those who fall out of this system and end up in prison? on the streets? i would expect you to to take a more positive action to draw up a solution together with those affected. We are your voters and your tenants
Before cutting or decreasing any benefits the government should think about people too. The prices are rising, benefits are cut, no profits for the family. I have been living on the low income, but after this new offers I see that I won't have enough money for myself as well as for the baby. I support to rise income support as much as decrease any benefits.	As you can see in paragraph 1 , I disagree with this changes because I will fell me and my family living below or lower the low level of being. But I want to live as well as people of the middle class or level of being (Having enough money for food, some clothes and some leisure)	I don't have any comments upon this proposal.	Resident Council Tax Payer CTB recipient	Blank	N/A
Keep the 100% rebate where applicable based on income per household. Those on benefits should believe 100% rebate - as they currently do. Make cuts else where to cover shortfall	the reduction will cripple households that are already struggling to meet their bills	Blank	Resident Council Tax Payer	Blank	Blank
As part of the consultation process here, I am writing to tell you what I think of your proposed clinical tax support or rather your proposed replacement scheme. It has been explained the new council tax support scheme is for residents on low income. From this backdrop I render it necessary to suggest and put forward the need for you to look to and consider lone benefits recipients who merely have one source of income to rely and fall back on for their survival needs. in particular those with long term life changing illnesses, Medical condition and	It remain un clear to me as to whether or not 'You' are dealing with the 6 reduction in the amount of support owe received as noted here or indeed A 6 Reduction in the amount in the benefits one receives never the less I note the following by way of Views; cuts in following a 15% to recipients of working age (in Southwark) appears to be an unfair distribution when considering working age recipients who may	Blank	Resident Council Tax Payer CTB recipient	Blank	As outlined by me through out. It is important for you to not loose sigh of the category groups of people or individuals described so to guard against and protect those that are yet unknown. It remain unclear as to whether or not such cuts are target for and to !. Recipients of working age (in Southwark). 2. Those on low income. 3. Working age benefits recipients like those in receipt of Job seekers allowance say! By same token it

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<p>Disabilities - with no spouse, no children, no safety network readily available to bridge the gap by way of support in trying times of financial difficulties that are upon us; these groups of people would serve to be more in need and support than anyone else I suspect it is not clear to me how well protected those working age benefits recipients with long term medical condition will be in plight where their medical condition acts as an obstacle making it less likely probable to be employed due to what their health brings. It would be fair to urge you to oran upon working age benefits recipients. Who may never be able to enter in to gainful employment due to health and the symptoms that stems from them and the paucity of provision in the work place to embrace them back to work in the future any time soon</p>	<p>never be able to seek and gain full employment due to long term ill health conditions. Such groups are dedeed vulnerable yet real sets in following passed on to them in real terms> 15% set to benefits recipients of working age is unequal and contradictory as they are still on 'A' Low income. The Given protection already offered as part of the time council Tax Benefits and in line with the 6 Council commitment of the fairer future for all in Southwark. Begs the question for me and how then do you aim to ensure and secure protection (Already) offered to such Vulnerable claimants like this "As out lined and put forward at discussion by me.</p>				<p>unclear if the 85% Cap or cut on benefits will fluctuate in line with inflation or is it fixed at this rate for given year specific</p>
<p>Unable to suggest any other change to the proposal scheme</p>	<p>As the government is going to abolish council tax benefits and cut in funding by 10%, I don't think the council has any other choice, short of calling services.</p>	<p>Household on light income should not qualify for a rebate.</p>	<p>Resident Council Tax Payer</p>	<p>Other</p>	<p>I hope that nor benefits, households will not be penalised by this scheme.</p>
<p>As someone who is a home owner and on Income Support, which falls very short of being enough to cover major annual expenses of my mortgage interest payments/service charges, I am alarmed to learn that soon even my council tax may not be fully eligible for benefit cover; were it not for occasional legally permissible assistance to help me make up the difference on my mortgage payments I would already have lost my home and I have been making up the deficit in my service charge payments eligible for IS from the total benefit I am meant to be able to use live on for other purposes, which is in itself an insufficient poverty income. I was told on phoning your office that the proposed amount of council tax those on IS should pay from next year is 15% , even based on this year's bill it is more than I can afford without drastically lowering my spending on</p>	<p>As someone who is a home owner and on Income Support, which falls very short of being enough to cover major annual expenses of my mortgage interest payments/service charges, I am alarmed to learn that soon even my council tax may not be fully eligible for benefit cover; were it not for occasional legally permissible assistance to help me make up the difference on my mortgage payments I would already have lost my home and I have been making up the deficit in my service charge payments eligible for IS from the total benefit I am meant to be able to use live on for other purposes, which is in itself an insufficient poverty income. I was</p>	<p>As someone who is a home owner and on Income Support, which falls very short of being enough to cover major annual expenses of my mortgage interest payments/service charges, I am alarmed to learn that soon even my council tax may not be fully eligible for benefit cover; were it not for occasional legally permissible assistance to help me make up the difference on my mortgage payments I would already have lost my home and I have been making up the deficit in my service</p>	<p>Resident CTB recipient</p>	<p>Blank</p>	<p>D.O.B: (14/10/1958)</p>

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
<p>such necessities as fuel/food bills which I already have cut to well below ideal spending for my health in order to afford other expenses. My financial circumstances have already been reduced from being in receipt of Long-term Incapacity Benefit to qualifying for Income Support several years ago, from which a certain amount of IB is deducted as being considered 'more' than the poverty level of IS income eligibility the government decrees is all I 'need' to live on, plus a component of DLA more recently (which I did not know I was actually eligible for long ago), yet it is only above the 'magical' pension qualifying age, which has even increased, that there is any concern to protect or consider anyone as vulnerable, which makes others like me despair all the more of our situation. I know multi-millionaires living in this borough who qualify for single person's reduction in council tax and, of those over 60, free travel on the 'local' transport network (yet who have become so rich running businesses and paying their salaries/dividends, mostly using tax avoiding schemes, which all qualify for government funds which are from tax revenue), now why does the council not review its subsidies to wealthy people, who are in no real need of such, instead of making cuts in assisting those of us in difficulty and already struggling with our lives imprisoned by circumstances.</p>	<p>told on phoning your office that the proposed amount of council tax those on IS should pay from next year is 15% , even based on this year's bill it is more than I can afford without drastically lowering my spending on such necessities as fuel/food bills which I already have cut to well below ideal spending for my health in order to afford other expenses. My financial circumstances have already been reduced from being in receipt of Long-term Incapacity Benefit to qualifying for Income Support several years ago, from which a certain amount of IB is deducted as being considered 'more' than the poverty level of IS income eligibility the government decrees is all I 'need' to live on, plus a component of DLA more recently (which I did not know I was actually eligible for long ago), yet it is only above the 'magical' pension qualifying age, which has even increased, that there is any concern to protect or consider anyone as vulnerable, which makes others like me despair all the more of our situation. I know multi-millionaires living in this borough who qualify for single person's reduction in council tax and, of those over 60, free travel on the 'local' transport network (yet who have become so rich running businesses and paying their salaries/dividends, mostly using tax avoiding schemes, which all qualify for government funds which are from tax revenue), now why does the council not review its subsidies to wealthy people, who are in no real need of such, instead</p>	<p>charge payments eligible for IS from the total benefit I am meant to be able to use live on for other purposes, which is in itself an insufficient poverty income. I was told on phoning your office that the proposed amount of council tax those on IS should pay from next year is 15% , even based on this year's bill it is more than I can afford without drastically lowering my spending on such necessities as fuel/food bills which I already have cut to well below ideal spending for my health in order to afford other expenses. My financial circumstances have already been reduced from being in receipt of Long-term Incapacity Benefit to qualifying for Income Support several years ago, from which a certain amount of IB is deducted as being considered 'more' than the poverty level of IS income eligibility the government decrees is all I 'need' to live on, plus a component of DLA more recently (which I did not know I was actually eligible for long ago), yet it is only above the 'magical' pension qualifying age, which has even increased, that there is any concern to protect or consider anyone as</p>			

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
	of making cuts in assisting those of us in difficulty and already struggling with our lives imprisoned by circumstances.	vulnerable, which makes others like me despair all the more of our situation. I know multi-millionaires living in this borough who qualify for single person's reduction in council tax and, of those over 60, free travel on the 'local' transport network (yet who have become so rich running businesses and paying their salaries/dividends, mostly using tax avoiding schemes, which all qualify for government funds which are from tax revenue), now why does the council not review its subsidies to wealthy people, who are in no real need of such, instead of making cuts in assisting those of us in difficulty and already struggling with our lives imprisoned by circumstances.			
Blank Blank	Blank It is going to be very hard for old working age people. The council should fund themselves by asking the national government to support this scheme and not to change too much to people.	The council should not impose the cut. The cost of collection will be huge. It will cause severe hardship, thought should be given to increasing council tax. I would like the council continuous funding the council tax benefits form to each household.	Resident Council Tax Payer CTB recipient Non-resident Council Tax Payer	Blank Blank	100% support for people with severe disabilities. Create hardship fund. Phase in-any increase review collection procedures. We as organisation are very concerned about the impact it is for our community the council should expand from under spending money and don't keep it without use.

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
Council should leave policies as they are. Changing CTB will make people to straggle specially those with children and low income, or disabilities. Council should cut expenses and place that money to support council tax.	Council need to think more about their community, most of the working population is in low income gap for end less money they will have to survive.	That's wrong, exemption on council tax should be applied to those with low income and health problems, families with children and disabled.	Council Tax Payer CTB recipient	Voluntary Organisation	Councils need to maintain or develop strategies to support their resident to maintain better qualities of live rather then fall into a role of debt and poop quality of living in their local areas.
The scheme should stay as it is.	Will hit the poorest, Cost of collection will outweigh savings	Blank	Resident Council Tax Payer	Blank	Blank
Blank	The reduction will be difficult for some claimant especially at a time when they are been adversely effected by other changes in eligibility for benefits etc.	Concerned that the cost of tax collection by council at this 15% will mostly outweigh the income received so prove largely bureaucratic and meanwhile tip more families into debt.	Resident Council Tax Payer	Blank	Concerned this will result in more people being tipped into debt/arrears which will prove counter productive to council in larger term. The cost of collection may result in only a small amount of return for the council but result in more problems for the individual.
The scheme should take into account disabled groups for tax feedback. Especially looking at those groups who deal with mental impartment and learning difficulties.	I am more concerned for those most vulnerable members of the borough. I work and would be prepared to pay more, rather then letting vulnerable people in poverty suffer more.	Blank	Resident Council Tax Payer	Blank	Blank
Blank	This is a true statement but those people need help. If they can not pay which means council will employ some agencies to recover the debt which is a loss to the council. I think the council should look at another means where cuts could be made.	Blank	Resident Council Tax Payer	Other	Blank
Confident eliminating 25% staple person discount for anyone live up in a high value band property?	Can understand why the council has chosen this approach: it is easier. However, there are wealthy pensioners and they will receive full benefit. Eg . Constitution of full 25% staple person discount. Confident eliminating 25% staple person	Have no idea what this means and can not find where you explain it	Resident Council Tax Payer	Blank	Blank

Please suggest any changes that might enhance the proposed scheme.	The proposed scheme will impact upon all working age claimants by reducing the amount of support received. What are your views on this?	It is proposed that second adult rebate is no longer available within the Local Council Tax Support Scheme. (Second Adult rebate is explained here – hyperlink to document). Please let us have any comments upon this proposal.	Resident / Council Tax Payer / CTB recipient	Responding as:	If you have any other views or comments, or alternative suggestions, then please enter them in the box below
	discount for anyone live up in a high value band property? Am deeply concerned that "Working age" with disabilities will be cut. If the disabilities means you cannot work then "working age" is irrelevant! The disabled are receiving so many other cuts...What does that say about us as a community.				
I suggest that those who are unemployed be given some help in these changes until they find employment.	I am a pensioner and my son is unemployed, I don't have the money to lose. This will affect me greatly but I will pay what I can until my son finds employment.	Does this include the unemployed?	Resident Council Tax Payer CTB recipient	Other	Blank

SCHEDULE OF ALL DIRECT ENGAGEMENT ACTIVITY

Below we have set out the calendar of engagement activity that is taking place in the community with various partners, stakeholders and representative groups.

Consultation & Engagement Audience	Audience / Stakeholder Group	Venue	Date	Attendees
Borough Bankside and Walworth community council meeting	Local Residents, Local Councillors	Amigo Hall, St Georges Cathedral. St Georges Road	02/07/2012	110
Advice and Information Event	Third Sector, Local residents	Cambridge House,	04/07/2012	80
Special Briefing with Voluntary Organisations arranged by SLAN	Third Sector	INSPIRE BUILDING. St Peters, Liverpool Grove	10/07/2012	18
Bermondsey and Rotherithe Community Council Meeting	Local Residents, Local Councillors	Southwark College	12/07/2012	105
Advice and Information Event	Local partners, DWP, SBAH, Local residents including CTB recipients	Rockingham Community Centre, Falmouth Road SE16	16/07/2012	60
Camberwell East Area Housing Forum	Local residents, Tenancy council representatives, Local residents including CTB recipients	Harris Street Satellite Office, Harris Street, London SE5 7RF	16/07/2012	10
Bermondsey West Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives	Mabel Goldwin House, 49 Grange Walk, London SE1 3DY	17/07/2012	20

Consultation & Engagement Audience	Audience / Stakeholder Group	Venue	Date	Attendees
Walworth West Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives	PASLEY TENANTS HALL, STOPFORD ROAD, SE17	19/07/2012	25
Walworth East Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives,	TRA HALL, HILERY CLOSE, SALISBURY ESTATE, SE17 1RQ	19/07/2012	16
Financial Inclusion Forum	Third sector, Local partners	Ability Media Centre 56 Southwark Bridge Road	20/07/2012	20
Rotherhithe Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives	Silverlock Tenants Hall, Warndon Street, London, SE16	24/07/2012	20
Home Owners Council	Homeowners, Residents association representatives, Local residents including CTB recipients	160 Tooley Street	25/07/2012	25
SOUHAG	Housing Associations, Social landlords	160 Tooley Street	26/07/2012	25
Peckham Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives	Bells Gardens Community Centre, Buller Close, Peckham SE15	20/08/2012	20
Tenant Council	Local residents including CTB recipients, TRA representatives, Local Councillors	Four Squares tenants hall Drummond Road, SE16	03/09/2012	25
Bermondsey East Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives	160 Tooley Street	05/09/2012	15

Consultation & Engagement Audience	Audience / Stakeholder Group	Venue	Date	Attendees
Keep Warm Keep Well Project	Third sector, Local partners	3rd Floor Walworth Methodist Church, 54 Camberwell Road, London SE5 0EN	06/09/2012	10
Southwark Carers Group	Carers, Local residents including CTB recipients	132 Queens Road	06/09/2012	10
Nunhead and Peckham Rye Area Housing Forum	Local residents including CTB recipients, Tenancy council reps, Local Councillors	Lordship Lane TRA Hall, Bew Court, SE22	06/09/2012	20
Dulwich Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives	Aylesbury Housing Office, Thurlow Street. SE17 2TZ	06/09/2012	15
Aylesbury Area Housing Forum	Local residents including CTB recipients, Tenancy council reps, Local Councillors	160 Tooley Street	18/09/2012	10
TMO	Tenancy managers	TBC	19/09/2012	16
Peckham and Nunhead Community Council Meeting	Local residents including CTB recipients, Local Councillors	TBC	24/09/2012	TBC
Forum for Equalities and Human Rights.	Third sector	TBC	26/09/2012	TBC
Financial Inclusion Forum	Third Sector, Local partners	Four Squares tenants hall Drummond Road, SE16	28/09/2012	TBC

APPENDIX E

ANALYSIS OF PREFERRED SCHEME (85% CAP ON CTB ENTITLEMENT)

Annual saving achieved: £2,741,130.79

This model reduces current levels of CTB entitlement by 15%, effectively setting an 85% cap on existing award levels. This model offers no additional protection to any group other than pensioners, although by adapting the existing CTB scheme there are built in protections offered to disabled households and work incentives. The levels of required savings are achieved and offer an acceptable level of fairness across all working age claimants. Households with children and disabilities retain proportionate protection.

No of customers affected: 23,689

Value of annual CTB lost:

Amount of annual CTB lost	Number of claims
£0 - £49.99	1,202
£50 - £99.99	4,763
£100 - £149.99	14,332
£150 - £199.99	2,874
£200 - £249.99	444
£250 - £299.99	60
£300 or more	14

Average amount of annual CTB lost: **£115.71**

Largest reduction in CTB award: **£304.72**

No. of cases paid as Second Adult Rebate: **254**

Value of Second Adult Rebate **£57,846**

Council Tax Band of affected customers:

Council Tax Band	Number of claims
A	3,365
B	9,780
C	6,403
D	2,604
E	1,306
F	173
G	41
H	2
Unknown Band	15

Household breakdown:

Households with dependent children: **11,102**

Single parents in group: **8,763**

Disabled households in group: **4,262**

Number of Carers in group: **179**

Claimant gender breakdown in affected group:

Gender	Number of claims affected
Male	8,611
Female	14,488
Unknown	590

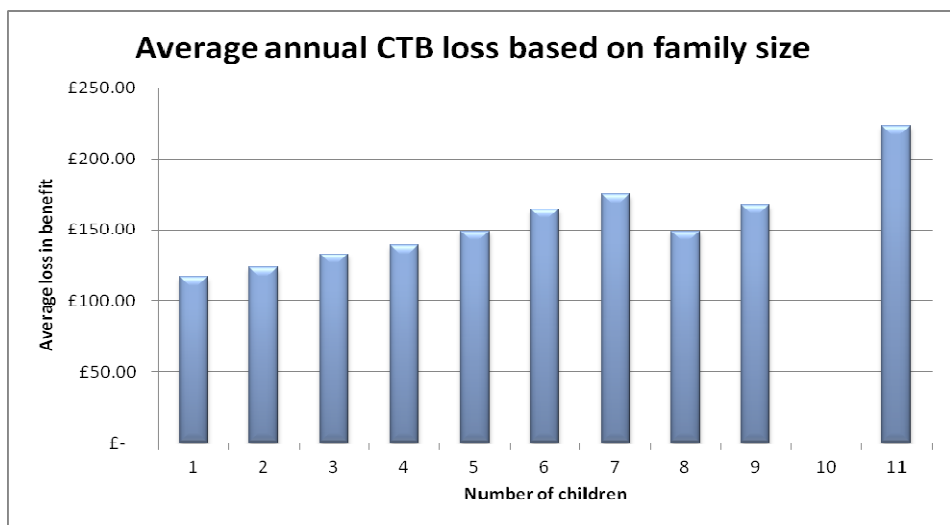
Income:

Working households: **5,195**

Receiving Income Support: **7,972**

Receiving Jobseeker's Allowance: **5,131**

Receiving Employment Support Allowance (IR) **3,214**

Benefit reduction:Average annual loss for group: **£115.71**Average annual loss for families: **£122.26**Average annual loss single parent households: **£117.21**Average annual loss for disabled households: **£124.64**Average annual loss for working households: **£96.44**Average annual loss for couples: **£141.74**Average annual loss for single female claimants: **£115.48**Average annual loss for single male claimants: **£105.51**

Protection within the preferred CTRS scheme

Disabled Households			Non-Disabled Households			Protection offered under CTB
		Average annual CTB award			Average annual CTB award	
Existing CTB Scheme	Disabled single claimant	£ 794.20			Non-Disabled single claimant	£ 89.20
	Disabled couple	£ 1,053.63			Non-Disabled couple	£ 140.40
	Disabled couple (1 child)	£ 1,018.56			Non-Disabled couple (1 child)	£ 142.91
	Disabled couple (2 children)	£ 1,069.73			Non-Disabled couple (2 children)	£ 189.71
	Disabled couple (3 children)	£ 1,114.23			Non-Disabled couple (3 children)	£ 153.37
	Disabled single parent (1 child)	£ 872.45			Non-Disabled single parent (1 child)	£ 128.40
	Disabled single parent (2 children)	£ 858.75			Non-Disabled single parent (2 children)	£ 80.86
	Disabled single parent (3 children)	£ 957.56			Non-Disabled single parent (3 children)	£ 128.85

Disabled Households			Non-Disabled Households			Protection offered under CTRS		
		Average annual CTRS award	15% reduction			Average annual CTRS award	15% reduction	
Preferred CTRS Scheme (15% reduction)	Disabled single claimant	£ 875.07	£ 119.13			Non-Disabled single claimant	£ 105.75	£ 75.82
	Disabled couple	£ 895.59	£ 158.04			Non-Disabled couple	£ 136.98	£ 119.34
	Disabled couple (1 child)	£ 865.78	£ 152.78			Non-Disabled couple (1 child)	£ 131.35	£ 121.48
	Disabled couple (2 children)	£ 909.27	£ 160.46			Non-Disabled couple (2 children)	£ 132.00	£ 161.25
	Disabled couple (3 children)	£ 947.10	£ 167.13			Non-Disabled couple (3 children)	£ 144.13	£ 130.37
	Disabled single claimant (1 child)	£ 741.58	£ 130.87			Non-Disabled single claimant (1 child)	£ 111.61	£ 109.14
	Disabled single claimant (2 children)	£ 729.94	£ 128.81			Non-Disabled single claimant (2 children)	£ 116.68	£ 68.73
	Disabled single claimant (3 children)	£ 813.93	£ 143.63			Non-Disabled single claimant (3 children)	£ 124.31	£ 109.53

The above analysis offers a comparison between the protection offered under the existing CTB scheme and that offered under Southwark's preferred CTRS scheme. It demonstrates that by adapting the existing Council Tax Benefit scheme, disabled households and families will on average receive a higher award of CTRS than those that fall outside of this definition. Work incentives will also be preserved through retaining the existing Extended Payment award when a claimant finds employment.

A requirement of a Local CTRS scheme is to give consideration to the type of protection that it is appropriate to build into the scheme. This protection must apply to 'vulnerable' claimants, although definition of this criterion has been left up to individual Local Authorities. Authorities have also been reminded of their duties in respect of preventing Child Poverty and asked to ensure that the scheme does not go against the work incentives that are a cornerstone of the Welfare Reform Bill and eventual roll-out of Universal Credit.

APPENDIX F

ROUND UP OF ALL CURRENT WELFARE REFORM RELATED ACTIVITY (19.08.2012)

Service/ org (attende)	Update given – 15 th August 2012
Southwark Legal Advice Network	Currently piloting rent arrears drop in clinics Working with Revs and Bens & looking at co-location of Revs & Bens officers in advice centres Looking at Council Tax surgeries. Success Big Lottery Bid - £1m over 5years to improve the financial capability of social housing tenants.
DWP national partnerships	Holding awareness training sessions and working with JobCentrePlus
Area Housing Management	Following restructure, AHM have dedicated <u>Income Maximisation/management team</u> , protecting Housing Revenue Account Working in partnership with Revs and Bens with regards to direct payments demonstration Looking at how services can work smarter – moving to a risk based approach to income collection- Lessons learnt from the direct payments project to feed into risk based approach. Officers need WR training, looking at sourcing internally.
Economic Development	<u>Economic development strategy</u> - focus shifting to 'economic wellbeing' and how to get better value from current work. Looking at: What we can commission in relation to employment support and improving data. How to better engage with Southwark Work Primes [<i>private contractors delivering Govt's Work Programme</i>] Issues around the transition from Incapacity Benefit [<i>to Employment and Support Allowance - Work Capability Assessments</i>]
Customer Experience	Call centre and OSS coming back in house in June 2013 (just as effects of April reforms will become clear) Working on customer access strategy – improved digital access/ channel shift. Talks with Post Office re Front office of Government (FOOG) – post office potentially looking at delivery face to face element of government services. If introduction of benefit changes an/or Universal Credit is chaotic likely to see substantial increase in call volumes Also likely to see increase in complaints and members' enquires. Focus needs to be on educating staff, residents and members
Revenue and Benefits	<u>Direct Payment Demonstration project</u> Begun with first payment already made (project will run until June 2013.). Already gaining intelligence eg have found that high proportion of Family Mosaic tenants taking part have set up direct debits while Southwark tenants much more likely to still use cash. <u>Underoccupation /social size criteria</u> Looking at data matching so Revs& Bens can know no of bedrooms in social properties. Start writing to those affected. Looking at current underoccupation scheme – SMART MOVE – should we still offer an incentive to down size if tenants benefit by not have housing benefit cut. <u>Universal Credit</u> – comms hard as still don't know what LA's role in delivery will be.
Children's Services	Worked with Housing Options Private Tenancies Sustainment Team to help identify which of the 1100 households who had benefit cut as a result of 2011 LHA rate reductions had children and or were vulnerable to allow focused assistance. Trouble families agenda Make section 17 payments to ensure child are safe and warm Work with children in care to set up bank accounts rather than dealing in cash to improve their financial capability.
	<u>Current consultation</u> adults and young people with learning disabilities, and their carers on an increase personalised approach Looking at how the council can support personalisation and the use of personal budgets. Key challenge – cuts to benefits coming at the same time as cuts to budgets which we have to deliver services – clients may see as one and the same and not trust the LA to assist with welfare/benefit related reforms that are not the LA's doing. Need to look at the VCS to provide advice as seen as more independent. – have recently commission such advice from Riverside Main focus is shifting patterns of care – more support in home and move away from residential care. Issues already being raised by clients, carers and support workers: Anxiety about money, financial abuse and unwise decision making. Carers with disabled children under stress and options become limited – likely to be severely impacted benefit changes [eg loss of disability element of child tax credit under UC] Looking at supporting adults with disabilities back into work, doing some work with the National Social Inclusion Looking at moving people out of traditional models of care,. Challenges – with a reduction in benefit will clients be able to continue contribute as much towards their care. Issues around financially vulnerable clients. Has appointmentship/ guardianship? of around 300 residents' finances.

Service/ org (attendee)	Update given – 15 th August 2012
Housing Strategy and Partnerships	<p>Team undertakes financial assessments for social care – need for a more joined up approach to debt management across the council</p> <p>Drawing together overview of all changes (but complex and much detail still unknown) All members have now had the opportunity to be briefed on the ranged of benefit reforms. Briefings to tenant council and homeowner council on welfare reform. Undertaken strategic review of homelessness in the borough and presented options to members. Drawing up options for localised delivery of social fund/new scheme to be considered by members in September. Undertaken modelling on impacted households.</p>
Community Engagement	<p><u>Reviewing commissioning strategy</u> Recommissioning advice services – looking at whether the services we’re commissioning meet the needs presented in a welfare reform age. (Apologies from Andy Matheson – verbal up dated given by Claire Linnane)</p>
Community Housing Services	<p>Strong at homeless prevention but predicting year on year increases of households approaching the council as homeless. Average 900 pa, last year 1000, expecting increase in 2012/13, 1400 in 2013/14 & 1500 in 2014/15 Welfare reform also likely to have a huge impact on temporary accommodation – currently forecasting a £2.9m budget pressure as a result of benefit changes (HRA & GF) this is likely rather than being a worst case scenario. May have to look at procurement out of borough if in borough simply not affordable. Still no clear policy from Government on reform of temporary accommodation subsidy regime – will have huge impact on how service finances stack up – expecting announcement from Government In November regarding the new regime from April 2013 onwards. Administering Discretionary Housing Payments. Work with Revs & Bens to identify those households with transitional protection ending to offer assistance Preparing solutions paper including TA business model Looking at getting extra funding from HRA/GF to fund post to assist in dealing with tenants affected by the underoccupancy benefit changes as well as potential partnership working with the credit union/ use of jam jar accounts. Currently undertaking a review of our lettings/allocations policy will include looking at underoccupancy</p>



SOUTHWARK LEGAL ADVICE NETWORK

working together to provide high quality advice

Response to the Consultation on the future of Council Tax Benefit

It is our view that in light of the radical changes currently in process in Welfare Benefits as a whole and the impact on Southwark's residents of the economic depression, the Council Tax Support Scheme should retain all (or virtually all) the current features of the current Council Tax Benefit scheme.

The challenges facing residents on the lowest incomes in the coming few years, on account of the introduction of Universal Credit, 'Bedroom Tax', the Benefit cap etc. mean this is the worst possible time to make all households below pensionable age on very low incomes take on the responsibility for paying Council Tax.

We recognise that the typical amounts proposed under the draft scheme are not large but for someone whose only income for example is JSA of £71 per week or £56.25 if under 25 per week, finding an additional £2.70 per week (based on Band B) will be extremely difficult.

We are well aware of the severe pressure on the Council's finances as a whole, due mainly to government grant cutbacks, and also that to date the majority of councils that have commenced public consultation are proposing that all (or most) non pensionable households will have to pay at least 10% of their standard council tax bill. However, it is notable that some councils in London (e.g. Merton and Tower Hamlets) and councils elsewhere are planning to maintain the level of the current Benefit system.

One of the ways in which the shortfall of £2.8m might be covered is to continue to improve collection rates. If Southwark's collection rate of 94.5% (2011-12) could reach 97% then the bulk of the shortfall would be covered.

We are also concerned that the actual amount of council tax collected from those who currently receive 100% benefit, net of administration and court costs, will be small. This would have the effect of further reducing the Southwark collection rate.

Another council, for example has estimated that as much as 30% of the total additional tax will not be collected and in addition there will be substantial additional costs incurred. For example, the cost of each Liability Order secured from the Court for non payers will be £95, a very substantial sum when set against a typical proposed net tax liability of circa £150-200 for 2013-14 for someone who currently receives 100% benefit.

In summary, therefore, the current proposal may well not achieve its financial objectives, will reduce the already low living standards of the poorest in the Borough, and will put a number of residents at severe risk of financial exclusion on account of council tax debts.

To reiterate our position we do not feel that Southwark should bring in a scheme to collect Council tax from people on the lowest incomes, who are being hit by the other changes to welfare benefits. Should it, however, be considered impossible for Southwark to retain the current system we would urge that careful consideration be given to a range of measures that minimise the negative impact on the disadvantaged and lowest income residents which are listed below:-

- Phased introduction of the scheme – e.g. maximum payment in Year 1:5%, Year 2: 10%, Year 3: 15%
- Ceiling support based on B and D or E (i.e. those living in higher bands not to receive higher support)
- Increased allowances for non dependants living in household (i.e. when calculating income)
- Aligning capital ceiling with £8,000 proposed for Universal Credit (i.e. no ‘taper’ between £8,000 and £18,000)
- Creation of a sizeable hardship fund (e.g. for backdating support for those on lowest income)
- 100% support for households with someone with severe disability
- 100% support for single parents with children under 5 years

Collection Process

Does the local authority intend to revisit its collection and recovery of arrears provision?

Council Tax Exemptions

We don't know how well it is known that people with severe and enduring mental illness do not need to pay council tax, or how many exemptions there are in Southwark.

Perhaps it will be helpful if more people in this category can be helped towards exemption. The information on the Southwark Website is factually correct but does not particularly encourage people to apply http://www.southwark.gov.uk/info/200028/council_tax/130/council_tax_exemptions/3
The online form does not appear to be currently available.

A person is considered severely mentally impaired if they have a severe impairment of intelligence and social functioning and this impairment appears to be permanent. This might be, for instance, because they have a condition such as Alzheimer's disease, have had a stroke, or have severe learning difficulties. To qualify for the

discount they will need a certificate from a registered medical practitioner confirming this.

Currently they must also be entitled to one of a number of specified benefits which include:

- Disability Living Allowance at the middle or highest rate of the care component).
- Attendance Allowance.
- Constant Attendance Allowance.
- Severe Disablement Allowance.
- Incapacity Benefit.
- Income Support or Income-Based Jobseeker's Allowance where a disability premium is included.
- Employment and Support Allowance.
- An increase in disablement pension for constant attendance.
- The disability element of Working Tax Credit.
- Unemployability supplement.
- Unemployability allowance.

If you live with the person you care for and they satisfy the rules above and you satisfy the rules to be a carer for Council Tax purposes, then both you and the person you care for can be ignored. **This would also point to the need for a general take up of disability benefits to help protect disadvantaged residents from the worse effects of welfare benefit cuts.**

In 2010/11 3421 people were on GPs registers for severe long term mental illness. 753 were on GPs registers for dementia (This is thought to be a very considerable under-estimate - Alzheimers UK estimates the real number of people in Southwark with dementia may be twice that.) Many of these people will be getting pension credit/AA however given the fact that paperwork is difficult for people with dementia, it is hard to be sure. Source of info: <http://www.gpcontract.co.uk/browse/5LE/11>

Consultation Process

We appreciate that that there is no 'best' way to conduct a consultation process and also that timescales are particularly tight. We do believe however, that there is sufficient time before the final proposals are agreed by Council, to analyse the results of consultation and to organise a final consultation meeting with interested groups who represent and or work with Southwark residents who will be most affected by the proposals. Lewisham Council is holding a meeting for agencies who support local residents on the 8th October, and we would urge Southwark Council to hold a similar meeting

11th September 2012 :

Sally Causer – development manager

On behalf of SLAN partners

**Southwark Council
Draft Council Tax Reduction Scheme (2013)**

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PART 1

Introduction

Citation

1. This scheme may be cited as the Southwark Council Tax Reduction Scheme 2013.

PART 2

Interpretation

2.—(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⁽¹⁾;

“Alternative maximum council tax reduction” means the amount determined in accordance with paragraph 30 and Schedule 4;

“Applicable amount” means—

(a) in relation to a pensioner, the amount calculated in accordance with paragraph 24 and Schedule 2, and

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

(i) paragraph 25 and Schedule 3; or

(ii) paragraph 27,

as the case may be;

“Applicant” means a person applying for a reduction under this scheme;

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

“Appropriate DWP office” means an office of the Department for Work and Pensions dealing with state pension credit or an office which is normally open to the public for the receipt of claims for income support, a jobseeker’s allowance or an employment and support allowance;

“Assessment period” means the period determined —

(a) in relation to pensioners—

¹ 1996 c.18. Sections 75A and 75B were inserted by the Employment Act 2002 (c.22) and amended by the Work and Families Act 2006 (c.18), Schedule 1, paragraphs 33 and 34.

- (i) in relation to the earnings of a self-employed earner, in accordance with paragraph 42 of this scheme for the purpose of calculating the weekly earnings of the applicant; or
- (ii) in relation to any other income, in accordance with paragraph 39 of this scheme for the purpose of calculating the weekly income of the applicant;

(b) in relation to persons who are not pensioners, such period as is set out in paragraphs 46 to 48 of this scheme over which income falls to be calculated;

“Attendance allowance” means—

- (a) an attendance allowance under Part 3 of the SSCBA ⁽²⁾;
- (b) an increase of disablement pension under section 104 or 105 of that Act;
- (c) a payment under regulations made in exercise of the power conferred by paragraph 7(2)(b) of Part 2 of Schedule 8 to that Act;
- (d) an increase of an allowance which is payable in respect of constant attendance under paragraph 4 of Part 1 of Schedule 8 to that Act;
- (e) a payment by virtue of article 14, 15, 16, 43 or 44 of the Personal Injuries (Civilians) Scheme 1983⁽³⁾ or any analogous payment; or
- (f) any payment based on need for attendance which is paid as part of a war disablement pension;

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

“Basic rate” has the meaning given by the Income Tax Act 2007⁽⁴⁾;

“The benefit Acts” means the SSCBA, the Jobseekers Act 1995⁽⁵⁾, the State Pension Credit Act 2002⁽⁶⁾ and the Welfare Reform Act 2007⁽⁷⁾;

“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⁽⁸⁾ and in Scotland means a care home service within the meaning given by section 2(3) of the Regulation of Care (Scotland) Act 2001⁽⁹⁾;

² 1992 c.4. See sections 64 to 67 of that Act in relation to attendance allowance.

³ S.I. 1983/686; relevant amending instruments are S.I. 1984/1675, 2001/420.

⁴ 2007 c.3. See the definition of “basic rate” in section 989 of that Act.

⁵ 1995 c.18.

⁶ 2002 c.16.

⁷ 2007 c.5.

⁸ 2000 c.14. Section 3 was amended by the Health and Social Care Act 2008, Schedule 5, paragraphs 1 and 4 (c.14).

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

“Child” means a person under the age of 16;

“Child benefit” has the meaning given by section 141 of the SSCBA;

“Child care costs element” has the meaning given by regulation 27 of the Universal Credit Regulations 2012⁽¹⁰⁾;

“Child tax credit” means a child tax credit under section 8 of the Tax Credits Act 2002⁽¹¹⁾;

“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⁽¹²⁾;

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

“couple” has the meaning given by paragraph 4 of this scheme;

“disability living allowance” means a disability living allowance under section 71 of the SSCBA⁽¹³⁾;

“dwelling” has the meaning given by section 3 of the 1992 Act;

“earnings” has the meaning given by paragraph 40, 42, 43 or 50 of this scheme 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⁽¹⁴⁾;

⁹ 2001 asp 8.

¹⁰ These Regulations are in draft – see the DWP website at <http://www.dwp.gov.uk/policy/welfare-reform/legislation-and-keydocuments/welfare-reform-act-2012/welfare-reform-draft-regulations/>

¹¹ 2002 c.21.

¹² 2007 c.5.

¹³ 1992 c.4. Section 71 was amended by section 67(1) of the Welfare Reform and Pensions Act 1999 (c.30) and repealed by section 90 of the Welfare Reform Act 2012 (c.5) (not yet in force).

¹⁴ 2002 c.7.

“employed earner” is to be construed in accordance with section 2(1)(a) of the SSCBA⁽¹⁵⁾ and also includes a person who is in receipt of a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay or statutory maternity pay;

“employment zone” means an area within Great Britain designated for the purposes of section 60 of the Welfare Reform and Pensions Act 1999⁽¹⁶⁾ and an “employment zone programme” means a programme established for such an area or areas designed to assist claimants for a jobseeker’s allowance to obtain sustainable employment;

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

“extended reduction” means a reduction under this scheme for which a person is eligible under Part 12 (extended reductions);

“extended reduction period” means the period for which a person is in receipt of an extended reduction in accordance with paragraph 87, 94 or 99;

“extended reduction (qualifying contributory benefits)” means a reduction under this scheme for which a person is eligible in accordance with paragraph 87 or 98;

“family” has the meaning given by paragraph 6 of this scheme;

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

“guarantee credit” is to be construed in accordance with sections 1 and 2 of the State Pension Credit Act 2002⁽¹⁷⁾;

“a guaranteed income payment” means a payment made under article 14(1)(b) or article 21(1)(a) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005⁽¹⁸⁾;

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

“housing costs element” has the meaning given by regulation 21 of the Universal Credit Regulations 2012⁽¹⁹⁾;

“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⁽²⁰⁾;

“income-related employment and support allowance” means an income-related allowance under Part 1 of the Welfare Reform Act 2007;

“independent hospital”—

¹⁵ Section 2(1)(a) was amended by the Income Tax (Earnings and Pensions) Act 2003, Schedule 6, paragraphs 169 and 171 (c.1).

¹⁶ 1999 c.30.

¹⁷ 2002 c.16.

¹⁸ S.I. 2005/439.

¹⁹ These Regulations are in draft – see the DWP website at <http://www.dwp.gov.uk/policy/welfare-reform/legislation-and-keydocuments/welfare-reform-act-2012/welfare-reform-draft-regulations/>

²⁰ 1995 c.18. Section 1(4) was amended by the Welfare Reform and Pensions Act 1999, Schedule 7, paragraphs 1 and 2(1) and (4) and is repealed by the Welfare Reform Act 2012, Schedule 14, Part 1 (not yet in force).

(a) in England means a hospital as defined by section 275 of the National Health Service Act 2006⁽²¹⁾ 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⁽²²⁾; and

(c) in Scotland means an independent healthcare service as defined by section 2(5)(a) and (b) of the Regulation of Care (Scotland) Act 2001;

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

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

“the London Bombings Relief Charitable Fund” means the company limited by guarantee (number 5505072), and registered charity of that name established on 11th July 2005 for the purpose of (amongst other things) relieving sickness, disability or financial need of victims (including families or dependants of victims) of the terrorist attacks carried out in London on 7th July 2005;

“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⁽²³⁾ except in Part 1 of Schedule 3;

“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⁽²⁴⁾;

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

²¹ 2006 c.41.

²² 2000 c.14.

²³ Section 2(1)(b) is amended by the Welfare Reform Act 2012, Schedule 23, paragraph 24 (not yet in force); section 4 is repealed by Part 1 of Schedule 14 to that Act (not yet in force).

²⁴ 1996 c.18.

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

“mobility supplement” means—

(a) in relation to pensioners, a supplement to which paragraph 5(1)(a)(vi) of Schedule 5 to this scheme refers;

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

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

“net earnings” means such earnings as are calculated in accordance with paragraph 41 or 51 of this scheme, as the case may be;

“net profit” means such profit as is calculated in accordance with paragraph 60 of this scheme;

“new dwelling” means, for the purposes of the definition of “second authority” and paragraphs 89, 96 and 101, the dwelling to which an applicant has moved, or is about to move, in which the applicant will be resident;

“non-dependant” has the meaning given by paragraph 9 of this scheme;

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

“occupational pension scheme” has the same meaning as in section 1 of the Pension Schemes Act 1993⁽²⁵⁾;

“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 leave by virtue of section 80A or 80B of the Employment Rights Act 1996⁽²⁶⁾;

“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;

²⁵ 1993 c.48. The definition of “occupational pension scheme” was substituted by section 239 of the Pensions Act 2004 (c.35) and amended by S.I. 2007/3014.

²⁶ 1996 c.18. Sections 80A and 80B were inserted by section 1 of the Employment Act 2002 (c.22) and amended by the Work and Families Act 2006 (c.18), Schedule 1, paragraphs 35 and 36.

“pensionable age” has the meaning given by the rules in paragraph 1 of Schedule 4 to the Pensions Act 1995⁽²⁷⁾;

“pensioner” has the meaning given by paragraph 3(2)(a) of this scheme;

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

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

“persons treated as not being in Great Britain” has the meaning given by paragraph 21 of this scheme;

“personal independence payment” has the meaning given by Part 4 of the Welfare Reform Act 2012⁽²⁸⁾;

“personal pension scheme” means—

(a) a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993⁽²⁹⁾;

(b) an annuity contract or trust scheme approved under section 620 or 621 of the Income and Corporation Taxes Act 1988⁽³⁰⁾ 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⁽³¹⁾;

(c) a personal pension scheme approved under Chapter 4 of Part 14 of the Income and Corporation Taxes Act 1988 which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(g) of Schedule 36 to the Finance Act 2004;

“policy of life insurance” means any instrument by which the payment of money is assured on death (except death by accident only) or the happening of any contingency dependent on human life, or any instrument evidencing a contract which is subject to payment of premiums for a term dependent on human life;

“polygamous marriage” means any marriage to which paragraph 5 of this scheme applies;

“public authority” includes any person certain of whose functions are functions of a public nature;

“qualifying age for state pension credit” means (in accordance with section 1(2)(b) and (6) of the State Pension Credit Act 2002⁽³²⁾)—

(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;

²⁷ 1995 c.26.

²⁸ 2012 c.5.

²⁹ 1993 c.48.

³⁰ 1988 c.1.

³¹ 2004 c.12.

³² 2002 c.16.

“qualifying contributory benefit” means—

- (a) severe disablement allowance;
- (b) incapacity benefit;
- (c) contributory employment and support allowance;

“qualifying income-related benefit” means—

- (a) income support;
- (b) income-based jobseeker’s allowance;
- (c) income-related employment and support allowance;

“qualifying person” means a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation 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 paragraph 10 of this scheme;

“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⁽³³⁾ refer, less any deductions in respect of non-dependants which fall to be made under paragraph 29 (non-dependant deductions) of this scheme;

“resident” has the meaning given by Part 1 of the 1992 Act;

“savings credit” is to be construed in accordance with sections 1 and 3 of the State Pension Credit Act 2002⁽³⁴⁾;

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

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

“self-employment route” means assistance in pursuing self-employed earner’s employment whilst participating in—

- (a) an employment zone programme;

³³ S.I. 2006/214.

³⁴ 2002 c.16. Section 3 was amended by the Civil Partnership Act 2004 (c.33), Schedule 24, paragraph 140 and S.I. 2002/1792.

(b) a programme provided by or under arrangements made pursuant to section 2 of the Employment and Training Act 1973⁽³⁵⁾ (functions of the Secretary of State) or section 2 of the Enterprise and New Towns (Scotland) Act 1990⁽³⁶⁾ (functions in relation to training for employment, etc.); or

(c) the Employment, Skills and Enterprise Scheme;

“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⁽³⁷⁾,

(b) a landlord authority in consequence of a function under section 105 of the Housing Act 1985⁽³⁸⁾,

(c) a public authority in Northern Ireland in consequence of a function under section 49A of the Disability Discrimination Act 1995⁽³⁹⁾,

(d) a public authority in consequence of a function 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⁽⁴⁰⁾,

(f) a local authority landlord or registered social landlord in consequence of a function under section 53 of the Housing (Scotland) Act 2001⁽⁴¹⁾,

(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⁽⁴²⁾,

(h) a Local Health Board in consequence of a function under section 183 of the National Health Service (Wales) Act 2006⁽⁴³⁾,

(i) the Commission or the Office of the Health Professions Adjudicator in consequence of a function under sections 4, 5, or 108 of the Health and Social Care Act 2008⁽⁴⁴⁾,

(j) the regulator or a private registered provider of social housing in consequence of a function under sections 98, 193 or 196 of the Housing and Regeneration Act 2008⁽⁴⁵⁾, or

(k) a public or local authority in Great Britain in consequence of a function conferred under any other enactment

³⁵ 1973 c.50. Section 2 was substituted by section 25(1) of the Employment Act 1988 (c.19) and repealed in part by the Employment Act 1989 (c.38), Schedule 7, Part 1.

³⁶ 1990 c.35.

³⁷ 1978 c.29.

³⁸ 1985 c.68.

³⁹ 1995 c.50

⁴⁰ 1999 c.27.

⁴¹ 2001 asp 10.

⁴² 2006 c.41.

⁴³ 2006 c.42.

⁴⁴ 2008 c.14.

⁴⁵ 2008 c.17.

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 1993⁴⁶) out of sums allocated to it for distribution under that section;

“the SSCBA” means the Social Security Contributions and Benefits Act 1992⁴⁷;

“state pension credit” means state pension credit under the State Pension Credit Act 2002⁴⁸;

“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 1973⁴⁹, or is training as a teacher;

“the Trusts” means the Macfarlane Trust, the Macfarlane (Special Payments) Trust and the Macfarlane (Special Payments) (No. 2) Trust;

“universal credit” has the meaning given by section 1 of the Welfare Reform Act 2012⁵⁰;

⁴⁶ 1993 c.39.

⁴⁷ 1992 c.4.

⁴⁸ 2002 c.16.

⁴⁹ 1973 c.50.

⁵⁰ 2012 c.5.

“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 2003⁵¹;

“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 1991⁵²,

(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 2002⁵³,

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 2002⁵⁴;

“young person” means a person who falls within the definition of qualifying young person in section 142 of the SSCBA.

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

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

(a) in respect of which he satisfies the conditions for entitlement to an income-based jobseeker’s allowance but where the allowance is not paid in accordance with regulation 27A of the Jobseeker’s Allowance Regulations 1996⁵⁵ or section 19 or 20A or regulations made under section 17A of the Jobseekers Act 1995⁵⁶ (circumstances in which a jobseeker’s allowance is not payable); or

⁵¹ 2003 c.1.

⁵² 1991 c.56.

⁵³ 2002 asp 3.

⁵⁴ 2002 c.21.

⁵⁵ S.I. 1996/207.

⁵⁶ 1995 c.18.

(b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income-based jobseeker's allowance is payable to him or would be payable to him but for regulation 27A of the Jobseeker's Allowance Regulations 1996 or section 19 or 20A or regulations made under section 17A of that Act;

(c) in respect of which he is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and no joint-claim jobseeker's allowance is payable in respect of that couple as a consequence of either member of that couple being subject to sanctions for the purposes of section 20A of that Act;

(d) in respect of which an income-based jobseeker's allowance or a joint-claim jobseeker's allowance would be payable but for a restriction imposed pursuant to section 6B, 7, 8 or 9 of the Social Security Fraud Act 2001⁵⁷ (loss of benefit provisions).

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

(a) in respect of which he satisfies the conditions for entitlement to an income-related employment and support allowance but where the allowance is not paid in accordance with section 18 of the Welfare Reform Act 2007⁵⁸ (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 this scheme, two persons must be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.

(6) In this scheme, references to any person in receipt of state pension credit includes a person who would be in receipt of state pension credit but for regulation 13 of the State Pension Credit Regulations 2002⁵⁹ (small amounts of state pension credit).

Application of scheme: pensioners and persons who are not pensioners

3.— (1) This scheme applies to—

(a) pensioners who fall within any of classes A to C⁶⁰; and

(b) persons who are not pensioners who fall within any of classes D to F⁶¹.

(2) In this scheme—

(a) a person is a “pensioner” if—

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

⁵⁷ 2001 c.11.

⁵⁸ 2007 c.5.

⁵⁹ S.I. 2002/1792.

⁶⁰ See paragraphs 13 to 15 of this scheme.

⁶¹ See paragraphs 16 to 18 of this scheme.

- (ii) he is not, or, if he has a partner, his partner is not—
 - (aa) a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance, or
 - (bb) a person with an award of universal credit; and

(b) a person is a "person who is not a pensioner" if—

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

Meaning of "couple"

4.—(1) In this scheme "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 who are not civil partners of each other are to be regarded as living together as if they were civil partners if, but only if, they would be regarded as living together as husband and wife were they instead two people of the opposite sex.

Polygamous marriages

5. (1) This paragraph applies to any case where —

- (a) a person is a husband or wife by virtue of a marriage entered into under a law which permits polygamy; and
- (b) either party to the marriage has for the time being any spouse additional to the other party.

(2) For the purposes of paragraph 4 neither party to the marriage is to be taken to be a member of a couple.

Meaning of “family”

6.—(1) In this scheme “family” means—

- (a) a couple;
- (b) a couple and a member of the same household for whom one of them is or both are responsible and who is a child or a young person; or
- (c) a person who is not a member of a couple and a member of the same household for whom that person is responsible and who is a child or a young person.

(2) The references to a child or young person in sub-paragraph (1)(b) and (c) include a child or young person in respect of whom section 145A of the SSCBA⁶² applies for the purposes of entitlement to child benefit, but only for the period prescribed under section 145A(1).

(3) The references to a young person in sub-paragraph (1)(b) and (c) do not include a young person who is—

- (a) on income support, an income-based jobseeker’s allowance or an income-related employment and support allowance, or has an award of universal credit; or
- (b) a person to whom section 6 of the Children (Leaving Care) Act 2000⁶³ (exclusion from benefits) applies.

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

7.—(1) A person is to be treated as responsible for a child or young person who is normally living with him, including a child or young person to whom paragraph 6(2) applies.

(2) Where a child or young person spends equal amounts of time in different households, or where there is a question as to which household he is living in, the child or young person must be treated for the purposes of sub-paragraph (1) as normally living with—

- (a) the person who is receiving child benefit in respect of that child or young person, or
- (b) if there is no such person—
 - (i) where only one claim for child benefit has been made in respect of him, the person who made that claim, or
 - (ii) in any other case the person who has the primary responsibility for him.

(3) For the purposes of this scheme a child or young person is the responsibility of only one person in any reduction week and any person other than the one treated as

⁶² Section 145A inserted by the Tax Credits Act 2002 (c.21), section 55(1).

⁶³ 2000 c.35.

responsible for the child or young person under this paragraph is to be treated as not so responsible.

Households

8.—(1) Subject to sub-paragraphs (2) and (3), an applicant and any partner and, where the applicant or his partner is treated (by virtue of paragraph 7) as responsible for a child or young person, that child or young person and any child of that child or young person, are to be treated as members of the same household notwithstanding that any of them is temporarily absent from that household.

(2) A child or young person is not 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 23(2)(a) of the Children Act 1989⁶⁴ or by a voluntary organisation under section 59(1)(a) of that Act, or in Scotland boarded out with the applicant or his partner under a relevant enactment; or

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

(c) placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002⁶⁵ or the Adoption Agencies (Scotland) Regulations 2009⁶⁶.

(3) Subject to sub-paragraph (4), sub-paragraph (1) does not apply to a child or young person who is not living with the applicant and who—

(a) is being looked after by, or in Scotland is in the care of, a local authority under a relevant enactment; or

(b) has been placed, or in Scotland boarded out, with a person other than the applicant prior to adoption; or

(c) has been placed for adoption in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009.

(4) The authority must treat a child or young person to whom sub-paragraph (3)(a) applies as being a member of the applicant's household in any reduction week where—

(a) that child or young person lives with the applicant for part or all of that reduction week; and

(b) the authority considers that it is reasonable to do so taking into account the nature and frequency of that child's or young person's visits.

(5) In this paragraph "relevant enactment" means—

(a) the Army Act 1955⁶⁷;

(b) the Air Force Act 1955⁶⁸;

⁶⁴ 1989 c.41.

⁶⁵ 2002 c.38.

⁶⁶ S.I. 2009/154.

⁶⁷ 1955 c.18.

- (c) the Naval Discipline Act 1957⁶⁹;
- (d) the Matrimonial Proceedings (Children) Act 1958⁷⁰;
- (e) the Social Work (Scotland) Act 1968⁷¹;
- (f) the Family Law Reform Act 1969⁷²;
- (g) the Children and Young Persons Act 1969⁷³;
- (h) the Matrimonial Causes Act 1973;
- (i) the Children Act 1975⁷⁴;
- (j) the Domestic Proceedings and Magistrates' Courts Act 1978⁷⁵;
- (k) the Adoption and Children (Scotland) Act 2007⁷⁶;
- (l) the Family Law Act 1986⁷⁷;
- (m) the Children Act 1989;
- (n) the Children (Scotland) Act 1995⁷⁸; and
- (o) the Legal Aid, Sentencing and Punishment of Offenders Act 2012⁷⁹.

Non-dependants

9.—(1) In this scheme, “non-dependant” means any person, except someone to whom subparagraph (2)n 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 paragraph 8 (households);

⁶⁸ 1955 c.19.

⁶⁹ 1957 c.53.

⁷⁰ 1958 c.40.

⁷¹ 1968 c.49.

⁷² 1969 c.46.

⁷³ 1969 c.54.

⁷⁴ 1975 c.72.

⁷⁵ 1978 c.22.

⁷⁶ 2007 asp 4.

⁷⁷ 1986 c.55.

⁷⁸ 1995 c.36.

⁷⁹ 2012 c.10.

(d) subject to sub-paragraph (3), any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under section 6 or 7 of the 1992 Act (persons liable to pay council tax);

(e) subject to sub-paragraph (3), any person who is liable to make payments on a commercial basis to the applicant or the applicant's partner in respect of the occupation of the dwelling;

(f) a person who lives with the applicant in order to care for him or a partner of his and who is engaged by a charitable or voluntary organisation which makes a charge to the applicant or his partner for the services provided by that person.

(3) Excepting persons to whom sub-paragraph (2)(a) to (c) and (f) refer, a person to whom any of the following paragraphs applies is a non-dependant—

(a) a person who resides with the person to whom he is liable to make payments in respect of the dwelling and either—

- (i) that person is a close relative of his or his partner; or
- (ii) the tenancy or other agreement between them is other than on a commercial basis;

(b) a person whose liability to make payments in respect of the dwelling appears to the authority to have been created to take advantage of a council tax reduction scheme except someone who was, for any period within the eight weeks prior to the creation of the agreement giving rise to the liability to make such payments, otherwise liable to make payments of rent in respect of the same dwelling;

(c) a person who becomes jointly and severally liable with the applicant for council tax in respect of a dwelling and who was, at any time during the period of eight weeks prior to his becoming so liable, a non-dependant of one or more of the other residents in that dwelling who are so liable for the tax, unless the change giving rise to the new liability was not made to take advantage of a council tax reduction scheme.

Remunerative work

10.—(1) Subject to the following provisions of this paragraph, a person must be treated for the purposes of this scheme as engaged in remunerative work if he is engaged, or, where his hours of work fluctuate, he is engaged on average, for not less than 16 hours a week, in work for which payment is made or which is done in expectation of payment.

(2) Subject to sub-paragraph (3), in determining the number of hours for which a person is engaged in work where his hours of work fluctuate, regard must be had to the average of hours worked over—

(a) if there is a recognisable cycle of work, the period of one complete cycle (including, where the cycle involves periods in which the person does no work, those periods but disregarding any other absences);

(b) in any other case, the period of 5 weeks immediately prior to the date of claim, or such other length of time as may, in the particular case, enable the person's weekly average hours of work to be determined more accurately.

(3) Where, for the purposes of sub-paragraph (2)(a), a person's recognisable cycle of work at a school, other educational establishment or other place of employment is one year and includes periods of school holidays or similar vacations during which he does not work, those periods and any other periods not forming part of such holidays or vacations during which he is not required to work must be disregarded in establishing the average hours for which he is engaged in work.

(4) Where no recognisable cycle has been established in respect of a person's work, regard must be had to the number of hours or, where those hours will fluctuate, the average of the hours, which he is expected to work in a week.

(5) A person must be treated as engaged in remunerative work during any period for which he is absent from work referred to in sub-paragraph (1) if the absence is either without good cause or by reason of a recognised, customary or other holiday.

(6) A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any reduction week is to be treated as not being in remunerative work in that week.

(7) A person must not be treated as engaged in remunerative work on any day on which the person is on maternity leave, paternity leave or adoption leave, or is absent from work because he is ill.

(8) A person must not be treated as engaged in remunerative work on any day on which he is engaged in an activity in respect of which—

- (a) a sports award has been made, or is to be made, to him; and
- (b) no other payment is made or is expected to be made to him.

PART 3 **Procedural matters**

Procedure for reduction applications and appeals against reduction decisions

11. Schedule 1 contains provisions about the procedure—

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

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

Classes of person entitled to a reduction under this scheme

12.—(1) The classes of person described in paragraphs 13 to 18 are entitled to a reduction under this scheme.

(2) In those paragraphs, references to the applicant's income or capital include, in a case where that income or capital cannot accurately be determined, references to the applicant's estimated income or capital.

Class A: pensioners whose income is less than the applicable amount

13. 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 19, is not absent from the dwelling throughout the day;
- (c) in respect of whom a maximum council tax reduction amount can be calculated;
- (d) who does not fall within a class of person not entitled to a reduction under this scheme;
- (e) whose income (if any) for the relevant week does not exceed his applicable amount calculated in accordance with paragraph 24 and Schedule 2, and
- (f) who has made an application for a reduction under this scheme.

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

14. 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 19, is not absent from the dwelling throughout the day;
- (c) in respect of whom a maximum council tax reduction amount can be calculated;
- (d) who does not fall within a class of person not entitled to a reduction under this scheme;
- (e) whose income for the relevant week is greater than his applicable amount calculated in accordance with paragraph 24 and Schedule 2;
- (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 $2\frac{6}{7}$ per cent of the difference between his income for the relevant week and his applicable amount, and
- (g) who has made an application for a reduction under this scheme.

Class C: alternative maximum council tax reduction – pensioners

15.—(1) On any day class C consists of any person who is a pensioner—

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

(b) who, subject to paragraph 19, is not absent from the dwelling throughout the day;

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

(d) who does not fall within a class of person not entitled to a reduction under this scheme;

(e) who has made an application for a reduction under this scheme; 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 income, of one or more residents to whom this sub-paragraph applies.

(3) Sub-paragraph (1) 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.

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

16. On any day class D consists of any person who is not a pensioner—

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 19, is not absent from the dwelling throughout the day;
- (c) in respect of whom a maximum council tax reduction amount can be calculated;
- (d) who does not fall within a class of person not entitled to a reduction under this scheme;
- (e) whose income (if any) for the relevant week is less than his applicable amount calculated in accordance with paragraph 25 and Schedule 3, and
- (f) who has made an application for a reduction under this scheme.

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

17. On any day class E consists of any person who is not a pensioner—

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 19, is not absent from the dwelling throughout the day;
- (c) in respect of whom a maximum council tax reduction amount can be calculated;
- (d) who does not fall within a class of person not entitled to a reduction under this scheme;
- (e) whose income for the relevant week is greater than his applicable amount calculated in accordance with paragraph 25 and Schedule 3;
- (f) in respect of whom amount A exceeds amount B where —
 - (i) amount A is the maximum council tax reduction in his case; and
 - (ii) amount B is the sum of
 - (aa) 2 and 6/7 per cent of the difference between his income for the relevant week and his applicable amount, and:
 - (bb) 15 per cent of the difference between Amount A and the amount determined under subparagraph (aa)

Periods of absence from a dwelling

19.—(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;

(h) is a student;

(i) is receiving care provided in residential accommodation and is not a person to whom subparagraph (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 1983⁸⁰, or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003⁸¹ or the Criminal Procedure (Scotland) Act 1995⁸²); and

(b) on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952⁸³ or the Prisons (Scotland) Act 1989⁸⁴.

(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;

⁸⁰ 1983 c.20.

⁸¹ 2003 asp 13.

⁸² 1995 c.46.

⁸³ 1952 c.52.

⁸⁴ 1989 c.45.

“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 5

Classes of person excluded from this scheme

Classes of person excluded from this scheme

20. The classes of person described in paragraphs 21 to 23 are not entitled to a reduction under this scheme.

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

21.—(1) The class of person described in this paragraph consists of any person treated as not being in Great Britain.

(2) For the purposes of determining whether a person meets the basic condition to be in Great Britain, except where a person falls within sub-paragraph (5), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.

(3) A person must not be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland unless the person has a right to reside in one of those places.

(4) For the purposes of sub-paragraph (3), a right to reside does not include a right which exists by virtue of, or in accordance with—

- (a) regulation 13 of the Immigration (European Economic Area) Regulations 2006; or
- (b) Article 6 of Council Directive No.2004/38/EC.

(5) A person falls within this sub-paragraph if the person is—

- (a) a qualified person for the purposes of regulation 6 of the Immigration (European Economic Area) Regulations 2006⁸⁵ as a worker or a self-employed person;
- (b) a family member of a person referred to in paragraph (a) within the meaning of regulation 7 of the Immigration (European Economic Area) Regulations 2006;
- (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 Immigration (European Economic Area) Regulations 2006;
- (d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;
- (e) a person granted limited leave to enter or remain in the United Kingdom outside the provisions of the rules made under section 3(2) of the Immigration Act 1971⁸⁶ on the rejection of their claim for asylum;
- (f) a person who has humanitarian protection granted under those rules; or
- (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 1999⁸⁷ 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.

Persons treated as being in Great Britain

21A.—(1) A person who falls within sub-paragraph (2) or (3) is to be treated as being in Great Britain, unless the person is to be treated as not in Great Britain under paragraph 21.

(2) A person falls within this sub-paragraph if the person is not in Great Britain in the capacity of being—

- (a) an aircraft worker;
- (b) a continental shelf worker who is in a designated area or a prescribed area;
- (c) a Crown servant;
- (d) a mariner; or
- (e) a member of Her Majesty's forces.

(3) A person falls within this sub-paragraph if—

- (a) the person is a member of a couple, and the other member falls within sub-paragraph (2); and

⁸⁵ S.I. 2006/1003.

⁸⁶ 1971 c.77.

⁸⁷ 1999 c.33.

(b) is not in Great Britain by reason only of the fact that the person is living with the other member of the couple.

(4) In this paragraph—

“aircraft worker” means a person who is employed under a contract of service either as a pilot, commander, navigator or other member of the crew of any aircraft, or in any other capacity on board any aircraft where—

(a) the employment in that other capacity is for the purposes of the aircraft or its crew or of any passengers or cargo or mail carried on that aircraft; and

(b) the contract is entered into in the United Kingdom with a view to its performance (in whole or in part) while the aircraft is in flight;

“continental shelf worker” means a person who is employed, whether under a contract of service or not, in a designated area or a prescribed area in connection with any activity mentioned in section 11(2) of Petroleum Act 1998⁸⁸;

“Crown servant” means a person employed by or under the Crown in right of the United Kingdom;

“designated area” means any areas which may from time to time be designated by Order in Council under the Continental Shelf Act 1964⁸⁹ as an area within which the rights of the United Kingdom with respect to the seabed and subsoil and their natural resources may be exercised;

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

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

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

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

Temporary absence from Great Britain

21B.—(1) For the purposes of determining whether a person meets the basic condition to be in Great Britain, a person’s temporary absence from Great Britain is disregarded—

(a) during the first month of the temporary absence if sub-paragraph (2) applies; or

⁸⁸ 1998 c.17.

⁸⁹ 1964 c.29.

(b) during the first 6 months of the temporary absence if sub-paragraph (3) applies.

(2) This sub-paragraph applies where—

(a) the person was entitled to universal credit immediately before the beginning of the period of temporary absence; and

(b) the person has not been absent for more than 2 occasions in the previous 52 weeks, starting from the first day of the current temporary absence period.

(3) This sub-paragraph applies where—

(a) the person was entitled to universal credit immediately before the beginning of the period of temporary absence; and

(b) the absence is solely in connection with—

- (i) the treatment of the person for an illness or physical or mental disability by, or under the supervision of, a person appropriately qualified to carry out that treatment;
- (ii) the person accompanying a person specified in sub-paragraph (5) for the treatment of that specified person for an illness or physical or mental disability by, or under the supervision of, a professional appropriately qualified to carry out that treatment;
- (iii) the person undergoing medically approved convalescence or care as a result of treatment for an illness or physical or mental disability, where the person had that illness or disability before leaving Great Britain.

(4) The period in sub-paragraph (1)(a) must be extended by up to a further one month if—

(a) the temporary absence is in connection with the death of—

- (i) a person specified in sub-paragraph (5);
- (ii) a close relative of the person, or a person specified in sub-paragraph (5);
and

(b) the Secretary of State considers that it would be unreasonable to expect the person to return to Great Britain within the first month.

(5) A person is specified in this sub-paragraph where the person is—

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

(b) a child or qualifying young person for whom the person, or where the person is a member of a couple, the other member, is responsible.

(6) In this paragraph—

“appropriately qualified” means qualified to provide medical treatment, physiotherapy or a form of treatment which is similar to, or related to, either of those forms of treatment;

“medically approved” means certified by a medical practitioner.

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

22.—(1) Persons subject to immigration control are not entitled to a reduction under this scheme⁹⁰.

(2) “Person subject to immigration control” has the meaning given in section 115(9) of the Immigration and Asylum Act 1999.

Class of person excluded from this scheme: capital limit

22A. The class of person described in this paragraph consists of any person whose capital exceeds £16,000⁹¹.

Class of person excluded from this scheme: students

23.—(1) The class of person described in this paragraph consists of any student to whom paragraph 73(1) applies (except to the extent that a student may be entitled to an alternative maximum council tax reduction by virtue of paragraph 18).

(2) In this paragraph “student” has the meaning given by paragraph 71(1) of this scheme.

PART 6

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

Applicable amounts: pensioners (including pensioners in polygamous marriages)

24.—(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;

(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).

⁹⁰ There will be changes to the provision, regarding non-EEA nationals, to reflect finalised universal credit Regulations.

⁹¹ See Part 10, Chapters 1 and 7, of this scheme in relation to the capital of an applicant and the calculation of tariff income from capital.

(2) In Schedule 2—

“additional spouse” means a spouse by the party to the marriage who is additional to the 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 2005⁹².

Applicable amounts: persons who are not pensioners

25.—(1) Subject to paragraphs 26 and 27, the applicable amount for a week for a person who is not a pensioner 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 paragraph 1 of Schedule 3;
- 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 Part 2 of that Schedule (family premium);
- (d) the amount of any premiums which may be applicable to him, determined in accordance with Parts 3 and 4 of that Schedule (premiums);
- (e) the amount of either the—
 - (i) work-related activity component; or
 - (ii) support component, which may be applicable to him in accordance with Part 5 of that Schedule (the components);
- (f) the amount of any transitional addition which may be applicable to him in accordance with Parts 7 and 8 of that Schedule (transitional addition).

(2) In Schedule 3—

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

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

“patient” means a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving

⁹² S.I. 2005/3360.

free in-patient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005.

Polygamous marriages: persons who are not pensioners

26. Where an applicant who is not a pensioner 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(3) of Schedule 3 as if he and that partner were a couple;

(b) an amount equal to the difference between the amounts specified in sub-paragraphs (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 2 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) if he or another partner of the polygamous marriage is responsible for a child or young person who is a member of the same household, the amount specified in Part 2 of that Schedule (family premium);

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

(f) the amount of either the—

(i) work-related activity component; or

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

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

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

27.—(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 authority will use 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 sub-paragraph (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 of State in accordance with section 8(2) of the Welfare Reform Act 2012(98).

PART 7

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

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

28.—(1) Subject to sub-paragraphs (4) to (6), the amount of a person who is a pensioner’s maximum council tax reduction in respect of a day is 100 per cent of the amount A/B where—

(a) A is the amount set by the authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and

(b) B is the number of days in that financial year,

less any deductions in respect of non-dependants which fall to be made under paragraph 29 (non-dependant deductions: pensioners and persons who are not pensioners).

(2) Subject to sub-paragraphs (4) to (6), the amount of a person who is not a pensioner (and who is classed as a person described as Class D in paragraph 16)’s maximum council tax reduction in respect of a day is 100 per cent of the amount A/B where—

(a) A is the amount set by the authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and

(b) B is the number of days in that financial year,

less any deductions in respect of non-dependants which fall to be made under paragraph 29 (non-dependant deductions: pensioners and persons who are not pensioners),

(3) Subject to sub-paragraphs (4) to (6), the amount of a person who is not a pensioner (and who is classed as a person described as Class E in paragraph 17)’s maximum council tax reduction in respect of a day is 100 per cent of the amount A/B where—

(a) A is the amount set by the authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and

(b) B is the number of days in that financial year,

less any deductions in respect of non-dependants which fall to be made under paragraph 29 (non-dependant deductions: pensioners and persons who are not pensioners),

(4) In calculating a person's maximum council tax reduction under this scheme any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act (other than a reduction under this scheme), is to be taken into account.

(5) 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 reduction in his case in accordance with sub-paragraph (1), the amount A is to be divided by the number of persons who are jointly and severally liable for that tax.

(6) 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.

(7) 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 73(2) applies.

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

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

29.—(1) Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in paragraph 28 are —

(a) in respect of a non-dependant aged 18 or over in remunerative work, $\text{£}8.60 \times \frac{1}{7}$;

(b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply, $\text{£}2.85 \times \frac{1}{7}$.

(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 $\text{£}180.00$, the deduction to be made under this paragraph is that specified in subparagraph (1)(b);

(b) not less than $\text{£}180.00$ but less than $\text{£}310.00$, the deduction to be made under this paragraph is $\text{£}5.70$;

(c) not less than $\text{£}310.00$ but less than $\text{£}387.00$, the deduction to be made under this paragraph is $\text{£}7.20$.

(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 is to be deducted.

(4) In applying the provisions of sub-paragraph (2) in the case of a couple or, as the case may be, a polygamous marriage, regard must be had, for the purpose of that sub-paragraph, to the couple's or, as the case may be, all members of the polygamous marriage's joint weekly gross income.

(5) Where in respect of a day—

(a) a person is a resident in a dwelling but is not himself liable for council tax in respect of that dwelling and that day;

(b) other residents in that dwelling (the liable persons) have joint and several liability for council tax in respect of that dwelling and that day otherwise than by virtue of section 9 of the 1992 Act (liability of spouses and civil partners); and

(c) the person to whom paragraph (a) refers is a non-dependant of two or more of the liable persons, the deduction in respect of that non-dependant must be apportioned equally between those liable persons.

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

(a) blind or treated as blind by virtue of paragraph 10 of Schedule 3 (additional condition for the disability premium); or

(b) receiving in respect of himself—

(i) attendance allowance, or would be receiving that allowance but for—

(aa) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or

(bb) an abatement as a result of hospitalisation; or

(ii) the care component of the disability living allowance, or would be receiving that component but for—

(aa) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or

(bb) an abatement as a result of hospitalisation; or

(iii) the daily living component of personal independence payment, or would be receiving that allowance but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients).

(7) No deduction is to be made in respect of a non-dependant if—

(a) although he resides with the applicant, it appears to the authority that his normal home is elsewhere; or

(b) he is in receipt of a training allowance paid in connection with youth training established under section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990; or

(c) he is a full-time student within the meaning of Part 11 (students); or

(d) he is not residing with the applicant because he has been a patient for a period in excess of 52 weeks, and for these purposes—

- (i) “patient” has the meaning given in paragraph 19(6) of this scheme, 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.

(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 non-dependant’s weekly gross income—

(a) any attendance allowance, disability living allowance or personal independence payment 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 53 (calculation of income other than earnings: persons who are not pensioners), would have been disregarded under paragraph 24 of Schedule 4 (income in kind); and

(c) any payment which, had his income fallen to be calculated under paragraph 53, would have been disregarded under paragraph 41 of Schedule 8 (payments made under certain trusts and certain other payments).

PART 8

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

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

30.—(1) Subject to sub-paragraphs (2) and (3), where a person is a pensioner, the alternative maximum council tax reduction in respect of a day where the conditions set out in paragraph 15 are fulfilled, is the amount determined in accordance with Schedule 4.

(2) Subject to sub-paragraph (3), where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the alternative maximum council tax reduction in his case, the amount determined in accordance with Schedule 4 must be divided by the number of persons who are jointly and severally liable for that tax.

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

PART 9

Amount of reduction under this scheme

Amount of reduction under this scheme: Classes A to E

31.—(1) Where a person is entitled to a reduction under this scheme in respect of a day, the amount of the reduction to which he is entitled is as follows:

(2) Where the person is within class A, that amount is the amount which is the maximum council tax reduction in respect of the day in the applicant's case.

(3) Where the person is within class B, that amount is the amount found by deducting amount B from amount A, where "amount A" and "amount B" have the meanings given in paragraph 14(f), as the case may be.

(4) Where the person is within class C, that amount is the amount which is the maximum council tax reduction in respect of the day in the applicant's case.

(5) Where the person is within class D, that amount is the amount which is the maximum council tax reduction in respect of the day in the applicant's case, less 15%.

(6) Where the person is within class E, the amount found by deducting amount B from amount A, where "amount A" and "amount B" have the meanings given in paragraph 17(f).

PART 10

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

CHAPTER 1

Income and capital: general

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

32.— (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 is to be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

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

33.—(1) Sub-paragraph (2) applies where it appears to the authority that a non-dependant and an applicant have entered into arrangements in order to take advantage of this scheme and the non-dependant has more income and capital than the applicant.

(2) Except where—

(a) the applicant is a pensioner and is on a guarantee credit, or

(b) the applicant is not a pensioner and is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the authority will treat the applicant as possessing income and capital belonging to that non-dependant and, in such a case, any income and capital which the applicant does possess is to be disregarded.

(3) Where an applicant is treated as possessing income and capital belonging to a non-dependant under sub-paragraph (2) the income and capital of that non-dependant will be calculated in accordance with the following provisions of this Part in like manner as for the applicant and, except where the context otherwise requires, any reference to the "applicant" is to be construed for the purposes of this Part as if it were a reference to that non-dependant.

CHAPTER 2

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

Applicant in receipt of guarantee credit: pensioners

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

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

35.—(1) In determining the income and capital of an applicant who is a pensioner and who has, or whose partner has, an award of state pension credit comprising only the savings credit, subject to the following provisions of this paragraph, the authority will 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 credit⁹³.

(2) The authority will adjust the amount of the net income provided to the authority by the Secretary of State only in so far as necessary to take into account—

⁹³ See paragraph 22A for the capital limit for eligibility of £16,000.

- (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 56(1)(c);
- (c) the higher amount disregarded under this scheme in respect of—
 - (i) lone parent's earnings; or
 - (ii) payments of maintenance, whether under a court order or not, which is made or due to be made by—
 - (aa) the applicant's former partner, or the applicant's partner's former partner; or
 - (bb) the parent of a child or young person where that child or young person is a member of the applicant's family except where that parent is the applicant or the applicant's partner;
- (d) any amount to be disregarded by virtue of paragraph 10(1) of Schedule 5;
- (e) the income and capital of any partner of the applicant who is treated as a member of the applicant's household under paragraph 8, to the extent that it is not taken into account in determining the net income of the person claiming state pension credit;
- (f) paragraph 33 (circumstances in which capital and income of a non-dependant is to be treated as applicant's), if the authority determines that that provision applies in the applicant's case;
- (g) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act⁹⁴;

(h) any amount to be disregarded by virtue of paragraph 6 of Schedule 5.

(3) Paragraphs 38 to 43 and 56 to 60 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 62, 64 to 68 of this scheme.

(5) This sub-paragraph applies if—

- (a) the Secretary of State notifies the authority that the applicant's capital has been determined as being £16,000 or less or the authority determines his capital as being £16,000 or less;
- (b) subsequent to that determination the applicant's capital rises to more than £16,000; and
- (c) the increase occurs whilst there is in force an assessed income period within the meaning of sections 6 and 9 of the State Pension Credit Act 2002.

CHAPTER 3

⁹⁴ Section 13A is substituted by [clause 9] of the Local Government Finance Act 2012 (c.[]).

Income and capital where there is an award of universal credit

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

36.—(1) In determining the income 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, subject to the following provisions of this paragraph, use 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.

(2) The authority will modify the figure for income provided by the Secretary of State to take into account—

- (a) the amount of any universal credit payable net of the child care costs element and housing costs element;
- (b) any sum to be disregarded under Schedule 7 of this scheme (sums to be disregarded in the calculation of earnings: persons who are not pensioners);
- (c) any sum to be disregarded under Schedule 8 of this scheme (sums to be disregarded in the calculation of income other than earnings: persons who are not pensioners);
- (d) the income and capital of 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;
- (e) paragraph 33 (circumstances in which income and capital of non-dependant is to be treated as applicant's), if the authority determines that the provision applies in the applicant's case;
- (f) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act.

(3) Paragraphs 32, 33, 46 to 56 and 58 to 61 (calculation of income) apply only for the purpose of determining any modifications which fall to be made to the figure for earned income under subparagraph (2).

(4) 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 award⁹⁵.

CHAPTER 4

Income: other pensioners

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

37. Where neither paragraph 34 nor 35 applies in the applicant's case, his income and capital is to be calculated or estimated in accordance with paragraphs 38 to 43 and 56 to 60 and Chapter 7 of this Part.

Meaning of “income”: pensioners

38.—(1) For the purposes of classes A to C in this scheme, “income” means income of any of the following descriptions—

- (a) earnings;
- (b) working tax credit;
- (c) retirement pension income within the meaning of the State Pension Credit Act 2002;
- (d) income from annuity contracts (other than retirement pension income);
- (e) a war disablement pension or war widow's or widower's pension;
- (f) a foreign war disablement pension or war widow's or widower's pension;
- (g) a guaranteed income payment;
- (h) a payment made under article 21(1)(c) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005⁹⁶, in any case where article 23(2)(c) applies;
- (i) income from capital other than capital disregarded under Part 1 of Schedule 9;
- (j) social security benefits, other than retirement pension income or any of the following benefits—
 - (i) disability living allowance;
 - (ii) personal independence payment;
 - (iii) attendance allowance payable under section 64 of the SSCBA;
 - (iv) an increase of disablement pension under section 104 or 105 of that Act;

⁹⁵ See paragraph 22A for the capital limit for eligibility of £16,000.

⁹⁶ S.I. 2005/439.

- (v) a payment under regulations made in exercise of the power conferred by paragraph 7(2)(b) of Part 2 of Schedule 8 to that Act;
 - (vi) an increase of an allowance payable in respect of constant attendance under paragraph 4 of Part 1 of Schedule 8 to that Act;
 - (vii) child benefit;
 - (viii) any guardian's allowance payable under section 77 of the SSCBA;
 - (ix) any increase for a dependant, other than the applicant's partner, payable in accordance with Part 4 of that Act;
 - (x) any social fund payment made under Part 8 of that Act;
 - (xi) Christmas bonus payable under Part 10 of that Act;
 - (xii) housing benefit;
 - (xiii) council tax benefit;
 - (xiv) bereavement payment;
 - (xv) statutory sick pay;
 - (xvi) statutory maternity pay;
 - (xvii) statutory paternity pay payable under Part 12ZA of the SSCBA;
 - (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 prescribed above;
- (l) a payment made—
- (i) under article 30 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006⁹⁷, 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;

⁹⁷ S.I. 2006/606.

(n) payments under a scheme made under the Pneumoconiosis etc. (Worker's Compensation) Act 1979⁹⁸;

(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 1837⁹⁹,
- (ii) the Civil List Act 1937¹⁰⁰,
- (iii) the Civil List Act 1952¹⁰¹,
- (iv) the Civil List Act 1972¹⁰², or
- (v) the Civil List Act 1975¹⁰³;

(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

⁹⁸ 1979 c.41.

⁹⁹ 1837 c.2.

¹⁰⁰ 1937 c.32.

¹⁰¹ 1952 c.37.

¹⁰² 1972 c.7.

¹⁰³ 1975 c.82.

(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) is to be the amount of working tax credit or child tax credit awarded less the amount of that deduction.

(4) The adjustments specified in this sub-paragraph are those made in accordance with—

(a) the Social Security (Overlapping Benefits) Regulations 1979¹⁰⁴;

(b) the Social Security (Hospital In-Patients) Regulations 1975;

(c) section 30DD or section 30E of the SSCBA(111) (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)(w), "equity release scheme" means a loan—

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

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

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

Calculation of weekly income: pensioners

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

(a) does not exceed a week, the whole of that payment is to be included in the applicant's weekly income;

(b) exceeds a week, the amount to be included in the applicant's weekly income is to be determined—

¹⁰⁴ S.I. 1979/597.

- (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 5 are to be disregarded in calculating—
(a) the applicant's earnings; and

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

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

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

(12) Schedule 9 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 69.

(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.

Earnings of employed earners: pensioners

40.—(1) Subject to sub-paragraph (2), "earnings", in the case of employment as an employed earner who is a pensioner, means any remuneration or profit derived from that employment and includes—

(a) any bonus or commission;

(b) any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;

(c) any payment in lieu of notice;

(d) any holiday pay;

(e) any payment by way of a retainer;

(f) any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of—

(i) travelling expenses incurred by the applicant between his home and place of employment;

(ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;

(g) the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001¹⁰⁵;

(h) statutory sick pay and statutory maternity pay payable by the employer under the SSCBA;

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

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

(k) 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 1996¹⁰⁶ 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 subparagraph (1)(g).

Calculation of net earnings of employed earners: pensioners

41.—(1) For the purposes of paragraph 56 (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 39(4) and Schedule 5, be his net earnings.

¹⁰⁵ S.I. 2001/1004.

¹⁰⁶ 1996 c.17

(2) For the purposes of sub-paragraph (1) net earnings must, except where sub-paragraph (5) applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less—

(a) any amount deducted from those earnings by way of—

- (i) income tax;
- (ii) primary Class 1 contributions under the SSCBA;

(b) one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;

(c) one-half of the amount calculated in accordance with sub-paragraph (4) in respect of any qualifying contribution payable by the applicant; and

(d) where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay 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 Act.

(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 39(2)(b) (calculation of weekly income: classes A to C) his net earnings is to be calculated by taking into account those earnings over the assessment period, less—

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

Calculation of earnings of self-employed earners: pensioners

42.—(1) Where the earnings of an applicant who is a pensioner consist of earnings from employment as a self-employed earner, the weekly amount of his earnings is to be determined by reference to his average weekly earnings from that employment—

(a) over a period of one year; or

(b) where the applicant has recently become engaged in that employment or there has been a change which is likely to affect the normal pattern of business, over such other period (“computation period”) as may, in the particular case, enable the weekly amount of his earnings to be determined more accurately.

(2) For the purposes of determining the weekly amount of earnings of an applicant to whom sub-paragraph (1)(b) applies, his earnings over the computation period are to be divided by the number equal to the number of days in that period and the product multiplied by 7.

(3) The period over which the weekly amount of an applicant’s earnings is calculated in accordance with this paragraph is to be his assessment period.

Earnings of self-employers earners: pensioners

43.—(1) Subject to sub-paragraph (2), “earnings”, in the case of employment as a self-employed earner who is a pensioner, means the gross income of the employment.

(2) “Earnings” in the case of employment as a self-employed earner does not include—

(a) where an applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation for which payment is made, those payments;

(b) any payment made by a local authority to an applicant—

(i) with whom a person is accommodated by virtue of arrangements made under section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after) 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 (provision of accommodation by voluntary organisations);

(d) any payment made to the applicant or his partner for a person (“the person concerned”) who is not normally a member of the applicant’s household but is temporarily in his care, by—

- (i) a health authority;
- (ii) a local authority but excluding payments of housing benefit made in respect of the person concerned;
- (iii) a voluntary organisation;
- (iv) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948¹⁰⁷;
- (v) a primary care trust established under section 16A of the National Health Service Act 1977¹⁰⁸ or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or
- (vi) a Local Health Board established under section 16B of the National Health Service Act 1977 or established by an order made under section 11 of the National Health Service (Wales) Act 2006¹⁰⁹;

(e) any sports award.

Notional income: pensioners

44.—(1) An applicant who is a pensioner is to be treated as possessing—

- (a) subject to sub-paragraph (2), the amount of any retirement pension income—
 - (i) for which no claim has been made; and
 - (ii) to which he might expect to be entitled if a claim for it were made;
- (b) income from an occupational pension scheme which the applicant elected to defer.

(2) Sub-paragraph (1)(a) does not apply to the following where entitlement has been deferred—

- (a) a Category A or Category B retirement pension payable under sections 43 to 55 of the SSCBA;
- (b) a shared additional pension payable under section 55A of the SSCBA;
- (c) graduated retirement benefit payable under sections 36 and 37 of the National Insurance Act 1965¹¹⁰.

(3) For the purposes of sub-paragraph (2), entitlement has been deferred—

¹⁰⁷ 1948 c.29.

¹⁰⁸ 1977 c.49.

¹⁰⁹ 2006 c.42.

¹¹⁰ 1965 c.51.

- (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 Pension Schemes Act 1993.

(9) Subject to sub-paragraphs (10) and (12), a person is to be treated as possessing income of which he has deprived himself for the purpose of securing entitlement to a reduction under this scheme or increasing the amount of the reduction.

(10) Sub-paragraph (9) does not apply in respect of the amount of an increase of pension or benefit where a person, having made an election in favour of that increase of pension or benefit under Schedule 5 or 5A to the SSCBA or under Schedule 1 to the Social Security (Graduated

Retirement Benefit) Regulations 2005¹¹¹, 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 will 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 35(1) (calculation of applicant's income in savings credit only cases: pensioners) where the calculation or estimate of that income and capital is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter; and

(b) treat that applicant as possessing such income and capital at the altered rate by reference to the date selected by the relevant authority to apply in its area, for the purposes of establishing the period referred to in sub-paragraph (13).

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

(a) his rights to benefits under a registered pension scheme are extinguished and in consequence of this he receives a payment from the scheme, and

(b) that payment is a trivial commutation lump sum within the meaning given by paragraph 7 of Schedule 29 to the Finance Act 2004¹¹².

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

Income paid to third parties: pensioners

45.—(1) Any payment of income, other than a payment specified in sub-paragraph (2) or (3), to a third party in respect of the 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

¹¹¹ S.I. 2005/454.

¹¹² 2004 c.12.

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 1980¹¹³;
- (b) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
- (c) the person referred to in paragraph (a) and his partner does not possess, or is not treated as possessing, any other income apart from that payment.

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

CHAPTER 5

Income: persons who are not pensioners

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

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

(a) over a period immediately preceding the reduction week in which the application is made or treated as made and being a period of—

- (i) 5 weeks, if he is paid weekly; or
- (ii) 2 months, if he is paid monthly; or

(b) whether or not paragraph (a)(i) or (ii) applies, where an applicant's earnings fluctuate, over such other period preceding the reduction week in which the 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 subparagraph (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 earnings¹¹⁴.

(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

¹¹³ 1980 c.46.

¹¹⁴ Powers in section 14A of the LGFA 1992 may be used to confer power to require employers to provide information for these purposes.

over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period will not in any case exceed 52 weeks.

(4) For the purposes of this paragraph the applicant's earnings are to be calculated in accordance with paragraphs 50 and 51.

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

47.—(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 52, 60 and 61 of this scheme.

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

48.—(1) The income of an applicant who is not a pensioner which does not consist of earnings must, except where sub-paragraph (2) applies, be estimated over such period as is appropriate in order that his average weekly income may be estimated accurately but the length of the period must not in any case exceed 52 weeks; and nothing in this paragraph authorises an authority to disregard any such income other than that specified in Schedule 8.

(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 53 of this scheme.

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

49.—(1) For the purposes of paragraphs 46 (average weekly earnings of employed earners), 48 (average weekly income other than earnings) and 58 (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 47 (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.

Earnings of employed earners: persons who are not pensioners

50.—(1) Subject to sub-paragraph (2), “earnings”, in the case of employment as an employed earner of a person who is not a pensioner, means any remuneration or profit derived from that employment and includes—

- (a) any bonus or commission;
- (b) any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
- (c) any payment in lieu of notice or any lump sum payment intended as compensation for the loss of employment but only in so far as it represents loss of income;
- (d) any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;
- (e) any payment by way of a retainer;
- (f) any payment made by the applicant’s employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant’s employer in respect of—
 - (i) travelling expenses incurred by the applicant between his home and place of employment;
 - (ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant’s absence from home;
- (g) any award of compensation made under section 112(4) or 117(3)(a) of the Employment Rights Act 1996 (remedies and compensation for unfair dismissal);
- (h) any payment or remuneration made under section 28, 34, 64, 68 or 70 of the Employment Rights Act 1996 (right to guarantee payments, remuneration on suspension on medical or maternity grounds, complaints to employment tribunals);
- (i) any such sum as is referred to in section 112 of the SSCBA (certain sums to be earnings for social security purposes);
- (j) any statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;
- (k) any remuneration paid by or on behalf of an employer to the applicant who for the timebeing 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 subparagraph (1)(l).

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

51.—(1) For the purposes of paragraph 46 (average weekly earnings of employed earners: classes D to F), 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 16 of Schedule 7.

(3) For the purposes of sub-paragraph (1) net earnings must, except where sub-paragraph (6) applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less—

(a) any amount deducted from those earnings by way of—

- (i) income tax;
- (ii) primary Class 1 contributions under the SSCBA;

(b) one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;

(c) one-half of the amount calculated in accordance with sub-paragraph (5) in respect of any qualifying contribution payable by the applicant; and

(d) where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, any amount deducted from those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions under the SSCBA.

(4) In this regulation "qualifying contribution" means any sum which is payable periodically as a contribution towards a personal pension scheme.

(5) The amount in respect of any qualifying contribution is to be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this regulation 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.

(6) Where the earnings of an applicant are estimated under paragraph 46(2)(b) (average weekly earnings of employed earners: classes D to F), his net earnings is to be calculated by taking into account those earnings over the assessment period, less—

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

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

52.—(1) Subject to sub-paragraph (2), “earnings”, in the case of employment as a self-employed earner of a person who is not a pensioner, means the gross income of the employment.

(2) “Earnings” does not include any payment to which paragraph 31 or 32 of Schedule 8 refers (payments in respect of a person accommodated with the applicant under arrangements made by a local authority or voluntary organisation and payments made to the applicant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the applicant’s care) nor does it include any sports award.

(3) This paragraph applies to—

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

(b) any payment in respect of any—

- (i) book registered under the Public Lending Right Scheme 1982; or
- (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982, where the applicant is the first owner of the copyright, design, patent or trade mark, or an original contributor to the book or work concerned.

(4) Where the applicant's earnings consist of any items to which sub-paragraph (3) applies, those earnings must be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction is to be treated as a corresponding fraction of a week) by dividing the earnings by—

(a) the amount of reduction under this scheme to which the applicant would have been entitled had the payment not been made, plus

(b) an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners) as appropriate in the applicant's case.

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

53.—(1) For the purposes of paragraph 48 (average weekly income other than earnings: persons who are not pensioners), the income of an applicant who is not a pensioner which does not consist of earnings to be taken into account must, subject to sub-paragraphs (2) to (8), be his gross income and any capital treated as income under paragraph 54 (capital treated as income: persons who are not pensioners).

(2) There is to be disregarded from the calculation of an applicant's gross income under subparagraph (1), any sum, where applicable, specified in Schedule 8.

(3) Where the payment of any benefit under the benefit Acts is subject to any deduction by way of recovery the amount to be taken into account under subparagraph (1) must be the gross amount payable.

(4) Where the applicant or, where he is a member of a couple, his partner is receiving a contributory employment and support allowance and that benefit has been reduced under regulation 63 of the Employment and Support Allowance Regulations 2008¹¹⁵, the amount of that benefit to be taken into account is the amount as if it had not been reduced.

(5) Where an award of any working tax credit or child tax credit under the Tax Credits Act 2002 is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under subparagraph (1) is to be the amount of working tax credit or child tax credit awarded less the amount of that deduction.

(6) In subparagraph (5), "tax year" means a period beginning with 6th April in one year and ending with 5th April in the next.

(7) Sub-paragraphs (8) and (9) apply where—

(a) a relevant payment has been made to a person in an academic year; and

(b) that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.

(8) Where a relevant payment is made quarterly, the amount of a relevant payment to be taken into account for the assessment period for the purposes of subparagraph (1) in respect of a person to whom subparagraph (7) applies, is to be calculated by applying the formula—

¹¹⁵ S.I. 2008/794.

$(A - (B \times C)) / D$

where—

A = the total amount of the relevant payment which that person would have received had he remained a student until the last day of the academic term in which he abandoned, or was dismissed from, his course, less any deduction under paragraph 79(5);

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

C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under paragraph 79(2) had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to a reduction under this scheme immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to housing benefit;

D = the number of reduction weeks in the assessment period.

(9) Where a relevant payment is made by two or more instalments in a quarter, the amount of a relevant payment to be taken into account for the assessment period for the purposes of subparagraph (1) in respect of a person to whom sub-paragraph (7) applies, is to be calculated by applying the formula in sub-paragraph (8) but as if—

A = the total amount of relevant payments which that person received, or would have received, from the first day of the academic year to the day the person abandoned the course, or was dismissed from it, less any deduction under paragraph 79(5).

(10) In this regulation—

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

“assessment period” means—

(a) in a case where a relevant payment is made quarterly, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person;

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

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

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

whichever of those dates is earlier;

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

- (c) 1st January and ending on 31st March;
- (d) 1st April and ending on 30th June;
- (e) 1st July and ending on 31st August; or
- (f) 1st September and ending on 31st December;

“relevant payment” means either a student loan or an amount intended for the maintenance of dependants referred to in paragraph 74(7) or both.

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

- (a) any payment to which paragraph 40(2) or 50(2) (payments not earnings) applies; or
- (b) in the case of an applicant who is receiving support under section 95 or 98 of the Immigration and Asylum Act 1999 including support provided by virtue of regulations made under Schedule 9 to that Act, the amount of such support provided in respect of essential living needs of the applicant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act 1999.

Capital treated as income: persons who are not pensioners

54.—(1) Any capital payable by instalments which are outstanding at the date on which the claim is made or treated as made, or, at the date of any subsequent revision or supersession, must, if the aggregate of the instalments outstanding and the amount of the applicant’s capital otherwise calculated in accordance with Chapter 7 of this Part exceeds £16,000, be treated as income.

(2) Any payment received under an annuity is to be treated as income.

(3) Any earnings to the extent that they are not a payment of income is to be treated as income.

(4) Any Career Development Loan paid pursuant to section 2 of the Employment and Training Act 1973 is to be treated as income.

(5) Where an agreement or court order provides that payments must be made to the applicant in consequence of any personal injury to the applicant and that such payments are to be made, wholly or partly, by way of periodic payments, any such periodic payments received by the applicant (but not a payment which is treated as capital by virtue of this Part), is to be treated as income.

Notional income: persons who are not pensioners

55.—(1) An applicant who is not a pensioner is to be treated as possessing income of which he has deprived himself for the purpose of securing entitlement to a reduction under a council tax reduction scheme or increasing the amount of the reduction.

(2) Except in the case of—

- (a) a discretionary trust;
- (b) a trust derived from a payment made in consequence of a personal injury;
- (c) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund where the applicant has not attained the qualifying age for state pension credit;
- (d) any sum to which paragraph 50(2)(a) of Schedule 9 (capital to be disregarded) applies which is administered in the way referred to in paragraph 50(1)(a);
- (e) any sum to which paragraph 51(a) of Schedule 9 refers;
- (f) rehabilitation allowance made under section 2 of the Employment and Training Act 1973;
- (g) child tax credit;
- (h) working tax credit, or
- (i) any sum to which sub-paragraph (11) applies, any income which would become available to the applicant upon application being made, but which has not been acquired by him, is to be treated as possessed by the applicant but only from the date on which it could be expected to be acquired were an application made.

(3) Any payment of income, other than a payment of income specified in sub-paragraph (4), made—

- (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) must, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
- (b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) must, where it is not a payment referred to in paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
- (c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) must be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

(4) Sub-paragraph (3) does not apply in respect of a payment of income made—

(a) under or by the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006);

(b) pursuant to section 19(1)(a) of the Coal Industry Act 1994¹¹⁶ (concessionary coal);

(c) pursuant to section 2 of the Employment and Training Act 1973 in respect of a person's participation—

(i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996¹¹⁷;

(ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;

(iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;

(iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or

(v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;

(d) in respect of a person's participation in the Work for Your Benefit Pilot Scheme;

(e) in respect of a person's participation in the Mandatory Work Activity Scheme;

(f) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;

(g) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—

(i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;

(ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and

(iii) the person referred to in sub-paragraph (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

¹¹⁶ 1994 c.21.

¹¹⁷ S.I. 1996/207.

(5) Where an applicant is in receipt of any benefit under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter, the authority must treat the applicant as possessing such benefit at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority selects, to the date on which the altered rate is to take effect.

(6) Subject to sub-paragraph (7), where—

- (a) an applicant performs a service for another person; and
- (b) that person makes no payment of earnings or pays less than that paid for a comparable employment in the area, the authority must treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.

(7) Sub-paragraph (6) does not apply—

- (a) to an applicant who is engaged by a charitable or voluntary organisation or who is a volunteer if the authority is satisfied in any of those cases that it is reasonable for him to provide those services free of charge; or
- (b) in a case where the service is performed in connection with—
 - (i) the applicant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations 1996, other than where the service is performed in connection with the applicant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations; or
 - (ii) the applicant's or the applicant's partner's participation in an employment or training programme as defined in regulation 19(3) of those Regulations for which a training allowance is not payable or, where such an allowance is payable, it is payable for the sole purpose of reimbursement of travelling or meal expenses to the person participating in that programme; or
- (c) to an applicant who is participating in a work placement approved by the Secretary of State (or a person providing services to the Secretary of State) before the placement starts.

(8) In sub-paragraph (7)(c) "work placement" means practical work experience which is not undertaken in expectation of payment.

(9) Where an applicant is treated as possessing any income under any of sub-paragraphs (1) to (8), the foregoing provisions of this Part apply for the purposes of calculating the amount of that income as if a payment had actually been made and as if it were actual income which he does possess.

(10) Where an applicant is treated as possessing any earnings under sub-paragraph (6) the foregoing provisions of this Part apply for the purposes of calculating the amount of those earnings as if a payment had actually been made and as if they were actual earnings which he does possess except that paragraph 41(2) or 51(3) (calculation of net earnings of employed earners: pensioners and persons who are not pensioners,

respectively) do not apply and his net earnings are to be calculated by taking into account those earnings which he is treated as possessing, less—

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

(b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the SSCBA in respect of those earnings if such contributions were payable; and

(c) one-half of any sum payable by the applicant by way of a contribution towards an occupational or personal pension scheme.

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

CHAPTER 6

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

Calculation of income on a weekly basis

56.—(1) Subject to paragraph 59 (disregard of changes in tax, etc.), the income of an applicant is to be calculated on a weekly basis—

(a) by estimating the amount which is likely to be his average weekly income in accordance with this Part;

(b) by adding to that amount the weekly income calculated—

- (i) if the applicant is a pensioner, under paragraph 69 (tariff income: pensioners);
 - (ii) if the applicant is a person who is not a pensioner, under paragraph 70 (tariff income: persons who are not pensioners);
- and

(c) deducting from the sum of paragraphs (a) and (b) any relevant child care charges to which paragraph 57 (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 paragraph (1)(c) above refers is to be—

(a) where the applicant's family includes only one child in respect of whom relevant child care charges are paid, £175.00 per week;

(b) where the applicant's family includes more than one child in respect of whom relevant child care charges are paid, £300 per week.

Treatment of child care charges

57.—(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 1975¹¹⁸.

¹¹⁸ S.I. 1975/556.

(3) This sub-paragraph applies to a person who was engaged in remunerative work immediately before—

(a) the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or

(b) the first day of the period in respect of which earnings are credited, as the case may be.

(4) In a case to which sub-paragraph (2)(d) or (e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.

(5) Relevant child care charges are those charges for care to which sub-paragraphs (6) and (7) apply, and are to be calculated on a weekly basis in accordance with sub-paragraph (10).

(6) The charges are paid by the applicant for care which is provided—

(a) in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or

(b) in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.

(7) The charges are paid for care which is provided by one or more of the care providers listed in sub-paragraph (8) and are not paid—

(a) in respect of the child's compulsory education;

(b) by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible in accordance with paragraph 7 (circumstances in which a person is treated as responsible or not responsible for another); or

(c) in respect of care provided by a relative of the child wholly or mainly in the child's home.

(8) The care to which sub-paragraph (7) refers may be provided—

(a) out of school hours, by a school on school premises or by a local authority—

(i) for children who are not disabled in respect of the period beginning on their eighth birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or

(ii) for children who are disabled in respect of the period beginning on their eighth birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or

(b) by a child care provider approved in accordance with the Tax Credit (New Category of Child Care Provider) Regulations 1999; or

(c) by persons registered under Part 2 of the Children and Families (Wales) Measure 2010¹¹⁹; 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 2010¹²⁰; 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 2006¹²¹; or

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

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

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

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

(l) by a domiciliary care worker under the Domiciliary Care Agencies Regulations 2002¹²²; or

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

¹¹⁹ 2010 c.1.

¹²⁰ S.I. 2010/2574 (W.214).

¹²¹ 2006 c.21.

¹²² S.I. 2002/3214.

(9) In sub-paragraphs (6) and (8)(a), “the first Monday in September” means the Monday which first occurs in the month of September in any year.

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

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

(a) the applicant is a pensioner and the other member of the couple is aged not less than 80;

(b) the applicant is a pensioner and the other member of the couple is aged less than 80, and—

(i) the additional conditions specified in paragraph 10 of Schedule 3 to this scheme are treated as applying in his case; and

(ii) he satisfies those conditions or would satisfy them but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the SSCBA;

(c) the applicant is not a pensioner, the applicant’s applicable amount includes a disability premium on account of the other member’s incapacity or the support component or the work-related activity component on account of his having limited capability for work;

(d) the applicant is not a pensioner, the applicant’s applicable amount would include a disability premium on account of the other member’s incapacity but for that other member being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the SSCBA;

(e) the 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;

(f) the applicant is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the SSCBA (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days must be treated as one continuous period;

(g) the applicant has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations 2008 for a continuous period of not less than 196 days and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;

(h) there is payable in respect of him one or more of the following pensions or allowances—

- (i) long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the SSCBA;
- (ii) attendance allowance under section 64 of the SSCBA;
- (iii) severe disablement allowance under section 68 of the SSCBA;
- (iv) disability living allowance under section 71 of the SSCBA;
- (v) personal independence payment under Part 4 of the Welfare Reform Act 2012;
- (vi) increase of disablement pension under section 104 of the SSCBA;
- (vii) 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 (vi) above;
- (viii) main phase employment and support allowance;

(i) a pension or allowance to which sub-paragraph (vi) or (vii) of paragraph (h) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this paragraph means a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005;

(j) an attendance allowance under section 64 of the SSCBA or disability living allowance under section 71 of that Act would be payable to that person but for—

- (i) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or
- (ii) an abatement as a consequence of hospitalisation;

(k) the daily living component of personal independence payment would be payable to that person but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);

(l) paragraph (h), (i), (j) or (k) would apply to him if the legislative provisions referred to in those paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or

(m) he has an invalid carriage or other vehicle provided to him by the Secretary of State under section 5(2)(a) of and Schedule 2 to the National Health Service Act 1977 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.

(12) For the purposes of sub-paragraph (11), once sub-paragraph (11)(f) applies to the applicant, if he then ceases, for a period of 56 days or less, to be incapable, or to be

treated as incapable, of work, that sub-paragraph shall, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.

(13) For the purposes of sub-paragraph (11), once sub-paragraph (11)(g) applies to the applicant, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter apply to him for so long as he has, or is treated as having, limited capability for work.

(14) For the purposes of sub-paragraphs (6) and (8)(a), a person is disabled if he is a person—

(a) to whom an attendance allowance or the care component of disability allowance is payable or would be payable but for—

(i) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or

(ii) an abatement as a consequence of hospitalisation;

(b) to whom the daily living component of personal independence payment is payable or 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.

(15) For the purposes of sub-paragraph (1) a woman on maternity leave, paternity leave or adoption leave is to be treated as if she is engaged in remunerative work for the period specified in sub-paragraph (16) ("the relevant period") provided that—

(a) in the week before the period of maternity leave, paternity leave or adoption leave began she was in remunerative work;

(b) the applicant is incurring relevant child care charges within the meaning of sub-paragraph (5); and

(c) she is entitled to either statutory maternity pay under section 164 of the SSCBA, statutory paternity pay by virtue of section 171ZA or 171ZB of that Act, statutory adoption pay by of section 171ZL of that Act, maternity allowance under section 35 of that Act or qualifying support.

(16) For the purposes of sub-paragraph (15) the relevant period begins on the day on which the person's maternity, paternity leave or adoption leave commences and ends on—

(a) the date that leave ends;

(b) if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support (if relevant), statutory maternity pay, 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 or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credit ends, whichever occurs first.

(17) In sub-paragraphs (15) and (16)—

(a) "qualifying support" means income support to which that person is entitled by virtue of paragraph 14B of Schedule 1B to the Income Support (General) Regulations 1987; 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).

Calculation of average weekly income from tax credits

58.—(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 must be 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.

Disregard of changes in tax, contributions etc.

59. 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.

Calculation of net profit of self-employed earners

60.—(1) For the purposes of paragraphs 47 (average weekly earnings of self-employed earners: persons who are not pensioners) and 56 (calculation of income on a weekly basis) the earnings of an applicant to be taken into account must be—

- (a) in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
- (b) in the case of a self-employed earner who is a pensioner whose employment is carried on in partnership, his share of the net profit derived from that employment, less—
 - (i) an amount in respect of income tax and of social security contributions payable under the SSCBA calculated in accordance with paragraph 61 (deduction of tax and contributions of self-employed earners); and
 - (ii) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium;
- (c) in the case of a self-employed earner who is not a pensioner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975, his share of the net profit derived from that employment, less—
 - (i) an amount in respect of income tax and of social security contributions payable under the SSCBA calculated in accordance with paragraph 61 (deduction of tax and contributions for self-employed earners); and
 - (ii) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.

(2) There must be disregarded from the net profit of an applicant who is not a pensioner, any sum, where applicable, specified in paragraphs 1 to 16 of Schedule 7.

(3) For the purposes of sub-paragraph (1)(a) the net profit of the employment must, except where sub-paragraph (9) applies, be calculated by taking into account the earnings of the employment over the assessment period less—

(a) subject to sub-paragraphs (5) to (8), any expenses wholly and exclusively incurred in that period for the purposes of that employment;

(b) an amount in respect of—

- (i) income tax; and
- (ii) social security contributions payable under the Act, calculated in accordance with paragraph 61; and

(c) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.

(4) For the purposes of sub-paragraph (1)(b) the net profit of the employment is to be calculated by taking into account the earnings of the employment over the assessment period less, subject to sub-paragraphs (5) to (8), any expenses wholly and exclusively incurred in that period for the purposes of the employment.

(5) Subject to sub-paragraph (6), no deduction is to be made under paragraph (3)(a) or (4), in respect of—

(a) any capital expenditure;

(b) the depreciation of any capital asset;

(c) any sum employed or intended to be employed in the setting up or expansion of the employment;

(d) any loss incurred before the beginning of the assessment period;

(e) the repayment of capital on any loan taken out for the purposes of the employment;

(f) any expenses incurred in providing business entertainment; and

(g) in the case of an applicant who is not a pensioner, any debts, except bad debts proved to be such, but this paragraph does not apply to any expenses incurred in the recovery of a debt.

(6) A deduction is to be made under sub-paragraph (3)(a) or (4) in respect of the repayment of capital on any loan used for—

(a) the replacement in the course of business of equipment or machinery; or

(b) the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.

(7) The authority must refuse to make a deduction in respect of any expenses under subparagraph (3)(a) or (4) where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.

(8) For the avoidance of doubt—

(a) a deduction must not be made under sub-paragraph (3)(a) or (4) in respect of any sum unless it has been expended for the purposes of the business;

(b) a deduction must be made thereunder in respect of—

- (i) the excess of any value added tax paid over value added tax received in the assessment period;
- (ii) any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
- (iii) any payment of interest on a loan taken out for the purposes of the employment.

(9) Where an applicant is engaged in employment as a child minder the net profit of the employment is to be one-third of the earnings of that employment, less—

(a) an amount in respect of—

- (i) income tax; and
- (ii) social security contributions payable under the SSCBA, calculated in accordance with paragraph 61 (deduction of tax and contributions for self-employed earners); and

(b) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.

(10) For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments must not be offset against his earnings in any other of his employments.

(11) The amount in respect of any qualifying premium is to be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this paragraph the daily amount of the qualifying premium must be determined—

(a) where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and dividing the product by 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.

(12) In this paragraph, “qualifying premium” means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of application.

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

61.—(1) The amount to be deducted in respect of income tax under paragraph 60(1)(b)(i), (3)(b)(i) or (9)(a)(i) (calculation of net profit of self-employed earners) must be calculated—

(a) on the basis of the amount of chargeable income, and

(b) as if that income were assessable to income tax at the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under section 257(1) of the Income and Corporation Taxes Act 1988 (personal allowances) as is appropriate to his circumstances.

(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 60(1)(b)(i), (3)(b)(ii) or (9)(a)(ii) is the total of—

(a) the amount of Class 2 contributions payable under section 11(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, (5) of paragraph 60;

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

CHAPTER 7

Capital

Calculation of capital

62.—(1) The capital of an applicant¹²³ to be taken into account must be, subject to subparagraph (2), the whole of his capital calculated in accordance with this Part and (in the case of persons who are not pensioners) any income treated as capital under paragraph 63 (income treated as capital: persons who are not pensioners).

(2) There must be disregarded from the calculation of an applicant's capital under subparagraph (1), any capital, where applicable, specified in—

(a) Schedule 9, in relation to pensioners;

(b) Schedule 10, in relation to persons who are not pensioners.

(3) In the case of an applicant who is a pensioner, his capital is to be treated as including any payment made to him by way of arrears of—

¹²³ See paragraph 22A for the capital limit for eligibility of £16,000.

- (a) child tax credit;
- (b) working tax credit;
- (c) state pension credit,

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

(4) The capital of a child or young person who is a member of the family of an applicant who is not a pensioner must not be treated as capital of the applicant.

Income treated as capital: persons who are not pensioners

63.—(1) This paragraph applies in relation to persons who are not pensioners.

(2) Any bounty derived from employment to which paragraph 9 of Schedule 7 applies and paid at intervals of at least one year is to be treated as capital.

(3) Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E is to be treated as capital.

(4) Any holiday pay which is not earnings under paragraph 40(1)(d) or 50(1)(d) (earnings of employed earners) is to be treated as capital.

(5) Except any income derived from capital disregarded under paragraphs 4, 5, 7, 11, 17, 30 to 33, 50 or 51 of Schedule 10, any income derived from capital is to be treated as capital but only from the date it is normally due to be credited to the applicant's account.

(6) In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer is to be treated as capital.

(7) Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006) or the London Bombings Charitable Relief Fund, is to be treated as capital.

(8) There is to be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self-employment route, but only in so far as those receipts were payable into a special account during the period in which that person was receiving such assistance.

(9) Any arrears of subsistence allowance which are paid to an applicant as a lump sum must be treated as capital.

(10) Any arrears of working tax credit or child tax credit must be treated as capital.

Calculation of capital in the United Kingdom

64. 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.

Calculation of capital outside the United Kingdom

65. Capital which an applicant possesses in a country outside the United Kingdom will 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.

Notional capital

66.—(1) An applicant is to be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to a reduction or increasing the amount of that reduction except to the extent that that capital is reduced in accordance with paragraph 67 (diminishing notional capital rule).

(2) A person who is a pensioner who disposes of capital for the purpose of—

(a) reducing or paying a debt owed by the applicant; or

(b) purchasing goods or services if the expenditure was reasonable in the circumstances of the applicant's case, is to be regarded as not depriving himself of it.

(3) Sub-paragraphs (4) to (6) apply in relation to applicants who are not pensioners.

(4) Except in the case of—

(a) a discretionary trust; or

(b) a trust derived from a payment made in consequence of a personal injury; or

(c) any loan which would be obtained only if secured against capital disregarded under Schedule 5; or

(d) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund; or

(e) any sum to which paragraph 50(2)(a) of Schedule 10 (capital to be disregarded) applies which is administered in the way referred to in paragraph 50(1)(a); or

(f) any sum to which paragraph 51(a) of Schedule 10 refers; or

(g) child tax credit; or

(h) working tax credit,

any capital which would become available to the applicant upon application being made, but which has not been acquired by him, is to be treated as possessed by him but only from the date on which it could be expected to be acquired were an application made.

(5) Any payment of capital, other than a payment of capital specified in sub-paragraph (6), made—

(a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) must, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;

(b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) must, where it is not a payment referred to in paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;

(c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of the family) must be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

(6) Sub-paragraph (5) does not apply in respect of a payment of capital made—

(a) under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation, or the London Bombings Relief Charitable Fund;

(b) pursuant to section 2 of the Employment and Training Act 1973 in respect of a person's participation—

(i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996;

(ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;

(iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;

(iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or

(v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;

(c) in respect of a person's participation in the Work for Your Benefit Pilot Scheme;

(d) in respect of a person's participation in the Mandatory Work Activity Scheme;

(e) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;

(f) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—

(i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;

(ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and

(iii) the person referred to in sub-paragraph (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

(7) Where an applicant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he may be treated as if he were such sole owner or partner and in such a case—

(a) the value of his holding in that company must, notwithstanding paragraph 62 (calculation of capital) be disregarded; and

(b) he must, subject to sub-paragraph (8), be treated as possessing an amount of capital equal to the value or, as the case may be, his share of the value of the capital of that company and the foregoing provisions of this Chapter apply for the purposes of calculating that amount as if it were actual capital which he does possess.

(8) For so long as the applicant undertakes activities in the course of the business of the company, the amount which he is treated as possessing under sub-paragraph (7) is to be disregarded.

(9) Where an applicant is treated as possessing capital under any of sub-paragraphs (1), (4) or (5) the foregoing provisions of this Chapter apply for the purposes of calculating its amount as if it were actual capital which he does possess.

Diminishing notional capital rule: pensioners

67.—(1) Where an applicant who is a pensioner is treated as possessing capital under paragraph 66(1) (notional capital), the amount which he is treated as possessing—

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

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

(ii) a week which follows that relevant week and which satisfies those conditions,

is to be reduced by an amount determined under sub-paragraph (3);

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

- (i) that week is a week subsequent to the relevant week; and
- (ii) that relevant week is a week in which the condition in sub-paragraph (4) is satisfied

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

(2) This sub-paragraph applies to a reduction week where the applicant satisfies the conditions that—

- (a) he is in receipt of a reduction in council tax under this scheme; and
- (b) but for paragraph 66(1), he would have received a greater reduction in council tax under this scheme in that week.

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

- (a) an amount equal to the additional amount of the reduction in council tax to which 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 subparagraph (2) refers but for the application of regulation 21(1) of the State Pension Credit Regulations 2002 (notional capital);
- (c) where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of housing benefit to which he would have been entitled in respect of the whole or part of the reduction week to which subparagraph (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 subparagraph (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 subparagraph (2) refers but for the application of regulation 115 of the Employment and Support Allowance Regulations 2008 (notional capital).

(4) Subject to sub-paragraph (7), for the purposes of sub-paragraph (1)(b) the condition is that the applicant is a pensioner and would have been entitled to a reduction in council tax under this scheme in the relevant week but for paragraph 66(1).

(5) In such a case the amount of the reduction in the amount of capital he is treated as possessing for the purposes of sub-paragraph (1)(b) is equal to the aggregate of—

(a) the amount of the reduction in council tax to which the applicant would have been entitled in the relevant week but for paragraph 66(1);

(b) if the applicant would, but for regulation 21 of the State Pension Credit Regulations 2002, have been entitled to state pension credit in respect of the benefit week, within the meaning of regulation 1(2) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled;

(c) if the applicant would, but for regulation 47(1) of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the benefit week which includes the last day of the relevant week, the amount which is equal to—

(i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or

(ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled;

(d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations 1996, have been entitled to an income-based jobseeker's allowance in respect of the benefit week, within the meaning of regulation 1(3) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled; and

(e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations 2008, have been entitled to an income-related employment and support allowance in respect of the benefit week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled.

(6) But if the amount mentioned in paragraph (a), (b), (c), (d) or (e) of sub-paragraph (5) ("the relevant amount") is in respect of a part-week, the amount that is to be taken into account under that paragraph is to be determined by—

(a) dividing the relevant amount by the number equal to the number of days in that part-week, and

(b) multiplying the result of that calculation by 7.

(7) The amount determined under sub-paragraph (5) is to be re-determined under that subparagraph if the applicant makes a further claim for a reduction in council tax 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 claim is made 26 or more weeks after—

- (i) the date on which the applicant made a claim for a reduction in council tax in respect of which he was first treated as possessing the capital in question under paragraph 66(1);
- (ii) in a case where there has been at least one re-determination in accordance with subparagraph (11), the date on which he last made a claim for a reduction in council tax which resulted in the weekly amount being re-determined, or
- (iii) the date on which he last ceased to be entitled to a reduction in council tax,

whichever last occurred; and

(b) the applicant would have been entitled to a reduction in council tax under this scheme but for paragraph 66(1).

(9) The amount as re-determined pursuant to sub-paragraph (6) must not have effect if it is less than the amount which applied in that case immediately before the re-determination and in such a case the higher amount must continue to have effect.

(10) For the purposes of this paragraph—

“part-week”—

(a) in relation to an amount mentioned in sub-paragraph (5)(a), means a period of less than a week for which a reduction in council tax under this scheme is allowed;

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

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

(i) a period of less than a week which is the whole period for which income support, an income-related employment and support allowance or, as the case may be, an income-based jobseeker’s allowance is payable; and

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

“relevant week” means the reduction week or part-week in which the capital in question of which the applicant has deprived himself within the meaning of paragraph 66(1)—

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

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

and where more than one reduction week is identified by reference to paragraphs (a) and (b) of this definition, the later or latest such reduction week or, as the case may be, the later or latest such part-week is the relevant week;

“relevant subsequent week” means the reduction week or part-week which includes the day on which the further claim or, if more than one further claim has been made, the last such claim was made.

Diminishing notional capital rule: persons who are not pensioners

67A.—(1) Where an applicant who is not a pensioner is treated as possessing capital under paragraph 66(1) (notional capital), the amount which he is treated as possessing—

- (a) in the case of a week that is subsequent to—
 - (i) the relevant week in respect of which the conditions set out in sub-paragraph (2) are satisfied; or
 - (ii) a week which follows that relevant week and which satisfies those conditions, is to be reduced by an amount determined under sub-paragraph (3);
- (b) in the case of a week in respect of which sub-paragraph (1)(a) does not apply but where—
 - (i) that week is a week subsequent to the relevant week; and
 - (ii) that relevant week is a week in which the condition in sub-paragraph (4) is satisfied, is to be reduced by the amount determined under sub-paragraph (5).

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

- (a) he is in receipt of a reduction in council tax under this scheme; and
- (b) but for paragraph 66(1), he would have received a greater reduction in council tax under this scheme in that week.

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

- (a) an amount equal to the additional amount of the reduction in council tax to which sub-paragraph (2)(b) refers;
- (b) where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of that benefit to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 49(1) of the Housing Benefit Regulations 2006 (notional capital);
- (c) where the applicant has also claimed income support, the amount of income support to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 51(1) of the Income Support (General) Regulations 1987 (notional capital);
- (d) where the applicant has also claimed a jobseeker’s allowance, the amount of an income-based jobseeker’s allowance to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 113 of the Jobseeker’s Allowance Regulations 1996 (notional capital); and
- (e) where the applicant has also claimed an employment and support allowance, the amount of an income-related employment and support allowance to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 115 of the Employment and Support Allowance Regulations 2008 (notional capital).

(4) Subject to sub-paragraph (7), for the purposes of sub-paragraph (1)(b) the condition is that the applicant is not a pensioner and would have been entitled to a reduction in council tax in the relevant week but for paragraph 66(1).

(5) In such a case the amount of the reduction in the amount of capital he is treated as possessing must be equal to the aggregate of—

- (a) the amount of council tax benefit to which the applicant would have been entitled in the relevant week but for paragraph 66(1);

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- (b) if the applicant would, but for regulation 49(1) of the Housing Benefit Regulations 2006, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the benefit week which includes the last day of the relevant week, the amount which is equal to—
 - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
 - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled;
 - (c) if the applicant would, but for regulation 51(1) of the Income Support (General) Regulations 1987, have been entitled to income support in respect of the benefit week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled;
 - (d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations 1996, have been entitled to an income-based jobseeker's allowance in respect of the benefit week, within the meaning of regulation 1(3) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled; and
 - (e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations 2008, have been entitled to an income-related employment and support allowance in respect of the benefit week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled.
- (6) But if the amount mentioned in paragraph (a), (b), (c), (d) or (e) of sub-paragraph (5) ("the relevant amount") is in respect of a part-week, the amount that is to be taken into account under that paragraph is to be determined by—
- (a) dividing the relevant amount by the number equal to the number of days in that part-week, and
 - (b) multiplying the result of that calculation by 7.
- (7) The amount determined under sub-paragraph (5) is to be re-determined under the appropriate sub-paragraph if the applicant makes a further claim for a reduction in council tax 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 claim is made 26 or more weeks after—
 - (i) the date on which the applicant made a claim for a reduction in council tax in respect of which he was first treated as possessing the capital in question under paragraph 66(1);
 - (ii) in a case where there has been at least one re-determination in accordance with sub-paragraph (7), the date on which he last made a claim for a reduction in council tax which resulted in the weekly amount being re-determined, or
 - (iii) the date on which he last ceased to be entitled to a reduction in council tax, whichever last occurred; and
 - (b) the applicant would have been entitled to a reduction in council tax under this scheme but for paragraph 66(1).

(9) The amount as re-determined pursuant to sub-paragraph (6) must not have effect if it is less than the amount which applied in that case immediately before the re-determination and in such a case the higher amount must continue to have effect.

(10) For the purposes of this paragraph—

“part-week”—

- (a) in relation to an amount mentioned in sub-paragraph (5)(a), means a period of less than a week for which a reduction in council tax under this scheme is allowed;
- (b) in relation to an amount mentioned in sub-paragraph (5)(b), means a period of less than a week for which housing benefit is payable;
- (c) in relation to an amount mentioned in sub-paragraph (5)(c), (d) or (e), means—
 - (i) a period of less than a week which is the whole period for which income support, an income-related employment and support allowance or, as the case may be, an income-based jobseeker’s allowance is payable; and
 - (ii) any other period of less than a week for which it is payable;

“relevant week” means the reduction week or part-week in which the capital in question of which the applicant has deprived himself within the meaning of paragraph 66(1)—

- (a) was first taken into account for the purpose of determining his entitlement to a reduction; or
- (b) was taken into account on a subsequent occasion for the purpose of determining or re-determining his entitlement to a reduction on that subsequent occasion and that determination or re-determination resulted in his beginning to receive, or ceasing to receive, a reduction,

and where more than one reduction week is identified by reference to paragraphs (a) and (b) of this definition, the later or latest such reduction week or, as the case may be, the later or latest such part-week is the relevant week;

“relevant subsequent week” means the reduction week or part-week which includes the day on which the further claim or, if more than one further claim has been made, the last such claim was made.

Capital jointly held

68. Except where an applicant possesses capital which is disregarded under paragraph 66(7) (notional capital), where an applicant and one or more persons are beneficially entitled in possession to any capital asset they must be treated 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.

Calculation of tariff income from capital: pensioners

69. Subject to paragraph 62(2)(a), the capital of an applicant who is a pensioner is to be treated as if it were a weekly income of—

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

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

70.—(1) Where the capital of an applicant who is not a pensioner calculated in accordance with this Part exceeds £6,000, it must be treated as equivalent to a weekly income of £1 for each complete £250 in excess of £6,000 but not exceeding £16,000.

(2) Notwithstanding sub-paragraph (1) where any part of the excess is not a complete £250 that part must be treated as equivalent to a weekly tariff income of £1.

(3) For the purposes of sub-paragraph (1), capital includes any income treated as capital under paragraph 63 (income treated as capital).

PART 11

Students

CHAPTER

1

General

Interpretation

71.—(1) In this Part—

“academic year” means the period of twelve months beginning on 1st January, 1st April, 1st July or 1st September according to whether the course in question begins in the winter, the spring, the summer or the autumn respectively but if students are required to begin attending the course during August or September and to continue attending through the autumn, the academic year of the course is to be considered to begin in the autumn rather than the summer;

“access funds” means—

- (a) grants made under section 68 of the Further and Higher Education Act 1992 for the purpose of providing funds on a discretionary basis to be paid to students;
- (b) grants made under sections 73(a) and (c) and 74(1) of the Education (Scotland) Act 1980;
- (c) grants made under Article 30 of the Education and Libraries (Northern Ireland) Order 1993 or grants, loans or other payments made under Article 5 of the Further Education (Northern Ireland) Order 1997 in each case being grants, or grants, loans or other payments as the case may be, for the purpose of assisting students in financial difficulties;
- (d) discretionary payments, known as “learner support funds”, which are made available to students in further education by institutions out of funds provided by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding under sections 100 and 101 of the Apprenticeships, Skills, Children and Learning Act 2009; or
- (e) Financial Contingency Funds made available by the Welsh Ministers;

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

“contribution” means—

- (a) any contribution in respect of the income of a student or any person which the Secretary of State, the Scottish Ministers or an education authority takes into account in ascertaining the amount of a student’s grant or student loan; or
- (b) any sums, which in determining the amount of a student’s allowance or bursary in Scotland under the Education (Scotland) Act 1980, the Scottish Ministers or education authority takes into account being sums which the Scottish Ministers or education authority considers that it is reasonable for the following persons to contribute towards the holder’s expenses—
 - (i) the holder of the allowance or bursary;
 - (ii) the holder’s parents;

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

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

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

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

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

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

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

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

“grant” (except in the definition of “access funds”) means any kind of educational grant or award and includes any scholarship, studentship, exhibition, allowance or bursary but does not include a payment from access funds or any payment to which paragraph 12 of Schedule 4 or paragraph 53 of Schedule 5 applies;

“grant income” means—

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

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

“last day of the course” means—

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

“period of study” means—

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

“periods of experience” means periods of work experience which form part of a sandwich course;

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

“sandwich course” has the meaning prescribed in regulation 2(9) of the Education (Student Support) Regulations 2008, regulation 4(2) of the Education (Student Loans) (Scotland) Regulations 2007 or regulation 2(8) of the Education (Student Support) Regulations (Northern Ireland) 2007, as the case may be;

“standard maintenance grant” means—

- (a) except where paragraph (b) or (c) applies, in the case of a student attending or undertaking a course of study at the University of London or an establishment within the area comprising the City of London and the Metropolitan Police District, the amount specified for the time being in paragraph 2(2)(a) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (“the 2003 Regulations”) for such a student;
- (b) except where paragraph (c) applies, in the case of a student residing at his parent’s home, the amount specified in paragraph 3 thereof;
- (c) in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980, the amount of money specified as “standard maintenance allowance” for the relevant year appropriate for the student set out in the Student Support in Scotland Guide issued by the Student Awards Agency for Scotland, or its nearest equivalent in the case of a bursary provided by a college of further education or a local education authority;
- (d) in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 2003 Regulations other than in sub-paragraph (a) or (b) thereof;

“student” means a person, other than a person in receipt of a training allowance, who is attending or undertaking—

- (a) a course of study at an educational establishment; or
- (b) a qualifying course;

“student loan” means a loan towards a student’s maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998(131), section 73 of the Education (Scotland) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 and includes, in Scotland, a young student’s bursary paid under regulation 4(1)(c) of the Students’ Allowances (Scotland) Regulations 2007.

(2) For the purposes of the definition of “full-time student” in sub-paragraph (1), a person must be regarded as attending or, as the case may be, undertaking a full-time course of study or as being on a sandwich course—

- (a) subject to sub-paragraph (3), in the case of a person attending or undertaking a part of a modular course which would be a full-time course of study for the purposes of this Part, for the period beginning on the day on which that part of the course starts and ending—
 - (i) on the last day on which he is registered with the educational establishment as attending or undertaking that part as a full-time course of study; or
 - (ii) on such earlier date (if any) as he finally abandons the course or is dismissed from it;
- (b) in any other case, throughout the period beginning on the date on which he starts attending or undertaking the course and ending on the last day of the course or on such earlier date (if any) as he finally abandons it or is dismissed from it.

(3) For the purposes of paragraph (a) of sub-paragraph (2), the period referred to in that paragraph includes—

- (a) where a person has failed examinations or has failed successfully to complete a module relating to a period when he was attending or undertaking a part of the course as a full-time course of study, any period in respect of which he attends or undertakes the course for the purpose of retaking those examinations or that module;
- (b) any period of vacation within the period specified in that paragraph or immediately following that period except where the person has registered with the educational establishment to attend or undertake the final module in the course and the vacation immediately follows the last day on which he is required to attend or undertake the course.

(4) In sub-paragraph (2), “modular course” means a course of study which consists of two or more modules, the successful completion of a specified number of which is required before a person is considered by the educational establishment to have completed the course.

Treatment of students

72. This scheme has effect in relation to students subject to paragraph 23 (class of person excluded from this scheme: students) and the following provisions of this Part.

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

73.—(1) Subject to sub-paragraphs (2) and (6), for the purposes of paragraph 23 (class of person excluded from this scheme: students), this paragraph applies to full-time students and students who are persons treated as not being in Great Britain.

(2) Sub-paragraph (1) does not apply to a student—

- (a) who is a person on income support, an income-based jobseeker’s allowance or an income-related employment and support allowance;
- (b) who is a lone parent;

- (c) whose applicable amount would, but for this paragraph, include the disability premium or severe disability premium;
- (d) whose applicable amount would include the disability premium but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the SSCBA;
- (e) who is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the SSCBA (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days must be treated as one continuous period;
- (f) who has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations 2008 for a continuous period of not less than 196 days, and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;
- (g) who has a partner who is also a full-time student, if he or that partner is treated as responsible for a child or young person;
- (h) who is a single applicant with whom a child is placed by a local authority or voluntary organisation within the meaning of the Children Act 1989 or, in Scotland, boarded out within the meaning of the Social Work (Scotland) Act 1968;
- (i) who is—
 - (i) aged under 21 and whose course of study is not a course of higher education, or
 - (ii) a qualifying young person or child within the meaning of section 142 of the SSCBA (child and qualifying young person);
- (j) in respect of whom—
 - (i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;
 - (ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) of regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;
 - (iii) a payment has been made under section 2 of the Education Act 1962 or under or by virtue of regulations made under the Teaching and Higher Education Act 1998;
 - (iv) a grant has been made under regulation 13 of the Education (Student Support) Regulations 2005 or under regulation 13 of the Education (Student Support) Regulations (Northern Ireland) 2000; or
 - (v) a supplementary requirement has been determined under paragraph 9 of Schedule 6 to the Students Awards Regulations (Northern Ireland) 1999 or a payment has been made under Article 50(3) of the Education and Libraries (Northern Ireland) Order 1986,

on account of his disability by reason of deafness.

(3) For the purposes of sub-paragraph (2)(i)(i) the student must have begun, or been enrolled or accepted onto, the course before attaining the age of 19.

(4) For the purposes of sub-paragraph (2), once sub-paragraph (2)(e) applies to a full-time student, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that sub-paragraph must, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable or is treated as remaining incapable, of work.

(5) In sub-paragraph (2)(i) the reference to a course of higher education is a reference to a course of any description mentioned in Schedule 6 to the Education Reform Act 1988(132).

(6) A full-time student to whom paragraph (i) of sub-paragraph (2) applies must be treated as satisfying that sub-paragraph from the date on which he made a request for the supplementary requirement, allowance, bursary or payment as the case may be.

(7) Sub-paragraph (1) does not apply to a full-time student for the period specified in sub-paragraph (8) if—

- (a) at any time during an academic year, with the consent of the relevant educational establishment, he ceases to attend or undertake a course because he is—
 - (i) engaged in caring for another person; or
 - (ii) ill;
- (b) he has subsequently ceased to be engaged in caring for that person or, as the case may be, he has subsequently recovered from that illness; and
- (c) he is not eligible for a grant or a student loan in respect of the period specified in sub-paragraph (8).

(8) The period specified for the purposes of sub-paragraph (7) is the period, not exceeding one year, beginning on the day on which he ceased to be engaged in caring for that person or, as the case may be, the day on which he recovered from that illness and ending on the day before—

- (a) the day on which he resumes attending or undertaking the course; or
- (b) the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course,

whichever first occurs.

CHAPTER

2

Income

Calculation of grant income

74.—(1) The amount of a student's grant income to be taken into account must, subject to sub-paragraphs (2) and (3), be the whole of his grant income.

(2) There must be excluded from a student's grant income any payment—

- (a) intended to meet tuition fees or examination fees;
- (b) in respect of the student's disability;
- (c) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;
- (d) on account of the student maintaining a home at a place other than that at which he resides during his course;
- (e) on account of any other person but only if that person is residing outside the United Kingdom and there is no applicable amount in respect of him;
- (f) intended to meet the cost of books and equipment;
- (g) intended to meet travel expenses incurred as a result of his attendance on the course;
- (h) intended for the child care costs of a child dependant;
- (i) of higher education bursary for care leavers made under Part 3 of the Children Act 1989.

(3) Where a student does not have a student loan and is not treated as possessing such a loan, there must be excluded from the student's grant income—

- (a) the sum of £303 per academic year in respect of travel costs; and
 - (b) the sum of £390 per academic year towards the costs of books and equipment,
- whether or not any such costs are incurred.

(4) There must also be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.

(5) Subject to sub-paragraphs (6) and (7), a student's grant income must be apportioned—

- (a) subject to sub-paragraph (8), in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period of study and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study;
- (b) in any other case, equally between the weeks in the period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period for which it is payable and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.

(6) Any grant in respect of dependants paid under section 63(6) of the Health Services and Public Health Act 1968 (grants in respect of the provision of instruction to officers of hospital authorities) and any amount intended for the maintenance of dependants under Part 3 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 must be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.

(7) In a case where a student is in receipt of a student loan or where he could have acquired a student loan by taking reasonable steps but had not done so, any amount intended for the maintenance of dependants to which neither sub-paragraph (6) nor paragraph 78(2) (other amounts to be disregarded) applies, must be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.

(8) In the case of a student on a sandwich course, any periods of experience within the period of study must be excluded and the student's grant income must be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which immediately follows the last day of the period of experience and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study.

Calculation of covenant income where a contribution is assessed

75.—(1) Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account for that period and any summer vacation immediately following must be the whole amount of the covenant income less, subject to sub-paragraph (3), the amount of the contribution.

(2) The weekly amount of the student's covenant must be determined—

- (a) by dividing the amount of income which falls to be taken into account under sub-paragraph (1) by 52 or 53, whichever is reasonable in the circumstances; and
- (b) by disregarding £5 from the resulting amount.

(3) For the purposes of sub-paragraph (1), the contribution must be treated as increased by the amount (if any) by which the amount excluded under paragraph 74(2)(g) (calculation of grant income) falls short of the amount specified in paragraph 7(2) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (travel expenditure).

Covenant income where no grant income or no contribution is assessed

76.—(1) Where a student is not in receipt of income by way of a grant the amount of his covenant income must be calculated as follows—

- (a) any sums intended for any expenditure specified in paragraph 74(2)(a) to (e) (calculation of grant income) necessary as a result of his attendance on the course must be disregarded;
- (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, must be apportioned equally between the weeks of the period of study;
- (c) there must be disregarded from the amount so apportioned the amount which would have been disregarded under paragraph 74(2)(f) and (3) (calculation of grant income) had the student been in receipt of the standard maintenance grant; and
- (d) the balance, if any, must be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 must be disregarded.

(2) Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenanted income must be calculated in accordance with sub-paragraphs (a) to (d) of sub-paragraph (1), except that—

- (a) the value of the standard maintenance grant must be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 74(2)(a) to (e); and
- (b) the amount to be disregarded under sub-paragraph (1)(c) must be abated by an amount equal to the amount of any sums disregarded under paragraph 74(2)(f) and (g) and (3).

Relationship with amounts to be disregarded under Schedule 8

77. No part of a student's covenant income or grant income shall be disregarded under paragraph 19 of Schedule 8.

Other amounts to be disregarded

78.—(1) For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with paragraph 79 (treatment of student loans), any amounts intended for any expenditure specified in paragraph 74(2) (calculation of grant income), necessary as a result of his attendance on the course shall be disregarded.

(2) But sub-paragraph (1) applies only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under paragraph 74(2) or (3), 75(3), 76(1)(a) or (c) or 79(5) (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

Treatment of student loans

79.—(1) A student loan is to be treated as income.

(2) In calculating the weekly amount of the loan to be taken into account as income—

- (a) in respect of a course that is of a single academic year's duration or less, a loan which is payable in respect of that period is to be apportioned equally between the weeks in the period beginning with—
 - (i) except in a case where sub-paragraph (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of the single academic year;

- (ii) where the student is required to start attending the course in August or where the course is less than an academic year's duration, the reduction week, the first day of which coincides with, or immediately follows, the first day of the course, and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;
 - (b) in respect of an academic year of a course which starts other than on 1st September, a loan which is payable in respect of that academic year is to be apportioned equally between the weeks in the period—
 - (i) beginning with the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year, and
 - (ii) ending with the reduction week, the last day of which coincides with or immediately precedes, the last day of that academic year,
 but excluding any reduction weeks falling entirely within the quarter during which, in the opinion of the authority, the longest of any vacation is taken and for the purposes of this paragraph, "quarter" shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2005;
 - (c) in respect of the final academic year of a course (not being a course of a single year's duration), a loan which is payable in respect of that final academic year is to be apportioned equally between the weeks in the period beginning with—
 - (i) except in a case where sub-paragraph (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of that academic year;
 - (ii) where the final academic year starts on 1st September, the reduction week, the first day of which coincides with, or immediately follows, the earlier of 1st September or the first day of the autumn term,
 and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;
 - (d) in any other case, the loan is to be apportioned equally between the weeks in the period beginning with the earlier of—
 - (i) the first day of the first reduction week in September; or
 - (ii) the reduction week, the first day of which coincides with, or immediately follows the first day of the autumn term,
 and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of June,
- and, in all cases, from the weekly amount so apportioned there shall be disregarded £10.

(3) A student is to be treated as possessing a student loan in respect of an academic year where—

- (a) a student loan has been made to him in respect of that year; or
- (b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

(4) Where a student is treated as possessing a student loan under sub-paragraph (3), the amount of the student loan to be taken into account as income must be, subject to sub-paragraph (5)—

- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to—
 - (i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and
 - (ii) any contribution whether or not it has been paid to him;
- (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if—

- (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
 - (ii) no deduction in that loan was made by virtue of the application of a means test.
- (5) There must be deducted from the amount of income taken into account under sub-paragraph (4)—
- (a) the sum of £303 per academic year in respect of travel costs; and
 - (b) the sum of £390 per academic year towards the cost of books and equipment,
- whether or not any such costs are incurred.

Treatment of payments from access funds

80.—(1) This paragraph applies to payments from access funds that are not payments to which paragraph 83(2) or (3) (income treated as capital) applies.

(2) A payment from access funds, other than a payment to which sub-paragraph (3) applies, must be disregarded as income.

(3) Subject to sub-paragraph (4) of this paragraph and paragraph 40 of Schedule 8—

- (a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family, and
- (b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable,

must be disregarded as income to the extent of £20 per week.

(4) Where a payment from access funds is made—

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

that payment must be disregarded as income.

Disregard of contribution

81. Where the applicant or his partner is a student and, for the purposes of assessing a contribution to the student's grant or student loan, the other partner's income has been taken into account, an amount equal to that contribution must be disregarded for the purposes of assessing that other partner's income.

Further disregard of student's income

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

Income treated as capital

83.—(1) Any amount by way of a refund of tax deducted from a student's covenant income must be treated as capital.

(2) An amount paid from access funds as a single lump sum must be treated as capital.

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

Disregard of changes occurring during summer vacation

84. In calculating a student's income the authority must disregard any change in the standard maintenance grant, occurring in the recognised summer vacation appropriate to the student's course, if that vacation does not form part of his period of study from the date on which the change occurred to the end of that vacation.

PART 12

Extended reductions

CHAPTER

1

Extended reductions: pensioners

Extended reductions: pensioners

85. Paragraphs 86 to 91 apply in relation to applicants who are pensioners.

Extended payments (qualifying contributory benefits): pensioners

86.—(1) Except in the case of an applicant who is in receipt of state pension credit, an applicant who is entitled to a reduction under this scheme (by virtue of the general conditions of entitlement) must be entitled to an extended reduction (qualifying contributory benefits) where—

- (a) the applicant or the applicant's partner was entitled to a qualifying contributory benefit;
- (b) entitlement to a qualifying contributory benefit ceased because the applicant or the applicant's partner—
 - (i) commenced employment as an employed or self-employed earner;
 - (ii) increased their earnings from such employment; or
 - (iii) increased the number of hours worked in such employment,
 and that employment is or, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more;
- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and
- (d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.

(2) An applicant must be treated as entitled to a reduction under this scheme by virtue of the general conditions of entitlement **(133)** where—

- (a) the applicant ceased to be entitled to a reduction under this scheme because the applicant vacated the dwelling in which the applicant was resident;

(133) As to which see Part 4 of this scheme.

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- (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).

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

87.—(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.

Amount of extended reduction (qualifying contributory benefits): pensioners

88.—(1) For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) the applicant is entitled to shall be the greater of—

- (a) the amount of council tax reduction to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;
- (b) the amount of reduction under this scheme to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if paragraph 86 (extended reductions (qualifying contributory benefits): pensioners) did not apply to the applicant; or
- (c) the amount of reduction under this scheme to which the applicant's partner would be entitled under the general conditions of entitlement, if paragraph 86 did not apply to the applicant.

(2) Sub-paragraph (1) does not apply in the case of a mover.

(3) Where an applicant is in receipt of an extended reduction (qualifying contributory benefits) under this paragraph and the applicant's partner makes a claim for a reduction under this scheme, no reduction shall be awarded during the extended reduction period.

Extended reductions (qualifying contributory benefits)—movers: pensioners

89.—(1) This paragraph applies—

- (a) to a mover(134); and
- (b) from the Monday following the day of the move.

(2) The amount of the extended reduction (qualifying contributory benefit) awarded from the Monday from which this paragraph applies until the end of the extended reduction period shall be the amount of reduction under this scheme which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

(134) See also paragraph 103 in relation to persons moving into the area of the authority from another authority's area.

(3) Where a mover's liability to pay council tax in respect of the new dwelling is to a billing authority other than this one, the extended reduction (qualifying contributory benefits) may take the form of a payment from this authority to—

- (a) the second authority; or
- (b) the mover directly.

Relationship between extended reduction (qualifying contributory benefits) and entitlement to council tax benefit under the general conditions of entitlement: pensioners

90.—(1) Where an applicant's reduction under this scheme would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 86(1)(b), that reduction does not cease to have effect until the end of the extended reduction period.

(2) Part 13 (period of entitlement and changes of circumstances) shall not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 88(1)(a) or paragraph 89(2) (amount of extended reduction — movers: pensioners).

Continuing reductions where state pension credit claimed: pensioners

91.—(1) This paragraph applies where—

- (a) the applicant is entitled to a reduction under this scheme;
- (b) sub-paragraph (2) is satisfied; and
- (c) either—
 - (i) the applicant has attained the qualifying age for state pension credit or, 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 reduction under this scheme shall continue to be awarded for the period of 4 weeks beginning on the day following the day the applicant's entitlement to income support or, as the case may be, income-based jobseeker's allowance, income-related employment and support allowance, ceased, if and for so long as the applicant otherwise satisfies the conditions for entitlement to a reduction under this scheme.

(4) Where a reduction under this scheme is awarded for the period of 4 weeks in accordance with sub-paragraph (3) above, and the last day of that period falls on a day other than the last day of a reduction week, then a reduction under this scheme shall continue to be awarded until the end of the reduction week in which the last day of that period falls.

(5) Throughout the period of 4 weeks specified in sub-paragraph (3) and any further period specified in sub-paragraph (4)—

- (a) the whole of the income and capital of the applicant is to be disregarded;

- (b) the maximum council tax benefit of the applicant is to be that which was applicable in his case immediately before that period commenced.
- (6) The maximum council tax benefit is to be calculated in accordance with paragraph 28(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 29 falls to be made.

CHAPTER

2

Extended reductions: persons who are not pensioners

Extended reductions: persons who are not pensioners

92. Paragraphs 93 to 102 apply in relation to applicants who are not pensioners.

Extended reductions: persons who are not pensioners

93.—(1) An applicant who is entitled to a reduction under this scheme (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction where—

- (a) the applicant or the applicant's partner was entitled to a qualifying income-related benefit;
- (b) entitlement to a qualifying income-related benefit ceased because the applicant or the applicant's partner—
 - (i) commenced employment as an employed or self-employed earner;
 - (ii) increased their earnings from such employment; or
 - (iii) increased the number of hours worked in such employment,
 and that employment is or, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more; and
- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.

(2) For the purpose of sub-paragraph (1)(c), an applicant or an applicant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the applicant or the applicant's partner was not entitled to any of those benefits because the applicant or the applicant's partner was engaged in remunerative work as a consequence of their participation in an employment zone programme.

(3) For the purpose of this paragraph, where an applicant or an applicant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they shall be treated as being entitled to and in receipt of jobseeker's allowance.

(4) An applicant must be treated as entitled to a reduction under this scheme by virtue of the general conditions of entitlement where—

- (a) the applicant ceased to be entitled to a reduction under this scheme because the applicant vacated the dwelling in which the applicant was resident;
- (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying income-related benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying income-related benefit ceased in any of the circumstances listed in sub-paragraph (1)(b).

(5) This paragraph does not apply where, on the day before an applicant's entitlement to income support ceased, regulation 6(5) of the Income Support (General) Regulations 1987 (remunerative work: housing costs) applied to that applicant.

Duration of extended reduction period: persons who are not pensioners

94.—(1) Where an applicant is entitled to an extended reduction, the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying income-related benefit.

(2) For the purpose of sub-paragraph (1), an applicant or an applicant's partner ceases to be entitled to a qualifying income-related benefit on the day immediately following the last day of entitlement to that benefit.

(3) The extended reduction period ends—

- (a) at the end of a period of four weeks; or
- (b) on the date on which the applicant to whom the extended reduction is payable has no liability for council tax, if that occurs first.

Amount of extended reduction: persons who are not pensioners

95.—(1) For any week during the extended reduction period the amount of the extended reduction to which an applicant is entitled is to be the higher of—

- (a) the amount of the reduction under this scheme to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying income-related benefit;
- (b) the amount of reduction under this scheme to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if paragraph 93 (extended reductions: persons who are not pensioners) did not apply to the applicant; or
- (c) the amount of reduction under this scheme to which the applicant's partner would be entitled under the general conditions of entitlement, if paragraph 93 did not apply to the applicant.

(2) Sub-paragraph (1) does not apply in the case of a mover.

(3) Where an applicant is in receipt of an extended reduction under this paragraph and the applicant's partner makes a claim for a reduction under this scheme, no amount of reduction under this scheme is to be awarded by the authority during the extended reduction period.

Extended reductions—movers: persons who are not pensioners

96.—(1) This paragraph applies—

- (a) to a mover; and
- (b) from the Monday following the day of the move.

(2) The amount of the extended reduction awarded from the Monday from which this paragraph applies until the end of the extended reduction period is to be the amount of reduction under this scheme to which the mover was eligible for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying income-related benefit.

(3) Where a mover's liability to pay council tax in respect of the new dwelling is to a billing authority other than this one, the extended reduction (qualifying contributory benefits) may take the form of a payment from this authority to—

- (a) the second authority; or

- (b) the mover directly.

Relationship between extended reduction and entitlement to reduction under the general conditions of entitlement: persons who are not pensioners

97.—(1) Where an applicant's reduction under this scheme would have ended when the applicant ceased to be entitled to a qualifying income-related benefit in the circumstances listed in paragraph 93(1)(b), that entitlement does not cease until the end of the extended reduction period.

(2) Paragraphs 104 and 105 do not apply to any extended reduction payable in accordance with paragraph 93(1)(a) or 96(2) (amount of extended reduction—movers: persons who are not pensioners).

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

98.—(1) An applicant who is entitled to a reduction under this scheme (by virtue of the general conditions of entitlement) shall be entitled to an extended reduction (qualifying contributory benefits) where—

- (a) the applicant or the applicant's partner was entitled to a qualifying contributory benefit;
- (b) entitlement to a qualifying contributory benefit ceased because the applicant or the applicant's partner—
 - (i) commenced employment as an employed or self-employed earner;
 - (ii) increased their earnings from such employment; or
 - (iii) increased the number of hours worked in such employment,
 and that employment is or, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more;
- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and
- (d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.

(2) An applicant must be treated as entitled to a reduction under this scheme by virtue of the general conditions of entitlement where—

- (a) the applicant ceased to be entitled to a reduction under this scheme because the applicant vacated the dwelling in which the applicant was resident;
- (b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying contributory benefit ceased, or in the preceding week; and
- (c) entitlement to the qualifying contributory benefit ceased in any of the circumstances listed in sub-paragraph (1)(b).

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

99.—(1) Where an applicant is entitled to an extended reduction (qualifying contributory benefits), the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying contributory benefit.

(2) For the purpose of sub-paragraph (1), an applicant or an applicant's partner ceases to be entitled to a qualifying contributory benefit on the day immediately following the last day of entitlement to that benefit.

(3) The extended reduction period ends—

- (a) at the end of a period of four weeks; or
- (b) on the date on which the applicant entitled to the extended reduction (qualifying contributory benefits) has no liability for council tax, if that occurs first.

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

100.—(1) For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) payable to an applicant is to be the greater of—

- (a) the amount of reduction under this scheme to which the applicant was entitled under the general conditions of entitlement in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;
- (b) the amount of reduction under this scheme to which the applicant would be entitled under the general conditions of entitlement for any reduction week during the extended reduction period, if paragraph 98 (extended reductions (qualifying contributory benefits): persons who are not pensioners) did not apply to the applicant; or
- (c) the amount of reduction under this scheme to which the applicant's partner would be entitled under the general conditions of entitlement, if paragraph 98 did not apply to the applicant.

(2) Sub-paragraph (1) does not apply in the case of a mover.

(3) Where an applicant is in receipt of an extended reduction (qualifying contributory benefits) under this paragraph and the applicant's partner makes an application for a reduction under this scheme, no amount of reduction shall be allowed by the appropriate authority during the extended reduction period.

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

101.—(1) This paragraph applies—

- (a) to a mover; and
- (b) from the Monday following the day of the move.

(2) The amount of the extended reduction (qualifying contributory benefit) payable from the Monday from which this paragraph applies until the end of the extended reduction period is to be the amount of reduction under this scheme which was awarded to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

(3) Where a mover's liability to pay council tax in respect of the new dwelling is to another authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from this authority to—

- (a) that other authority; or
- (b) the mover directly.

Relationship between extended reduction (qualifying contributory benefits) and entitlement to reduction under the general conditions of entitlement: persons who are not pensioners

102.—(1) Where an applicant’s reduction under this scheme would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 98(1)(b), that reduction does not cease until the end of the extended reduction period.

(2) Paragraphs 104 and 105 do not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 100(1)(a) or 101(2) (amount of extended reduction—movers: persons who are not pensioners).

CHAPTER

3

Extended reductions: movers in the authority’s area

Extended reductions: applicant moving into the authority’s area

103. Where—

- (a) an application is made to a billing authority (“the current authority”) for a reduction under this scheme, and
- (b) the applicant, or the partner of the applicant, is in receipt of an extended reduction from—
 - (i) another billing authority in England;
 - (ii) a billing authority in Wales;
 - (iii) a local authority in Scotland, or
 - (iv) a local authority in Northern Ireland,

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

PART 13

Period of entitlement and change of circumstances

Date on which entitlement begins

104.—(1) Subject to sub-paragraph (2), any person by whom or in respect of whom an application for a reduction under this scheme is made and who is otherwise entitled to that reduction shall be so entitled from the reduction week following the date on which that application is made or is treated as made.

(2) Where a person is otherwise entitled to a reduction under this scheme and becomes liable for the first time for the authority’s council tax in respect of a dwelling of which he is a resident in the reduction week in which his application is made or is treated as made, he shall be so entitled from that reduction week.

Date on which change of circumstances is to take effect

105.—(1) Except in cases where paragraph 59 (disregard of changes in tax, contributions, etc.) applies and subject to the following provisions of this paragraph and (in the case of applicants who are pensioners) paragraph 106, a change of circumstances which affects entitlement to, or the amount of, a reduction under this scheme (“change of circumstances”), takes effect from the first day of the reduction week following the date on which the change actually occurs.

(2) Where that change is cessation of entitlement to any benefit under the benefit Acts, the date

on which the change actually occurs shall be the day immediately following the last day of entitlement to that benefit.

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(3) Subject to sub-paragraph (4), where the change of circumstances is a change in the amount of council tax payable, it takes effect from the day on which it actually occurs.

(4) Where the change of circumstances is a change in the amount a person is liable to pay in respect of council tax in consequence of regulations under section 13 of the 1992 Act (reduced amounts of council tax) or changes in the discount to which a dwelling may be subject under section 11 or 12 of that Act, it shall take 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 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.

(9) Without prejudice to sub-paragraph (8), where the change of circumstances is the payment of income, or arrears of income, in respect of a past period, the change of circumstances takes effect from the first day on which such income, had it been timeously paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

(10) Sub-paragraph (11) applies if—

- (a) the applicant or his partner has attained the age of 65; and
- (b) either—
 - (i) a non-dependant took up residence in the applicant's dwelling; or
 - (ii) there has been a change of circumstances in respect of a non-dependant so that the amount of the deduction which falls to be made under paragraph 29 increased.

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

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

- (a) where more than one change of a kind referred to in sub-paragraph (10)(b) relating to the same non-dependant has occurred since—
 - (i) the date on which the applicant's entitlement to a reduction under this scheme first began; or
 - (ii) the date which was the last effective date in respect of such a change,
 whichever is the late, the date which falls 26 weeks after the date on which the first such change occurred;
- where paragraph (a) does not apply, the date which falls 26 weeks after the date on which the change referred to in sub-paragraph (10)(b) occurred.

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

Change of circumstances where state pension credit in payment

106.—(1) Sub-paragraphs (2) and (3) apply where—

- (a) the applicant is in receipt of state pension credit;
- (b) the amount of state pension credit awarded to him is changed in consequence of a change in the applicant's circumstances or the correction of an official error; and
- (c) the change in the amount of state pension credit payable to the applicant results in a change in the amount of a reduction he receives under this scheme.

(2) Where the change of circumstance is that an increase in the amount of state pension credit payable to the applicant results in—

- (a) an increase in the reduction he receives under this scheme, the change takes effect from the first day of the reduction week in which state pension credit becomes payable at the increased rate; or
- (b) a decrease in the reduction he receives under this scheme, the change takes effect from the first day of the reduction week next following the date on which—
 - (i) the local authority receives notification from the Secretary of State of the increase in the amount of state pension credit; or
 - (ii) state pension credit is increased,
 whichever is the later.

(3) Where the change of circumstance (“the relevant change”) is that the applicant's state pension credit has been reduced and in consequence the reduction the applicant receives under this scheme reduces—

- (a) in a case where the applicant's state pension credit has been reduced because the applicant failed to notify the Secretary of State timeously of a change of circumstances, the relevant change takes effect from the first day of the reduction week from which state pension credit was reduced; or
- (b) in any other case the relevant change takes effect from the first day of the reduction week next following the date on which—
 - (i) the authority receives notification from the Secretary of State of the reduction in the amount of state pension credit; or
 - (ii) state pension credit is reduced,
 whichever is the later.

(4) Where the change of circumstance is that state pension credit is reduced and in consequence of the change, the amount of a reduction he receives under this scheme is increased, the change takes effect from the first day of the reduction week in which state pension credit becomes payable at the reduced rate.

(5) Where a change of circumstance occurs in that an award of state pension credit has been made to the applicant or his partner and this would result in a decrease in the amount of reduction he receives under this scheme, the change takes effect from the first day of the reduction week next following the date on which—

- (a) the authority receives notification from the Secretary of State of the award of state pension credit; or
- (b) entitlement to state pension credit begins,

whichever is the later.

(6) Where, in the case of an applicant who, or whose partner, is or has been awarded state pension credit comprising only the savings credit, there is—

- (a) a change of circumstances of a kind described in any of sub-paragraphs (2) to (5) which results from a relevant calculation or estimate; and

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

(7) Where a change of circumstance occurs in that a guarantee credit has been awarded to the applicant or his partner and this would result in an increase in the amount of a reduction the applicant receives under this scheme, the change takes effect from the first day of the reduction week next following the date in respect of which the guarantee credit is first payable.

(8) Where a change of circumstances would, but for this sub-paragraph, take effect under the preceding provisions of this paragraph within the 4 week period specified in paragraph 91 (continuing reductions where state pension credit claimed), that change takes effect on the first day of the first reduction week to commence after the expiry of the 4 week period.

(9) In this paragraph—

“official error” means an error made by—

(a) the authority or a person—

- (i) authorised to carry out any function of the authority relating to this scheme; or
- (ii) providing services relating to this scheme directly or indirectly to the authority; or

(b) an officer of—

- (i) the Department for Work and Pensions; or
- (ii) the Commissioners of Inland Revenue, acting as such,

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

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

“relevant determination” means a change in the determination by the authority of the applicant's income and capital using the relevant calculation or estimate, in accordance with paragraph 35(1).

PART 14

Applications (including duties to notify authority of change of circumstances)

Making an application

107.—(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(135) 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 might be entitled under this scheme and to receive and deal on his behalf with any sums payable to him.

(4) Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).

(5) Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4)—

- (a) it may at any time revoke the appointment;
- (b) the person appointed may resign his office after having given 4 weeks notice in writing to the authority of his intention to do so;
- (c) any such appointment must terminate when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).

(6) Anything required by this scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the person appointed or treated as appointed under this paragraph and the receipt of any such person so appointed shall be a good discharge to the authority for any sum paid.

(7) The authority must—

- (a) inform any person making an application of the duty imposed by paragraph 113(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.

Date on which an application is made

108.—(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 a reduction under this scheme is made within one month of the date on which the claim for that state pension credit which comprises a guarantee credit was received at the appropriate DWP office,

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

- (b) in a case where—
- (i) an applicant or his partner is a person in receipt of a guarantee credit,
 - (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
 - (iii) the application to the authority is received at the authority's offices 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 a reduction under this scheme is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,

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

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

the date on which the change takes place;

- (e) in a case where—
- (i) the applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under this scheme, and
 - (ii) where the applicant makes an application for a reduction under this scheme within one month of the date of the death or the separation,

the date of the death or separation;

- (f) except where paragraph (a), (b) or (e) is satisfied, in a case where a properly completed application is received within one month (or such longer period as the authority considers reasonable) of the date on which an application form was issued to the applicant following the applicant first notifying, by whatever means, the authority of an intention to make an application, the date of first notification;
- (g) in any other case, the date on which the application is received at the offices of the authority.

(2) For the purposes only of sub-paragraph (1)(a) a person who has been awarded an income-based jobseeker's allowance or an income-related employment and support allowance is to be treated as entitled to that allowance for any days which immediately precede the first day in that award and on which he would, but for regulations made under—

- (a) in the case of income-based jobseeker's allowance, paragraph 4 of Schedule 1 to the Jobseekers Act 1995 (waiting days); or

- (b) in the case of income-related employment and support allowance, paragraph 2 of Schedule 2 to the Welfare Reform Act 2007 (waiting days),

have been entitled to that allowance.

(3) Where the defect referred to in paragraph 7 of Schedule 1 to this scheme (application by telephone)—

- (a) is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority is to 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 is to treat the application as if it had been duly made in the first instance where it considers it has sufficient information to decide on the application.

(4) The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.

(5) The conditions are that—

- (a) where paragraph 4(a) of Schedule 1 (incomplete form) applies, the authority receives at the offices of the authority the properly completed application or the information requested to complete it or the evidence within one month of the request, or such longer period as the authority may consider reasonable; or
- (b) where paragraph 4(b) of Schedule 1 (application not on approved form or further information requested by authority) applies—
- (i) the approved form sent to the applicant is received at the offices of the authority 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 offices the properly completed application or the information requested to complete it within one month of the request or within such longer period as the authority considers reasonable.

(6) Except in the case of an application made by a person treated as not being in Great Britain, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for a reduction under this scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority is to treat the application as having been made on the day on which the liability for the tax arises.

(7) Except in the case of an application made by a person treated as not being in Great Britain, where the applicant is not entitled to a reduction under this scheme in the reduction week immediately following the date of his application but the authority is of the opinion that unless there is a change of circumstances he will be entitled to a reduction under this scheme for a period beginning not later than—

- (a) in the case of an application made by a pensioner, 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) Sub-paragraph (7) applies in the case of 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.

Back-dating of applications: pensioners

109.—(1) Subject to sub-paragraph (2), the time for the making of an application under this scheme by a pensioner is as regards any day on which, apart from satisfying the condition of making an application, the applicant is entitled to such a reduction, that day and the period of three months immediately following it.

(2) In any case where paragraph 108(1)(a) applies, sub-paragraph (1) does not entitle a person to apply for a reduction under this scheme in respect of any day earlier than three months before the date on which the claim for state pension credit is made (or treated as made by virtue of any provision of the Social Security (Claims and Payments) Regulations 1987).

Back-dating of applications: persons who are not pensioners

110.—(1) Where an applicant who is a person who is not a pensioner—

- (a) makes an application under this scheme which includes (or which he subsequently requests should include) a period before the application is made; and
- (b) from a day in that period, up to the date he made the application (or subsequently requested that the application should include a past period), the applicant had continuous good cause for failing to make an application (or request that the application should include that period),

the application is to be treated as made on the date determined in accordance with sub-paragraph (2).

(2) That date is the latest of—

- (a) the first day from which the applicant had continuous good cause;
- (b) the day 6 months before the date the claim was made;
- (c) the day 6 months before the date when the applicant requested that the application should include a past period.

Information and evidence

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

(2) This sub-paragraph is satisfied in relation to a person if—

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

(3) Sub-paragraph (2) does not apply—

- (a) in the case of a child or young person in respect of whom an application for a reduction is made;

- (b) to a person who—
- (i) is a person who is a partner of a person or non-dependant resident in the dwelling with the person making an application for a reduction under this scheme;
 - (ii) is a person treated as not being in Great Britain for the purposes of this scheme⁽¹³⁶⁾;
 - (iii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
 - (iv) has not previously been allocated a national insurance number.

(4) Subject to sub-paragraph (5), a person who makes an application, or a person to whom a reduction under this scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or any question arising out of the application or the award, as may reasonably be required by the authority in order to determine that person's entitlement to, or continuing entitlement to a reduction under this scheme and must do so within one month of the authority requiring him to do so or such longer period as the authority may consider reasonable.

(5) Nothing in this paragraph requires a person to furnish any certificates, documents, information or evidence relating to a payment to which sub-paragraph (7) applies.

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

- (a) inform the applicant or the person to whom a reduction under this scheme has been awarded of his duty under paragraph 113 (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 113, 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 9 (payments made under certain trusts and certain other payments), other than a payment under the Independent Living Fund (2006);
- (c) a payment which is disregarded under paragraph 29(9)(b) or (c) (non-dependant deductions) or paragraph 2(b) or (c) of Schedule 4 (second adult's gross income) other than a payment under the Independent Living Fund (2006).

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

- (a) the name and address of the pension fund holder⁽¹³⁷⁾;
- (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

112.—(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 offices of the authority.

⁽¹³⁶⁾ As to which, see paragraphs 21 to 21B.

⁽¹³⁷⁾ For provisions requiring a pension fund holder to provide information to the billing authority see regulations under section 14A of the Local Government Finance Act 1992.

(2) Where the application was made by telephone in accordance with Part 1 of Schedule 1, the amendment may also be made by telephone.

(3) Any application amended in accordance with sub-paragraph (1) or (2) is to be treated as if it had been amended in the first instance.

(4) A person who has made an application may withdraw it by notice to the offices of the authority at any time before a decision has been made on it.

(5) Where the application was made by telephone in accordance with Part 1 of Schedule 1, the withdrawal may also be made by telephone.

(6) Any notice of withdrawal given in accordance with sub-paragraph (4) or (5) shall have effect when it is received.

Duty to notify changes of circumstances

113.—(1) Subject to sub-paragraphs (3), (6) and (7), the applicant (or any person acting on his behalf) must comply with sub-paragraph (2) if there is a relevant change of circumstances at any time—

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

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

- (a) in writing; or
- (b) by telephone—
 - (i) where the authority has published a telephone number for that purpose or for the purposes of Part 1 of Schedule 1 unless the authority determines that in any particular case or class of case notification may not be given by telephone; or
 - (ii) in any case or class of case where the authority determines that notice may be given by telephone; or
- (c) by any other means which the authority agrees to accept in any particular case.

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

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

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

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

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

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

of adults in the dwelling or in their total gross incomes and, where any such adult ceases to be in receipt of state pension credit, the date when this occurs;

- (b) in the case of a person falling within class F (persons who are not pensioners: alternative maximum council tax reduction) giving written notice to the authority of changes which occur in the number of adults in the dwelling or in their total gross incomes and, where any such adult ceases to be in receipt of income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the date when this occurs.

(7) A person who has been granted a reduction under this scheme who is also on state pension credit must report—

- (a) changes affecting the residence or income of any non-dependant normally residing with the applicant or with whom the applicant normally resides;
- (b) any absence from the dwelling which exceeds or is likely to exceed 13 weeks.

(8) In addition to the changes required to be reported under sub-paragraph (6), 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 reduction under this scheme allowed in his case, but not changes in the age of the child;
- (b) any change in the amount of the applicant's capital to be taken into account which does or may take the amount of his capital to more than £16,000;
- (c) any change in the income or capital of—
 - (i) a non-dependant whose income and capital are treated as belonging to the applicant in accordance with paragraph 33 (circumstances in which income of a non-dependant is to be treated as applicant's); or
 - (ii) a person to whom paragraph 35(2)(e) refers,

and whether such a person or, as the case may be, non-dependant stops living or begins or resumes living with the applicant.

(9) A person who is entitled to a reduction under this scheme and on state pension credit need only report to the authority the changes specified in sub-paragraphs (6) and (7).

PART 15

Decisions by authority

Decision by authority

114. The authority must make a decision on an application for a reduction under this scheme within 14 days of paragraphs 108 and 111 and Part 1 of Schedule 1 being satisfied, or as soon as reasonably practicable thereafter.

Notification of decision

115.—(1) The authority must notify in writing any person affected by a decision made by it under this scheme—

- (a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;
- (b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.

(2) Where the decision is to award a reduction the notification under sub-paragraph (1) must include a statement—

- (a) informing the person affected of the duty imposed by paragraph 113(1)(b);
- (b) explaining the possible consequences (including prosecution) of failing to comply with that duty; and
- (c) setting out the circumstances a change in which might affect entitlement to the reduction or its amount.

(3) 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.

(4) The written statement referred to in sub-paragraph (3) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.

(5) For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under this scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (6).

(6) 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⁽¹³⁸⁾ who has power to apply or, as the case may be, receive benefit on the person's behalf; or
 - (iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,
- (c) a person appointed by the authority under paragraph 107(3).

PART 16

Award or payment of reduction

Time and manner of granting reduction under this scheme

116.—(1) Subject to paragraph 119 (payments on death), where a person is entitled to a reduction under this scheme in respect of his liability for the authority's council tax as it has effect in respect of the financial year, the authority must discharge his entitlement—

- (a) by reducing, so far as possible, the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers; or
- (b) where—
 - (i) such a reduction is not possible; or
 - (ii) such a reduction would be insufficient to discharge the entitlement to a reduction under this scheme; or
 - (iii) the person entitled to the reduction is jointly and severally liable for the council tax and the authority determines that such a reduction would be inappropriate,

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by making payment to him of the amount of reduction to which he is entitled, rounded where necessary to the nearest penny.

(2) The authority must notify the person entitled to a reduction under this scheme of the amount of that reduction and how his entitlement is to be discharged in pursuance of sub-paragraph (1).

(3) In a case to which sub-paragraph (1)(b) refers—

- (a) if the amount of the council tax for which he remains liable in respect of the financial year, after any reduction to which sub-paragraph (1)(a) refers has been made, is insufficient to enable his entitlement to a reduction under this scheme in respect thereof to be discharged, upon the final instalment of that tax becoming due any outstanding reduction—
 - (i) must be paid to that person if he so requires; or
 - (ii) in any other case must (as the authority determines) either be repaid or credited against any subsequent liability of the person to make a payment in respect of the authority's council tax as it has effect for any subsequent year;
- (b) if that person has ceased to be liable for the authority's council tax and has discharged the liability for that tax, the outstanding balance (if any) of the reduction under this scheme in respect thereof must be paid within 14 days or, if that is not reasonably practicable, as soon as practicable thereafter
- (c) in any other case, the reduction under this scheme must be paid within 14 days of the receipt of the application at the offices of the authority or, if that is not reasonably practicable, as soon as practicable thereafter.

(4) For the purposes of this paragraph “instalment” means any instalment of the authority's council tax to which regulation 19 of the Council Tax (Administration and Enforcement) Regulations 1992 refers (council tax payments).

Person to whom reduction is to be paid

117.—(1) Subject to paragraph 119 (payment on death) and sub-paragraph (2), any payment of the amount of a reduction under paragraph 116(1)(b) must be made to the person who is entitled to the reduction.

(2) Where a person other than the person who is entitled to the reduction under this scheme made the application for the reduction and that first person is a person acting pursuant to an appointment under paragraph 107(3) (persons appointed to act for a person unable to act) or is treated as having been so appointed by virtue of paragraph 107(5), the amount of the reduction may be paid to that person.

Shortfall in reduction

118. Where, on the revision of a decision allowing a reduction under this scheme to a person, it is determined that the amount allowed was less than the amount to which that person was entitled, the authority must either—

- (a) make good any shortfall in reduction which is due to that person, by reducing so far as possible the next and any subsequent payments he is liable to make in respect of the council tax of the authority as it has effect for the financial year until that shortfall is made good; or
- (b) where this is not possible or the person concerned so requests, pay the amount of any shortfall in reduction due to that person within 14 days of the revision of the decision being made or if that is not reasonable practicable, as soon as possible afterwards.

Payment on the death of the person entitled

119. Where the person entitled to any reduction under this scheme has died and it is not possible to award the reduction which is due in the form of a reduction of the council tax for which he was liable, the authority must make payment of the amount of the reduction to his executor or administrator in accordance with regulation 58(4) of the Council Tax (Administration and Enforcement) Regulations 1992(139).

SCHEDULE 1 Procedural matters

Paragraph 11

PART 1

Procedure for an application for a reduction under this scheme

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

1. Paragraphs 2 to 7 apply to an application for a reduction under this scheme.
2. An application may be made—
 - (a) in writing,
 - (b) by means of an electronic communication in accordance with Part 4 of this Schedule, or
 - (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- 3.—(1) An application which is made in writing must be made to the offices of the authority 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 completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

5.—(1) If an application made by electronic communication is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

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

7.—(1) If an application made by telephone is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

PART 2

Procedure for making an appeal

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

8. A person who is aggrieved by a decision of the authority under this scheme may serve a written notice on the authority stating the matter by which, and the grounds on which, he is aggrieved.

9. The authority must—

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

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

PART 3

Procedure for applying for a discretionary reduction

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

11. An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act must be made—

- (a) in writing,
- (b) by means of an electronic communication in accordance with Part 4 of this Schedule.

PART 4

Electronic communication

Interpretation

12. In this Part of this Schedule—

“information” includes an application for a reduction under this scheme and a certificate, notice or other evidence;

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

Conditions for the use of electronic communication

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

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

(3) The first condition is that the person is for the time being permitted to use an electronic communication by an authorisation given by means of a direction of the Chief Executive of the authority.

(4) The second condition is that the person uses an approved method of—

- (a) authenticating the identity of the sender of the communication;
- (b) electronic communication;
- (c) authenticating any application or notice delivered by means of an electronic communication; and
- (d) subject to sub-paragraph (7), submitting to the authority any information.

(5) The third condition is that any information sent by means of an electronic communication is in a form approved for the purposes of this Part of this Schedule.

(6) The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.

(7) Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.

(8) In this paragraph “approved” means approved by means of a direction given by the Chief Executive of the authority for the purposes of this Part of this Schedule.

Use of intermediaries

14. 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.

Effect of delivering information by means of electronic communication

15.—(1) Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of this scheme, on the day the conditions imposed—

- (a) by this Part of this Schedule; and
- (b) by or under an enactment,

are satisfied.

(2) The authority may, by a direction, 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 shall 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.

Proof of identity of sender or recipient of information

16. 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.

Proof of delivery of information

17.—(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 shall be presumed to have been the case where—

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

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

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

Proof of content of information

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

SCHEDULE 2

Paragraph 24

Applicable amounts: 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 24(1)(a).

<i>Column (1)</i>	<i>Column (2)</i>
<i>Person, couple or polygamous marriage</i>	<i>Amount</i>
(1) Single applicant or lone parent—	(1)

(a) aged under 65;	(a) £137.35;
(b) aged 65 or over.	(b) £157.90.
(2) Couple—	(2)
(a) both members aged under 65;	(a) £209.70;
(b) one or both members aged 65 or over.	(b) £236.80.
(3) If the applicant is a member of a polygamous marriage and none of the members of the marriage has attained the age of 65—	(3)
(a) for the applicant and the other party to the marriage;	(a) £209.70;
(b) for each additional spouse who is a member of the same household as the applicant.	(b) £72.35.
(4) If the applicant is a member of a polygamous marriage and one or more members of the marriage are aged 65 or over—	(4)
(a) for the applicant and the other party to the marriage;	(a) £236.80;
(b) for each additional spouse who is a member of the same household as the applicant.	(b) £78.90.

Child or young person amounts

2.—(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 24(1)(b).

<i>Column (1)</i>	<i>Column (2)</i>
<i>Child or young person</i>	<i>Amount</i>
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;	(a) £62.33;
(b) beginning on the first Monday in September following that person's sixteenth birthday and ending on the day preceding that person's twentieth birthday.	(b) £62.33.

(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

Family premium

3. The amount for the purposes of paragraph 24(1)(c) in respect of a family of which at least one member is a child or young person is £17.40.

PART 3

Premiums

4. The premiums specified in Part 4 shall, for the purposes of paragraph 24(1)(d), be applicable to an applicant who satisfies the condition specified in this Part in respect of that premium.

5.—(1) Subject to sub-paragraph (2), for the purposes of this Part of this Schedule, once a premium is applicable to an applicant under this Part, a person shall 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 of this Schedule, a person shall 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.

Severe disability premium

6.—(1) The condition is that the applicant is a severely disabled person.

(2) For the purposes of sub-paragraph (1), an applicant shall 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; 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 2012;
- (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 sub-paragraph (2)(b)(ii), and that partner is blind or is treated as blind within the meaning of sub-paragraph (4), that partner shall 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 shall 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 shall 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
- (b) a person who is blind or is treated as blind within the meaning of sub-paragraphs (4) and (5).

(7) For the purposes of sub-paragraph (2)(b) a person shall be treated—

- (a) as being in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, if he would, but for his being a patient for a period exceeding 28 days, be so in receipt;
- (b) as being in receipt of the daily living component of personal independence payment paid at the rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012 if he would, but for his being a patient for a period exceeding 28 days, be so in receipt, notwithstanding section 86 of that Act and regulations made thereunder;
- (c) as being 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 shall be taken of an award of carer's allowance to the extent that payment of such an award is back-dated for a period before the date on which the award is first paid; and
- (b) references to a person being in receipt of a carer's allowance shall 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).

Enhanced disability premium

7.—(1) The condition is—

- (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 in respect of a child or young person who is a member of the applicant's family; or
- (b) (as the case may be) that the daily living component of personal independence payment 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 under section 86 of the Welfare Reform Act 2012, be payable at the enhanced rate prescribed in accordance with Part 4 of that Act.

(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).

Disabled child premium

8. 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 or payment because he is a patient, provided that the child or young person continues to be a member of the family; or
- (b) is blind within the meaning of paragraph 6(4) 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.

Carer premium

9.—(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 shall 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.

Persons in receipt of concessionary payments

10. 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 shall be treated as if it were a payment of that benefit.

Person in receipt of benefit

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

PART 4

Amounts of premium specified in Part 3

<i>Provision</i>	<i>Amount</i>
12.—(1) Severe Disability Premium—	(1)
(a) where the applicant satisfies the condition in paragraph 6(2)(a);	(a) £55.30;
(b) where the applicant satisfies the condition in paragraph 6(2)(b)—	(b)
(i) in a case where there is someone in receipt of a carer's allowance or if he or any partner satisfies that condition only by virtue of paragraph 6(7);	(i) £55.30;
(ii) in a case where there is no-one in receipt of such an allowance.	(ii) £110.60.
(2) Enhanced disability premium.	(2) £21.63 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) £53.62 in respect of each child or young person in respect of whom the condition specified in paragraph 8 is satisfied
(4) Carer Premium.	(4) £31.00 in respect of each person who satisfies the condition specified in

SCHEDULE 3

Paragraph 25

Applicable amounts: persons who are not pensioners

PART 1

Personal allowances

1. The amounts specified in column (2) below in respect of each person or couple specified in column (1) shall be the amounts specified for the purposes of paragraphs 25(1)(a) and 26(1)(a) and (b)—

<i>Column (1)</i>	<i>Column (2)</i>
<i>Person or couple</i>	<i>Amount</i>
(1) A single applicant who—	(1)
(a) is entitled to main phase employment and support allowance;	(a) £67.50;
(b) is aged not less than 25;	(b) £67.50;
(c) is aged not less than 18 but less than 25.	(c) £53.45.
(2) Lone parent.	(2) £67.50.
(3) Couple.	(3) £105.95.

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

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

3.—(1) The amounts specified in column (2) below in respect of each person specified in column (1) shall, for the relevant period specified in column (1), be the amounts specified for the purposes of paragraphs 25(1)(b) and 26(1)(c) of this scheme—

<i>Column (1)</i>	<i>Column (2)</i>
<i>Child or Young person</i>	<i>Amount</i>
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;	£62.33
(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.	£62.33

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

PART 2

Family premium

4.—(1) The amount for the purposes of paragraphs 25(1)(c) and 26(1)(d) in respect of a family of which at least one member is a child or young person shall be—

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

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

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

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

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

- (a) the applicant has not ceased to be entitled, or has not ceased to be treated as entitled, to—
 - (i) council tax benefit (in relation to the period prior to 1st April 2013), and
 - (ii) a reduction under this scheme (in relation to the period commencing on 1st April 2013);
- (b) the applicant has not ceased to be a lone parent;
- (c) where the applicant was entitled to income support or to an income-based jobseeker's allowance on 5th April 1998, he has continuously, since that date, been entitled to income support, an income-based jobseeker's allowance or income-related employment and support allowance or a combination of those benefits;
- (d) where the applicant was not entitled to income support or to an income-based jobseeker's allowance on 5th April 1998, he has not become entitled to income support, an income-based jobseeker's allowance or an income-related employment and support allowance; and
- (e) a premium under paragraph 9 of this Schedule or a component under paragraph 21 or 22 of this Schedule has not become applicable to the applicant.

(4) For the purposes of sub-paragraphs (2)(b)(i) and (3)(a), an applicant shall be treated as entitled to council tax benefit during any period where he was not, or had ceased to be, so entitled and—

- (a) throughout that period, he had been awarded housing benefit and his applicable amount included the amount applicable under paragraph 3(1)(a) of Schedule 3 to the Housing Benefit Regulations 2006 (lone parent rate of family premium); or
- (b) he would have been awarded housing benefit during that period had that period not been a rent free period as defined in regulation 81 of the Housing Benefit Regulations 2006 and his applicable amount throughout that period would have included the amount applicable under paragraph 3(1)(a) of Schedule 3 to those Regulations.

PART 3

Premiums

5. Except as provided in paragraph 6 of this Schedule, the premiums specified in Part 4 of this Schedule shall, for the purposes of paragraphs 25(1)(d) and 26(1)(e) of this scheme, be applicable to an applicant who satisfies the condition specified in paragraphs 9 to 14 of this Schedule in respect of that premium.

6. Subject to paragraph 7 of this Schedule, where an applicant satisfies the conditions in respect of more than one premium in this Part of this Schedule, only one premium shall be applicable to him and, if they are different amounts, the higher or highest amount shall apply.

7. The following premiums, namely—

- (a) a severe disability premium to which paragraph 11 of this Schedule applies;
- (b) an enhanced disability premium to which paragraph 12 of this Schedule applies;
- (c) a disabled child premium to which paragraph 13 of this Schedule applies; and
- (d) a carer premium to which paragraph 14 of this Schedule applies,

may be applicable in addition to any other premium which may apply under this Schedule.

8.—(1) Subject to sub-paragraph (2), for the purposes of this Part of this Schedule, once a premium is applicable to an applicant under this Part, a person shall 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(140) applies, any period during which, apart from the provisions of those Regulations, he would be in receipt of that benefit; and
- (b) any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the Employment and Training Act 1973 or by Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise under section 2 of the Enterprise and New Towns (Scotland) Act 1990 for any period during which he is in receipt of a training allowance.

(2) For the purposes of the carer premium under paragraph 14 of this Schedule, a person shall be treated as being in receipt of carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA or the daily living component of personal independence payment payable under Part 4 of the Welfare Reform Act 2012.

Disability premium

9. The condition is that—

- (a) where the applicant is a single applicant or a lone parent, he has not attained the qualifying age for state pension credit and the additional condition specified in paragraph 10 of this Schedule is satisfied; or
 - (b) where the applicant has a partner, either—
 - (i) the applicant has not attained the qualifying age for state pension credit and the additional condition specified in paragraph 10(1)(a) or (b) is satisfied by him; or
 - (ii) his partner has not attained the qualifying age for state pension credit and the additional condition specified in paragraph 10(1)(a) is satisfied by his partner.
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Additional condition for the disability premium

10.—(1) Subject to sub-paragraph (2) and paragraph 8 of this Schedule, the additional condition referred to in paragraph 9 of this Schedule is that either—

- (a) the applicant or, as the case may be, his partner—
 - (i) is in receipt of one or more of the following benefits: attendance allowance, disability living allowance, personal independence payment, 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(141), 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 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 57(11)(i) (treatment of child care charges); or
 - (iv) was in receipt of personal independence payment, but payment of that benefit has been suspended in accordance with section 86 of the Welfare Reform Act 2012 as a consequence of the applicant becoming a patient within the meaning of paragraph 57(11)(i) (treatment of child care charges); or
 - (v) is provided by the Secretary of State with an invalid carriage or other vehicle under section 5(2) of the National Health Service Act 1977 (other services) or, in Scotland, 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 2 of Schedule 2 to the Act of 1977 (additional provisions as to vehicles) or, in Scotland, by Scottish Ministers under section 46 of the Act of 1978; or
 - (vi) 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—
 - (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)(vi), a person who has ceased to be registered as blind on regaining his eyesight shall 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.

(3) For the purposes of sub-paragraph (1)(b), once the disability premium is applicable to an applicant by virtue of his satisfying the additional condition specified in that provision, if he then ceases, for a period of 8 weeks or less, to be treated as incapable of work or to be incapable of work he shall, on again becoming so incapable of work, immediately thereafter be treated as satisfying the condition in sub-paragraph (1)(b).

(4) For the purposes of sub-paragraph (1)(b), once the disability premium is applicable to an applicant by virtue of his satisfying the additional condition specified in that provision, he shall continue to be treated as satisfying that condition for any period spent by him in undertaking a course of training provided under section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990 or for any period during which he is in receipt of a training allowance.

(5) For the purposes of sub-paragraph (1)(b), where any two or more periods of incapacity are separated by a break of not more than 56 days, those periods shall be treated as one continuous period.

(6) For the purposes of this paragraph, a reference to a person who is or was in receipt of long-term incapacity benefit includes a person who is or was in receipt of short-term incapacity benefit at a rate equal to the long-term rate by virtue of section 30B(4)(a) of the Act (short-term incapacity benefit for a person who is terminally ill), or who would be or would have been in receipt of short-term incapacity benefit at such a rate but for the fact that the rate of short-term incapacity benefit already payable to him is or was equal to or greater than the long-term rate.

(7) In the case of an applicant who is a welfare to work beneficiary (a person to whom regulation 13A(1) of the Social Security (Incapacity for Work) (General) Regulations 1995 applies, and who again becomes incapable of work for the purposes of Part 12A of the SSCBA)—

- (a) the reference to a period of 8 weeks in sub-paragraph (3); and
- (b) the reference to a period of 56 days in sub-paragraph (5),

shall in each case be treated as a reference to a period of 104 weeks.

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

Severe disability premium

11.—(1) The condition is that the applicant is a severely disabled person.

(2) For the purposes of sub-paragraph (1), an applicant shall be treated as being a severely disabled person if, and only if—

- (a) in the case of a single applicant, a lone parent or an applicant who is treated as having no partner in consequence of sub-paragraph (3)—
 - (i) he is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012; and
 - (ii) subject to sub-paragraph (4), he has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing; and
 - (iii) no person is entitled to, and in receipt of, a carer's allowance under section 70 of the SSCBA in respect of caring for him;
- (b) in the case of an applicant who has a partner—
 - (i) the applicant is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance

with section 72(3) of the SSCBA or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012; and

- (ii) his partner is also in receipt of such an allowance or, if he is a member of a polygamous marriage, all the partners of that marriage are in receipt of such an allowance; and
- (iii) subject to sub-paragraph (4), the applicant has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing,

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

(3) Where an applicant has a partner who does not satisfy the condition in sub-paragraph (2)(b)(ii), and that partner is blind or is treated as blind within the meaning of paragraph 10(1)(a)(v) and (2), that partner shall be treated for the purposes of sub-paragraph (2)(b)(ii) as if he were not a partner of the applicant.

(4) For the purposes of sub-paragraph (2)(a)(ii) and (2)(b)(iii) no account shall be taken of—

- (a) a person receiving attendance allowance, or disability living allowance by virtue of the care component at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA; or
- (b) a person who is blind or is treated as blind within the meaning of paragraph 10(1)(a)(v) and (2).

(5) For the purposes of sub-paragraph (2)(b) a person shall be treated—

- (a) as being in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012, if he would, but for his being a patient for a period exceeding 28 days, be so in receipt;
- (b) as being entitled to and in receipt of a carer's allowance if he would, but for the person for whom he was caring being a patient in hospital for a period exceeding 28 days, be so entitled and in receipt.

(6) For the purposes of sub-paragraph (2)(a)(iii) and (2)(b), no account shall be taken of an award of carer's allowance to the extent that payment of such an award is back-dated for a period before the date on which the award is first paid.

(7) In sub-paragraph (2)(a)(iii) and (b), references to a person being in receipt of a carer's allowance shall include references to a person who would have been in receipt of that allowance but for the application of a restriction under section 6B or 7 of the Social Security Fraud Act 2001(142) (loss of benefit provisions).

Enhanced disability premium

12.—(1) Subject to sub-paragraph (2), the condition is that—

- (a) the Secretary of State has decided that the applicant has, or is to be treated as having, limited capability for work-related activity; or
- (b) the care component of disability living allowance is, or would be payable at the highest rate prescribed under section 72(3) of the SSCBA, but for a suspension of benefit in accordance with regulations made under section 113(2) of the SSCBA or but for an

abatement as a consequence of hospitalisation be payable at the highest rate prescribed under section 72(3) of the SSCBA in respect of—

- (i) the applicant; or
- (ii) a member of the applicant's family,
who has not attained the qualifying age for state pension credit;
- (c) the daily living component of personal independence payment is, or would be payable at either rate under Part 4 of the Welfare Reform Act 2012, but for a suspension of benefit in accordance with section 86 of the Welfare Reform Act 2012 in respect of—
 - (i) the applicant; or
 - (ii) a member of the applicant's family,
who has not attained the qualifying age for state pension credit.

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

(3) The condition is not satisfied if the person to whom sub-paragraph (1) refers is—

- (a) an applicant who—
 - (i) is not a member of a couple or a polygamous marriage; and
 - (ii) is a patient within the meaning of paragraph 57(11)(e) of this scheme (treatment of child care charges) and has been for a period of more than 52 weeks; or
- (b) a member of a couple or a polygamous marriage where each member is a patient within the meaning of paragraph 57(11)(e) and has been for a period of more than 52 weeks.

Disabled child premium

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

- (a) is in receipt of disability living allowance or personal independence payment or is no longer in receipt of such allowance because he is a patient, provided that the child or young person continues to be a member of the family; or
- (b) is blind or treated as blind within the meaning of paragraph 10 of this Schedule; 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.

Carer premium

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

(2) Where a carer premium is awarded but—

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

the condition for the award of the premium 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) shall be—
- (a) where sub-paragraph (2)(a) applies, the Sunday following the death of the person in respect of whose care a carer's allowance has been awarded or the date of death if the death occurred on a Sunday;
 - (b) in any other case, the date on which the person who has been entitled to a carer's allowance ceases to be entitled to that allowance.
- (4) Where a person who has been entitled to a carer's allowance ceases to be entitled to that allowance and makes an application for a reduction, the condition for the award of the carer premium shall be treated as satisfied for a period of eight weeks from the date on which—
- (a) the person in respect of whose care the carer's allowance has been awarded dies;
 - (b) in any other case, the person who has been entitled to a carer's allowance ceased to be entitled to that allowance.

Persons in receipt of concessionary payments

15. For the purpose of determining whether a premium is applicable to a person under paragraphs 10 to 14 of this Schedule, any concessionary payment made to compensate that person for the non-payment of any benefit mentioned in those paragraphs shall be treated as if it were a payment of that benefit.

Persons in receipt of benefit for another

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

PART 4

Amounts of Premiums Specified in Part 3

<i>Premium</i>	<i>Amount</i>
17.—(1) Disability Premium—	(1)
(a) where the applicant satisfies the condition in paragraph 9(a);	(a) £28.85;
(b) where the applicant satisfies the condition in paragraph 9(b).	(b) £41.10.
(2) Severe Disability Premium—	(2)
(a) where the applicant satisfies the condition in paragraph 11(2)(a);	(a) £55.30;
(b) where the applicant satisfies the condition in paragraph 11(2)(b)—	
(i) in a case where there is someone in receipt of a carer's allowance or if he or any partner satisfies that condition only by virtue of paragraph 11(5);	(b)(i) £55.30;
(ii) (ii) in a case where there is no-one in receipt of such an allowance.	(b)(ii) £110.60.
(3) Disabled Child Premium.	(3) £53.62 in respect of each child or young person in respect of whom the condition

- specified in paragraph 13 of Part 3 of this Schedule is satisfied.
- (4) Carer Premium. (4) £31.00 in respect of each person who satisfies the condition specified in paragraph 14.
- (5) Enhanced disability premium (5)
- (a) £21.63 in respect of each child or young person in respect of whom the conditions specified in paragraph 12 are satisfied;
- (b) £14.05 in respect of each person who is neither—
- (i) a child or young person; nor
- (ii) a member of a couple or a polygamous marriage,
- in respect of whom the conditions specified in paragraph 12 are satisfied;
- (c) £20.25 where the applicant is a member of a couple or a polygamous marriage and the conditions specified in paragraph 12 are satisfied in respect of a member of that couple or polygamous marriage.
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PART 5

The components

18. Subject to paragraph 20 of this Schedule the applicant is entitled to one, but not both, of the components in paragraph 21 or 22 of this Schedule if—

- (a) the applicant or the applicant's partner has made a claim for employment and support allowance;
- (b) the Secretary of State has decided that the applicant or the applicant's partner has, or is to be treated as having, limited capability for work or limited capability for work-related activity; and
- (c) either—
- (i) the assessment phase as defined in section 24(2) of the Welfare Reform Act has ended; or
- (ii) regulation 7 of the Employment and Support Allowance Regulations 2008 (circumstances where the condition that the assessment phase has ended before entitlement to the support component or the work related activity component arises does not apply) applies.

19. Subject to paragraph 20, the applicant is entitled to one, but not both, of the components in paragraphs 21 and 22 if the applicant or his partner is entitled to a converted employment and support allowance.

20.—(1) The applicant has no entitlement under paragraph 21 or 22 if the applicant is entitled to the disability premium under paragraphs 9 and 10 of this Schedule.

(2) Where the applicant and the applicant's partner each satisfies paragraph 21 or 22, the component to be included in the applicant's applicable amount is that which relates to the applicant.

The work-related activity component

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

The support component

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

PART 6

Amount of Components

23. The amount of the work-related activity component is £26.75.

24. The amount of the support component is £32.35.

PART 7

Transitional Addition

25.—(1) The applicant is entitled to the transitional addition calculated in accordance with paragraph 28 where the applicant or the applicant's partner ("the relevant person")—

- (a) is entitled to a converted employment and support allowance; or
- (b) is appealing a conversion decision as described in regulation 5(2)(b) of the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No. 2) Regulations 2008 and—
 - (i) is treated as having limited capability for work by virtue of regulation 30 of the Employment and Support Allowance Regulations 2008 as modified by the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No. 2) Regulations 2008; and
 - (ii) is not in receipt of an income-related employment and support allowance,

unless the amount of the transitional addition calculated in accordance with paragraph 28 of this Schedule would be nil.

(2) The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following—

- (a) the reduction of the transitional addition to nil in accordance with paragraph 29 of this Schedule;
- (b) the termination of the applicant's award of reduction under this scheme;
- (c) the relevant person ceasing to meet the requirements of sub-paragraph (1)(a) or (b), as the case may be;
- (d) the applicant or the applicant's partner becoming entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support;
- (e) 5th April 2020.

26.—(1) This paragraph applies where—

- (a) the applicant's entitlement to a transitional addition ends, by virtue of the termination of the applicant's award of reduction, under—
 - (i) paragraph 25(2)(b) of this Schedule;
 - (ii) sub-paragraph (3)(b) of this paragraph; or
 - (iii) paragraph 27(3)(b) of this Schedule;
- (b) within 104 weeks of that termination but before 5th April 2020 the applicant again becomes entitled to a reduction under this scheme;
- (c) in the reduction week in which the applicant again becomes entitled to a reduction under this scheme the relevant person is entitled to an employment and support allowance which is not income-related;
- (d) if the period between the events mentioned in paragraphs (a) and (b) is more than 12 weeks, the intervening period is one to which regulation 145(2) (linking period where applicant is a work or training beneficiary) of the Employment and Support Allowance Regulations 2008 applies in respect of the relevant person; and
- (e) at the date on which the applicant again becomes entitled to a reduction under this scheme, neither the applicant nor the applicant's partner is entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support.

(2) Where this paragraph applies, the applicant is entitled, with effect from the day on which the applicant again becomes entitled to a reduction under this scheme, to a transitional addition of the amount of the transitional addition that would have applied had the applicant's entitlement to a transitional addition not ended (but taking account of the effect which any intervening change of circumstances would have had by virtue of paragraph 29), unless the amount of the transitional addition would be nil.

(3) The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following—

- (a) the reduction of the transitional addition to nil in accordance with paragraph 29 of this Schedule;
- (b) the termination of the applicant's award of a reduction under this scheme;
- (c) the relevant person no longer being entitled to the employment and support allowance referred to in sub-paragraph (1)(c);
- (d) the applicant or the applicant's partner becoming entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support;
- (e) 5th April 2020.

27.—(1) This paragraph applies where—

- (a) the applicant's entitlement to a transitional addition ends, by virtue of the relevant person ceasing to be entitled to an employment and support allowance, under—
 - (i) paragraph 25(2)(c);
 - (ii) paragraph 26(3)(c); or
 - (iii) sub-paragraph (3)(c);
- (b) before 5th April 2020 the relevant person again becomes entitled to an employment and support allowance which is not income-related;
- (c) either—
 - (i) at the date on which the relevant person again becomes entitled to an employment support allowance which is not income-related regulation 145(1) of the Employment and Support Allowance Regulations 2008 applies to the relevant person; or

- (ii) the period between the events mentioned in paragraphs (a) and (b) is one to which regulation 145(2) of the Employment and Support Allowance Regulations 2008 applies in respect of the relevant person; and
- (d) at the date on which the relevant person again becomes entitled to an employment support allowance which is not income-related, neither the applicant nor the applicant's partner is entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support.

(2) Where this paragraph applies, the applicant is entitled, with effect from the day that the relevant person's entitlement to employment and support allowance takes effect for the purposes of a reduction under this scheme, to a transitional addition of the amount of the transitional addition that would have applied had the applicant's entitlement to a transitional addition not ended (but taking account of the effect which any intervening change of circumstances would have had by virtue of paragraph 29 of this Schedule), unless the amount of the transitional addition would be nil.

(3) The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following—

- (a) the reduction of the transitional addition to nil in accordance with paragraph 29 of this Schedule;
- (b) the termination of the applicant's award of a reduction under this scheme;
- (c) the relevant person no longer being entitled to the employment and support allowance referred to in sub-paragraph (1)(b);
- (d) the applicant or the applicant's partner becoming entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support;
- (e) 5th April 2020.

PART 8

Amount of Transitional Addition

28.—(1) Subject to paragraph 29 of this Schedule, the amount of the transitional addition is the amount by which Amount A exceeds Amount B.

(2) Where a conversion decision as described in regulation 5(2)(a) of the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No. 2) Regulations 2010 ("the 2010 Regulations") is made in respect of the relevant person—

- (a) Amount A is the basic amount that would have applied on the day that decision took effect had that decision not been made; and
- (b) Amount B is the basic amount that applied on that day as a result of that decision.

(3) Where the relevant person is appealing a conversion decision as described in regulation 5(2)(b) of the 2010 Regulations and is treated as having limited capability for work by virtue of regulation 30 of the Employment and Support Allowance Regulations 2008 as modified by the 2010 Regulations—

- (a) Amount A is the basic amount that would have applied on the day the relevant person was first treated as having limited capability for work if the relevant person had not been so treated; and
- (b) Amount B is the basic amount that applied on that day as a result of the relevant person being so treated.

(4) In this paragraph and paragraph 29, “basic amount” means the aggregate of such amounts as may apply in the applicant’s case in accordance with paragraph 25(1)(a) to (e) or paragraph 26(1)(a) to (f) of this scheme.

29.—(1) Subject to sub-paragraph (2), where there is a change of circumstances which leads to an increase in the applicant’s basic amount, the transitional addition that applies immediately before the change of circumstances shall be reduced by the amount by which Amount C exceeds Amount D.

(2) If Amount C exceeds Amount D by more than the amount of the transitional addition that applies immediately before the change of circumstances, that transitional addition shall be reduced to nil.

(3) Amount C is the basic amount that applies as a result of the increase.

(4) Amount D is the basic amount that applied immediately before the increase.

SCHEDULE 4

Paragraph 30

Amount of alternative maximum council tax reduction

1.—(1) Subject to paragraphs 2 and 3, the alternative maximum council tax reduction in respect of a day for the purpose of paragraph 30 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 15(2) or 18(2) (as the case may be) of this scheme applies; and
- (b) “persons to whom paragraph 71(1) of this scheme applies” includes any person to whom that paragraph would apply were they, and their partner if they had one, below the qualifying age for state pension credit.

(2) In this Schedule “council tax due in respect of that day” means the council tax payable under section 10 of the 1992 Act less—

- (a) any reductions made in consequence of any enactment in, or under, the 1992 Act (other than a reduction under this scheme); and
- (b) in a case to which sub-paragraph (c) in column (1) of the table below applies, the amount of any discount which may be appropriate to the dwelling under the 1992 Act.

<i>(1)</i> <i>Second adult</i>	<i>(2)</i> <i>Alternative maximum council tax reduction</i>
(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 £177.00 per week;	(i) 15 per cent of the council tax due in respect of that day;
(ii) is not less than £177.00 per week but less than £231.00 per week;	(ii) 7.5 per cent of the council tax due in respect of that day;
(c) where the dwelling would be wholly	(c) 100 per cent of the council tax due in

occupied by one or more persons to whom paragraph 71(1) of this scheme applies but for the presence of one or more second adults who are in receipt of income support, state pension credit, an income-related employment and support allowance or are persons on an income-based jobseeker's allowance.

respect of that day.

2. In determining a second adult's gross income for the purposes of this Schedule, there shall be disregarded from that income—

- (a) any attendance allowance, any disability living allowance under section 71 of the SSCBA, or any personal independence payment under Part 4 of the Welfare Reform Act 2012;
- (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 53 (calculation of income other than earnings: persons who are not pensioners), would have been disregarded under paragraph 28 of Schedule 8 (income in kind); and
- (c) any payment which, had his income fallen to be calculated under paragraph 53, would have been disregarded under paragraph 41 of Schedule 8 (payments made under certain trusts and certain other payments).

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

SCHEDULE 5

Paragraph 39

Sums disregarded from applicant's earnings: pensioners

1. Where two or more of paragraphs 2 to 5 apply in any particular case the overall maximum sum which falls to be disregarded in that case under those paragraphs is restricted to—

- (a) £25 in the case of a lone parent;
- (b) £20 in any other case.

2. In a case where an applicant is a lone parent, £25 of earnings.

3.—(1) In a case of earnings from any employment or employments to which sub-paragraph (2) applies, £20.

(2) This paragraph applies to employment—

- (a) as a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004(143) or a scheme to which section 4 of that Act applies;
- (b) a part-time fire-fighter employed by a fire and rescue authority (as defined in section 1 of the Fire (Scotland) Act 2005(144)) or a joint fire and rescue board constituted by an amalgamation scheme made under section 2(1) of that Act;
- (c) as an auxiliary coastguard in respect of coast rescue activities;

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- (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 shall for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) shall not exceed £20 of the aggregated amount.

(3) In this paragraph the applicant or his partner is a carer if paragraph 14 of Part 3 of Schedule 3 (amount applicable for carers) is satisfied in respect of him.

5.—(1) £20 is disregarded if the applicant or, if he has a partner, his partner—

- (a) is in receipt of—
 - (i) long-term incapacity benefit under section 30A of the SSCBA;
 - (ii) severe disablement allowance under section 68 of that Act;
 - (iii) attendance allowance under sections 64 to 76 of that Act;
 - (iv) disability living allowance under section 71 to 76 of that Act;
 - (v) personal independence payment under Part 4 of the Welfare Reform Act 2012;
 - (vi) 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;
 - (vii) 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
 - (viii) 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 (welfare services) 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 Act, 196 days;
 - (ii) in any other case, 364 days; or
- (d) has, or is treated as having, limited capacity for work within the meaning of section 1(4) of the Welfare Reform Act 1997 or limited capability for work-related activity within the meaning of section 2(5) of that Act and either—

- (i) the assessment phase as defined in section 24(2) of the Welfare Reform Act has ended; or
- (ii) regulation 7 of the Employment and Support Allowance Regulations 2008 (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 been in receipt of a reduction under this scheme and—

- (a) £20 was disregarded in respect of earnings taken into account in that award; and
- (b) the person whose earnings qualified for the disregard continues in employment after the termination of that award.

(3) The disregard of £20 specified in sub-paragraph (2) applies so long as there is no break, other than a break which does not exceed 8 weeks, in a person's—

- (a) entitlement to housing benefit; or
- (b) receipt of a reduction under a council tax reduction scheme; or
- (c) employment,

following the first day in respect of which that benefit is awarded under this scheme.

(4) £20 is the maximum amount which may be disregarded under this paragraph, notwithstanding that, where the applicant has a partner, both the applicant and his partner satisfy the requirements of this paragraph.

6.—(1) Where—

- (a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;
- (b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and
- (c) paragraph 34 does not apply,

the amount specified in sub-paragraph (7) (“the specified amount”).

(2) Where this paragraph applies, paragraphs 1 to 5 and 8 do not apply; but in any case where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 2, then paragraph 2 applies instead of this paragraph.

(3) Notwithstanding paragraph 26 (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 shall also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.

(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); or
- (b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,

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

(7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

7. Any amount or the balance of any amount which would fall to be disregarded under paragraph 18 or 19 of Schedule 6 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full amount disregarded thereunder.

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

- (a) £5 shall be disregarded if an applicant who has no partner has earnings;
- (b) £10 shall be disregarded if an applicant who has a partner has earnings.

9. Any earnings, other than earnings referred to in paragraph 39(8)(b), derived from employment which ended before the day in respect of which the applicant first satisfies the conditions for entitlement to a reduction under this scheme.

10.—(1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under this Schedule 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 56(1)(c); and

(c) £17.10.

(4) The provisions of paragraph 10 of this scheme shall apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in sub-paragraph (1) of that paragraph was a reference to 30 hours.

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

SCHEDULE 6

Paragraph 39

Amounts to be disregarded in the calculation of income other than earnings: pensioners

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

- (a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 2 or 3);
- (b) a war widow's pension or war widower's pension;
- (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
- (d) a guaranteed income payment and, if the amount of that payment has been abated to less than £10 by a pension or payment falling within article 31(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005(145), 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, £20 and 50 per cent. of the excess over £20.

10. If the applicant—

- (a) owns the freehold or leasehold interest in any property or is a tenant of any property; and
- (b) occupies a part of that property; and
- (c) has an agreement with another person allowing that person to occupy another part of that property on payment of rent and—
 - (i) the amount paid by that person is less than £20 per week, the whole of that amount; or
 - (ii) the amount paid is £20 or more per week, £20.

11. Where an applicant receives income under an annuity purchased with a loan, which satisfies the following conditions—

- (a) that the loan was made as part of a scheme under which not less than 90 per cent. of the proceeds of the loan were applied to the purchase by the person to whom it was made of an annuity ending with his life or with the life of the survivor of two or more persons (in this paragraph referred to as “the annuitants”) who include the person to whom the loan was made;
- (b) that at the time the loan was made the person to whom it was made or each of the annuitants had attained the age of 65;
- (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 1 or 2 of the Education Act 1962(146) or section 22 of the Teaching and Higher Education Act 1998, that student's award;
- (b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or
- (c) the student's student loan,

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

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 under section 2 of the Education Act 1962 (discretionary awards) or an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,

and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution 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 shall be equal to—

- (a) the weekly amount of the payments; or
- (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),

whichever is less.

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 shall be aggregated and treated as if they were a single payment.

21. Except in a case which falls under paragraph 10 of Schedule 5, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10.

22. Where the total value of any capital specified in Part 2 (capital disregarded only for the purposes of determining deemed income) of Schedule 9 does not exceed £10,000, any income actually derived from such capital.

23. Except in the case of income from capital specified in Part 2 of Schedule 9, any actual income from capital.

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24. Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.

SCHEDULE 7

Paragraph 52

Sums disregarded in the calculation of earnings: persons who are not pensioners

1. In the case of an applicant who has been engaged in remunerative work as an employed earner or, had the employment been in Great Britain, would have been so engaged—

- (a) where—
 - (i) the employment has been terminated because of retirement; and
 - (ii) on retirement he is entitled to a retirement pension under the Act, or is not so entitled solely because of his failure to satisfy the contribution conditions,
 any earnings paid or due to be paid in respect of that employment, but only for a period commencing on the day immediately after the date on which the employment was terminated;
- (b) where before the first day of entitlement to a reduction under this scheme the employment has been terminated otherwise than because of retirement, any earnings paid or due to be paid in respect of that employment except—
 - (i) any payment of the nature described in—
 - (aa) paragraph 50(1)(e) of this scheme, or
 - (bb) section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds); and
 - (ii) any award, sum or payment of the nature described in—
 - (aa) paragraph 50(1)(g) or (i), or
 - (bb) section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals),
 including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;
- (c) where before the first day of entitlement to a reduction under this scheme—
 - (i) the employment has not been terminated, but
 - (ii) the applicant is not engaged in remunerative work,
 any earnings paid or due to be paid in respect of that employment except any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) of this Schedule or paragraph 50(1)(j) of this scheme.

2. In the case of an applicant who, before the first day of entitlement to a reduction under this scheme—

- (a) has been engaged in part-time employment as an employed earner or, where the employment has been outside Great Britain, would have been so engaged had the employment been in Great Britain; and
- (b) has ceased to be engaged in that employment, whether or not that employment has been terminated,

any earnings paid or due to be paid in respect of that employment except—

- (i) where that employment has been terminated, any payment of the nature described in paragraph 1(b)(i) or (ii)(bb) of this Schedule;
- (ii) where that employment has not been terminated, any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) of this Schedule or paragraph 50(1)(j).

3. In the case of an applicant who has been engaged in remunerative work or part-time employment as a self-employed earner or, had the employment been in Great Britain, would have been so engaged and who has ceased to be so employed, from the date of the cessation of his employment, any earnings derived from that employment except earnings to which paragraph 52(3) and (4) of this scheme (earnings of self-employed earners) apply.

4.—(1) In a case to which this paragraph applies and paragraph 5 does not apply, £20; but notwithstanding paragraph 32 of this scheme (calculation of income and capital of members of an applicant's family and of a polygamous marriage) if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £20.

(2) This paragraph applies where the applicant's applicable amount includes an amount by way of the disability premium, severe disability premium, work-related activity component or support component under Schedule 3 (applicable amounts: persons who are not pensioners).

(3) This paragraph applies where—

- (a) the applicant is a member of a couple and his applicable amount includes an amount by way of the disability premium under Schedule 3; and
- (b) he or his partner has not attained the qualifying age for state pension credit and at least one is engaged in employment.

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

6.—(1) In a case to which neither paragraph 4 nor paragraph 5 applies to the applicant and, subject to sub-paragraph (2), where the applicant's applicable amount includes an amount by way of the carer premium under Schedule 3 (applicable amounts: persons who are not pensioners), £20 of the earnings of the person who is, or at any time in the preceding eight weeks was, in receipt of carer's allowance or treated in accordance with paragraph 14(2) of that Schedule as being in receipt of carer's allowance.

(2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings shall for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) shall not exceed £20 of the aggregated amount.

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

- (a) specified in paragraph 9(1), so much of the other member's earnings as would not when aggregated with the amount disregarded under paragraph 6 exceed £20;
- (b) other than one specified in paragraph 9(1), so much of the other member's earnings from such other employment up to £10 as would not when aggregated with the amount disregarded under paragraph 5 exceed £20.

8. In a case where paragraphs 4, 6, 7 and 9 do not apply to the applicant and he is one of a couple and a member of that couple is in employment, £10; but, notwithstanding paragraph 32 of this scheme (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £10.

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

- (a) a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004(147) or a scheme to which section 4 of that Act applies;
- (b) a part-time fire-fighter employed by a fire and rescue authority (as defined in section 1 of the Fire (Scotland) Act 2005) or a joint fire and rescue board constituted by an amalgamation scheme made under section 2(1) of that Act;
- (c) an auxiliary coastguard in respect of coast rescue activities;
- (d) a person engaged part-time in the manning or launching of a life boat;
- (e) a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001;

but, notwithstanding paragraph 32 of this scheme (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it shall not apply to his partner except to the extent specified in sub-paragraph (2).

(2) If the applicant's partner is engaged in employment—

- (a) specified in sub-paragraph (1), so much of his earnings as would not in aggregate with the amount of the applicant's earnings disregarded under this paragraph exceed £20;
- (b) other than one specified in sub-paragraph (1), so much of his earnings from that employment up to £10 as would not in aggregate with the applicant's earnings disregarded under this paragraph exceed £20.

10. Where the applicant is engaged in one or more employments specified in paragraph 9(1), but his earnings derived from such employments are less than £20 in any week and he is also engaged in any other employment, so much of his earnings from that other employment, up to £5 if he is a single applicant, or up to £10 if he has a partner, as would not in aggregate with the amount of his earnings disregarded under paragraph 9 exceed £20.

11. In a case to which none of the paragraphs 4 to 10 applies, £5.

12.—(1) Where—

- (a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;
- (b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and
- (c) paragraph 14 does not apply,

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

(2) Where this paragraph applies, paragraphs 4 to 11 do not apply; but in any case where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 5, then paragraph 5 applies instead of this paragraph.

(3) Notwithstanding paragraph 32 of this scheme (calculation of income and capital of members of applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple ("A") it 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 shall also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is

limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.

- (5) This sub-paragraph applies to a person who is—
- (a) in receipt of a contributory employment and support allowance;
 - (b) in receipt of incapacity benefit;
 - (c) in receipt of severe disablement allowance; or
 - (d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.
- (6) “Exempt work” means work of the kind described in—
- (a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations 2008; or (as the case may be)
 - (b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,

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

(7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

13. Any amount or the balance of any amount which would fall to be disregarded under paragraph 23 or 24 of Schedule 8 had the applicant’s income which does not consist of earnings been sufficient to entitle him to the full disregard thereunder.

14. Where an applicant is on income support, an income-based jobseeker’s allowance or an income-related employment and support allowance, his earnings.

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

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

17. Any earnings of a child or young person.

18.—(1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under paragraphs 4 to 12 of this Schedule shall be increased by £17.10.

- (2) The conditions of this sub-paragraph are that—
- (a) the applicant, or if he is a member of a couple, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 applies; or
 - (b) the applicant—
 - (i) is, or if he is a member of a couple, at least one member of that couple is aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or
 - (ii) is a member of a couple and—

- (aa) at least one member of that couple, is engaged in remunerative work for on average not less than 16 hours per week; and
 - (bb) his applicable amount includes a family premium under paragraph 4 of Schedule 3; or
 - (iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or
 - (iv) is, or if he is a member of a couple, at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and—
 - (aa) the applicant's applicable amount includes a disability premium under paragraph 9, the work-related activity component under paragraph 21 or the support component under paragraph 22 of Schedule 3 respectively;
 - (bb) where he is a member of a couple, at least one member of that couple satisfies the qualifying conditions for the disability premium or either of the components referred to in paragraph (aa) above and is engaged in remunerative work for on average not less than 16 hours per week; or
 - (c) the applicant is, or if he has a partner, one of them is, a person to whom regulation 18(3) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 (eligibility for 50 plus element) applies, or would apply if an application for working tax credit were to be made in his case.
- (3) The following are the amounts referred to in sub-paragraph (1)—
- (a) the amount calculated as disregardable from the applicant's earnings under paragraphs 4 to 12 of this Schedule;
 - (b) the amount of child care charges calculated as deductible under paragraph 56(1)(c) of this scheme; and
 - (c) £17.10.
- (4) The provisions of paragraph 10 of this scheme shall apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in sub-paragraph (1) of that paragraph were a reference to 30 hours.

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

SCHEDULE 8

Paragraph 53

Sums disregarded in the calculation of income other than earnings: persons who are not pensioners

- 1.** Any payment made to the applicant in respect of any child care, travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Work for Your Benefit Pilot Scheme.
- 2.** Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme.
- 3.** Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme.
- 4.** Any amount paid by way of tax on income which is to be taken into account under regulation 30 (calculation of income other than earnings).

5. Any payment in respect of any expenses incurred or to be incurred by an applicant who is—

- (a) engaged by a charitable or voluntary organisation, or
- (b) a volunteer,

if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under paragraph 55(5) (notional income: persons who are not pensioners).

6. Any payment in respect of expenses arising out of the applicant's participation in a service user group.

7. In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.

8. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his income.

9. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker's allowance, the whole of the applicant's income.

10. Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999(148) as in force at that date, the whole of his income.

11. Any disability living allowance or personal independence payment.

12. Any concessionary payment made to compensate for the non-payment of—

- (a) any payment specified in paragraph 11 or 14;
- (b) income support;
- (c) an income-based jobseeker's allowance;
- (d) an income-related employment and support allowance.

13. Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.

14. Any attendance allowance.

15. Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.

16.—(1) Any payment—

- (a) by way of an education maintenance allowance made pursuant to—
 - (i) regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc.);
 - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);
 - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
- (b) corresponding to such an education maintenance allowance, made pursuant to—

- (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
 - (ii) regulations made under section 181 of that Act; or
 - (c) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.
- (2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to—
- (a) regulations made under section 518 of the Education Act 1996;
 - (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
 - (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,

in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

17. Any payment made to the applicant by way of a repayment under regulation 11(2) of the Education (Teacher Student Loans) (Repayment etc.) Regulations 2002.

18.—(1) Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990(149) except a payment—

- (a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;
- (b) of an allowance referred to in section 2(3) of the Employment and Training Act 1973 or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or
- (c) intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.

(2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1)(c) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

19.—(1) Subject to sub-paragraph (2), any of the following payments—

- (a) a charitable payment;
- (b) a voluntary payment;
- (c) a payment (not falling within paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;
- (d) a payment under an annuity purchased—
 - (i) pursuant to any agreement or court order to make payments to the applicant; or
 - (ii) from funds derived from a payment made, in consequence of any personal injury to the applicant; or
- (e) a payment (not falling within paragraphs (a) to (d)) received by virtue of any agreement or court order to make payments to the applicant in consequence of any personal injury to the applicant.

(2) Sub-paragraph (1) shall not apply to a payment which is made or due to be made by—

(149) 1990 c.35.

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- (a) a former partner of the applicant, or a former partner of any member of the applicant's family; or
- (b) the parent of a child or young person where that child or young person is a member of the applicant's family.

20. Subject to paragraph 40, £10 of any of the following, namely—

- (a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 13 or 14);
- (b) a war widow's pension or war widower's pension;
- (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
- (d) a guaranteed income payment and, if the amount of that payment has been abated to less than £10 by a pension or payment falling within article 31(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005, so much of that pension or payment as would not, in aggregate with the amount of any guaranteed income payment disregarded, exceed £10;
- (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
- (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in paragraphs (a) to (d) above;
- (g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.

21. Subject to paragraph 40, £15 of any—

- (a) widowed mother's allowance paid pursuant to section 37 of the SSCBA;
- (b) widowed parent's allowance paid pursuant to section 39A of the SSCBA.

22.—(1) Any income derived from capital to which the applicant is or is treated under paragraph 68 (capital jointly held) as beneficially entitled but, subject to sub-paragraph (2), not income derived from capital disregarded under paragraphs 4, 5, 7, 11, 17 or 30 to 33 of Schedule 10.

(2) Income derived from capital disregarded under paragraphs 5, 7 or 30 to 33 of Schedule 10 but only to the extent of—

- (a) any mortgage repayments made in respect of the dwelling or premises in the period during which that income accrued; or
- (b) any council tax or water charges which the applicant is liable to pay in respect of the dwelling or premises and which are paid in the period during which that income accrued.

(3) The definition of "water charges" in paragraph 2(1) of this scheme applies to sub-paragraph (2) of this paragraph with the omission of the words "in so far as such charges are in respect of the dwelling which a person occupies as his home".

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

- (a) under, or pursuant to regulations made under powers conferred by, sections 1 or 2 of the Education Act 1962 or section 22 of the Teaching and Higher Education Act 1998, that student's award;
- (b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance

under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or

- (c) the student's student loan,

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

24.—(1) Where the applicant is the parent of a student aged under 25 in advanced education who either—

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

and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 23 of this Schedule, an amount specified in sub-paragraph (2) in respect of each week during the student's term.

(2) For the purposes of sub-paragraph (1), the amount shall be equal to—

- (a) the weekly amount of the payments; or
 (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),

whichever is less.

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

26. Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person other than one to whom paragraph 25 or 27 of this Schedule refers and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family—

- (a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or
 (b) where the aggregate of any such payments is £20 or more per week, £20.

27.—(1) Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to—

- (a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20, 100 per cent of such payments;
 (b) where the aggregate of any such payments exceeds £20, £20 and 50 per cent of the excess over £20.

(2) In this paragraph, "board and lodging accommodation" means accommodation provided to a person or, if he is a member of a family, to him or any other member of his family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises.

28.—(1) Any income in kind, except where paragraph 53(11)(b) of this scheme (provision of support under section 95 or 98 of the Immigration and Asylum Act 1999 in the calculation of income other than earnings) applies.

(2) The reference in sub-paragraph (1) to “income in kind” does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.

29. Any income which is payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.

30.—(1) Any payment made to the applicant in respect of a person who is a member of his family—

- (a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance or with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978(150) (schemes for payments of allowances to adopters) or in accordance with an adoption allowance scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (adoption allowances schemes);
- (b) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child’s maintenance where the child is living with a person as a result of a residence order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);
- (c) which is a payment made by an authority, as defined in Article 2 of the Children (Northern Ireland) Order 1995, in pursuance of Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child’s maintenance);
- (d) in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services);

(2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

31. Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made—

- (a) by a local authority under—
 - (i) section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),
 - (ii) section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or
 - (iii) regulations 33 or 51 of the Looked After Children (Scotland) Regulations 2009 (fostering and kinship care allowances and fostering allowances); or
- (b) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).

32. Any payment made to the applicant or his partner for a person (“the person concerned”), who is not normally a member of the applicant’s household but is temporarily in his care, by—

- (a) a health authority;
- (b) a local authority but excluding payments of housing benefit made in respect of the person concerned;
- (c) a voluntary organisation;

- (d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;
- (e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or
- (f) a Local Health Board established under section 16BA of the National Health Service Act 1977 or established by an order made under section 11 of the National Health Service (Wales) Act 2006.

33. Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

34.—(1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ("A") which A passes on to the applicant.

- (2) Sub-paragraph (1) applies only where A—
- (a) was formerly in the applicant's care, and
 - (b) is aged 18 or over, and
 - (c) continues to live with the applicant.

35.—(1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments—

- (a) on a loan which is secured on the dwelling which the applicant occupies as his home; or
- (b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974(151) or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.

(2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—

- (a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (1)(b); and
- (b) meet any amount due by way of premiums on—
 - (i) that policy; or
 - (ii) in a case to which sub-paragraph (1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).

36. Any payment of income which by virtue of paragraph 63 of this scheme (income treated as capital: persons who are not pensioners) is to be treated as capital.

37. Any social fund payment made pursuant to Part 8 of the SSCBA (the Social Fund).

38. Any payment under Part 10 of the SSCBA (Christmas bonus for pensioners).

39. Where a payment of income is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.

(151) 1974 c.39.

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40. The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under paragraph 32(3) (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under paragraph 75(2)(b) and paragraph 76(1)(d) of this scheme (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 79(2) of this scheme (treatment of student loans), paragraph 80(3) of this scheme (treatment of payments from access funds) and paragraphs 20 and 21 shall in no case exceed £20 per week.

41.—(1) Any payment made under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) the person who is suffering from haemophilia or who is a qualifying person;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
- (b) the payment is made either—
 - (i) to that person's parent or step-parent, or
 - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

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

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and
- (b) the payment is made either—
 - (i) to that person's parent or step-parent, or
 - (ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose benefit a payment referred to in this paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation and the London Bombings Relief Charitable Fund.

42. Any housing benefit.

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

44. Any payment to a juror or witness in respect of attendance at a court other than compensation for loss of earnings or for the loss of a benefit payable under the benefit Acts.

45. Any payment in consequence of a reduction of council tax under section 13 of the 1992 Act (reduction of liability for council tax).

46.—(1) Any payment or repayment made—

- (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
- (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
- (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies).

(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers which is analogous to a payment or repayment mentioned in sub-paragraph (1).

47. Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins).

48. Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.

49.—(1) Where an applicant's applicable amount includes an amount by way of family premium, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the applicant's former partner, or the applicant's partner's former partner.

(2) For the purpose of sub-paragraph (1) where more than one maintenance payment falls to be taken into account in any week, all such payments shall be aggregated and treated as if they were a single payment.

(3) A payment made by the Secretary of State in lieu of maintenance shall, for the purpose of sub-paragraph (1), be treated as a payment of maintenance made by a person specified in sub-paragraph (1).

50.—(1) Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the applicant's family, except where the person making the payment is the applicant or the applicant's partner.

(2) In sub-paragraph (1)—

“child maintenance” means any payment towards the maintenance of a child or young person, including any payment made voluntarily and payments made under—

- (a) the Child Support Act 1991(**152**);
- (b) the Child Support (Northern Ireland) Order 1991;
- (c) a court order;
- (d) a consent order;
- (e) a maintenance agreement registered for execution in the Books of Council and Session or the sheriff court books;

“liable relative” means a person listed in regulation 54 (interpretation) of the Income Support (General) Regulations 1987, other than a person falling within sub-paragraph (d) of that definition.

51. Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944(**153**) to assist disabled persons to obtain or retain employment despite their disability.

52. Any guardian's allowance.

53.—(1) If the applicant is in receipt of any benefit under Part 2, 3 or 5 of the SSCBA, any increase in the rate of that benefit arising under Part 4 (increases for dependants) or section 106(a) (unemployability supplement) of that Act, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.

(2) If the applicant is in receipt of any pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006, any increase in the rate of that pension or allowance under that Order, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.

54. Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under that Order.

55. In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983 (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.

56.—(1) Any payment which is—

- (a) made under any of the Dispensing Instruments to a widow, widower or surviving civil partner of a person—

(152) 1991 c.48.

(153) 1944 c.10.

- (i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and
 - (ii) whose service in such capacity terminated before 31st March 1973; and
- (b) equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006.

(2) In this paragraph “the Dispensing Instruments” means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).

57. Any council tax benefit to which the applicant is entitled.

58. Except in a case which falls under sub-paragraph (1) of paragraph 18 of Schedule 7, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10.

59. Any payment made under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).

60.—(1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person—

- (a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;
- (b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity,

in respect of which such assistance is or was received.

(2) Sub-paragraph (1) shall apply only in respect of payments which are paid to that person from the special account.

61.—(1) Any payment of a sports award except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) “food” does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

62. Where the amount of subsistence allowance paid to a person in a reduction week exceeds the amount of income-based jobseeker’s allowance that person would have received in that reduction week had it been payable to him, less 50p, that excess amount.

63. In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise.

64. Any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001(**154**).

65.—(1) Any payment made by a local authority or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.

(2) For the purposes of sub-paragraph (1) “local authority” includes, in England, a county council.

66. Any payment of child benefit.

SCHEDULE 9

Paragraph 62

Capital disregards: 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 shall not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.

5. Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.

6. Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from his former partner or the dissolution of a civil partnership with his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

7. Any premises where the applicant is taking reasonable steps to dispose of the whole of his interest in those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

8. All personal possessions.

9. The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner or, if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of those assets.

10. The assets of any business owned in whole or in part by the applicant if—

- (a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but
- (b) he intends to become engaged (or, as the case may be, re-engaged) as a self-employed earner in that business as soon as he recovers or is able to become engaged, or re-engaged, in that business,

for a period of 26 weeks from the date on which the application for a reduction under this scheme is made or, if it is unreasonable to expect him to become engaged or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.

11. The surrender value of any policy of life insurance.

12. The value of any funeral plan contract; and for this purpose, “funeral plan contract” means a contract under which—

- (a) the applicant makes one or more payments to another person (“the provider”);
- (b) the provider undertakes to provide, or secure the provision of, a funeral in the United Kingdom for the applicant on his death; and
- (c) the sole purpose of the plan is to provide or secure the provision of a funeral for the applicant on his death.

13. Where an ex-gratia payment has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or internment of—

- (a) the applicant;
- (b) the applicant's partner;
- (c) the applicant's deceased spouse or deceased civil partner; or
- (d) the applicant's partner's deceased spouse or deceased civil partner,

by the Japanese during the Second World War, an amount equal to that payment.

14.—(1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or an applicant's partner who is—

- (a) a diagnosed person;
- (b) a diagnosed person's partner or was a diagnosed person's partner at the time of the diagnosed person's death; or
- (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death.

(2) Where a trust payment is made to—

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

(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 shall apply 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 shall 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 shall include a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home 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 step-parent, to any person standing in the place of his parent,
 but only for a period from the date of the payment until the end of two years from that person's death.
- (6) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts, where—
- (a) that person at the date of his death (“the relevant date”) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child who was or had been a member of his household; and
 - (b) the payment is made either—
 - (i) to that person's parent or step-parent; or
 - (ii) where that person at the relevant date was a child or a student who had not completed his full-time education and had no parent or step-parent, to any person standing in place of his parent,
 but only for a period of two years from the relevant date.
- (7) In the case of a person to whom or for whose benefit a payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.

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(155) under a scheme known as “Supporting People” or section 91 of the Housing (Scotland) Act 2001.

(2) In sub-paragraph (1), “benefit” means—

- (a) attendance allowance under section 64 of the Act;
 - (b) disability living allowance;
 - (c) personal independence payment;
 - (d) income support;
 - (e) income-based jobseeker's allowance;
 - (f) state pension credit;
 - (g) housing benefit;
 - (h) council tax benefit;
 - (i) child tax credit;
 - (j) an increase of a disablement pension under section 104 of the SSCBA (increase where constant attendance is needed), and any further increase of such a pension under section 105 of the Act (increase for exceptionally severe disablement);
 - (k) 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;
 - (l) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;
 - (m) working tax credit; or
 - (n) income-related employment and support allowance.
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22.—(1) Subject to sub-paragraph (3), any payment of £5,000 or more which has been made to rectify, or to compensate for, an official error relating to a relevant benefit and which has been received by the applicant in full on or after the day on which he became entitled to benefit under the Council Tax Benefit Regulations 2006 or the Council Tax Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006.

(2) Subject to sub-paragraph (3), the total amount of any payments disregarded under—

- (a) paragraph 7(2) of Schedule 10 to the Income Support (General) Regulations 1987;
- (b) paragraph 12(2) of Schedule 8 to the Jobseeker's Allowance Regulations 1996;
- (c) paragraph 9(2) of Schedule 5 to the Council Tax Benefit Regulations 2006;
- (d) paragraph 20A of Schedule 5 to the State Pension Credit Regulations 2002,
- (e) paragraph 11(2) of Schedule 9 to the Employment and Support Allowance Regulations 2008,

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) shall 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 benefit under the Council Tax Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 during which the relevant sum or, where it is paid in more than one instalment, the first instalment of that sum is received; and
- (b) where that award is followed by one or more further awards which, or each of which, begins immediately after the previous award ends, such further awards until the end of the last such award, provided that, for such further awards, the applicant—
 - (i) is the person who received the relevant sum;
 - (ii) is the partner of that person; or
 - (iii) was the partner of that person at the date of his death;

“official error”—

- (a) where the error relates to housing benefit, or council tax benefit (in respect of any period before 1st April 2013), has the meaning given by regulation 1(2) of the Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001; and
- (b) where the error relates to any other relevant benefit, has the meaning given by regulation 1(3) of the Social Security and Child Support (Decisions and Appeals) Regulations 1999;

“the relevant date” means—

- (a) in the case of an existing award of benefit under these Regulations or the Council Tax Benefit Regulations 2006, 6th October 2003; and
- (b) in any other case, the date on which the claim for benefit under these Regulations or the Council Tax Benefit Regulations 2006 was made;

“the relevant sum” means the total amount referred to in sub-paragraph (1).

23. Where a capital asset is held in a currency other than Sterling, any banking charge or commission payable in converting that capital into Sterling.

24. The value of the right to receive income from an occupational pension scheme or a personal pension scheme.

25. Any arrears of supplementary pension which is disregarded under paragraph 4 of Schedule 6 (amounts to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 5 or 6 of that Schedule.

26. The dwelling occupied as the home; but only one dwelling shall be disregarded under this paragraph.

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

(2) Sub-paragraph (1) does not apply where an applicant falls within class B and class C.

28. Where a person elects to be entitled to a lump sum under Schedule 5 or 5A to SSCBA or under Schedule 1 to the Social Security (Graduated Retirement Benefit) Regulations 2005, or is treated as having made such an election, and a payment has been made pursuant to that election, an amount equal to—

- (a) except where sub-paragraph (b) applies, the amount of any payment or payments made on account of that lump sum;
- (b) the amount of that lump sum,

but only for so long as that person does not change that election in favour of an increase of pension or benefit.

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

- (a) section 57 of the Health and Social Care Act 2001 (direct payments);
- (b) section 12B of the Social Work (Scotland) Act 1968 (direct payments in respect of community care services); or
- (c) sections 12A to 12C of the National Health Service Act 2006 (direct payments for health care).

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(156); 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 10

Paragraph 62

Capital disregards: persons who are not pensioners

1. Any payment made to the applicant in respect of any child care, travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Work for Your Benefit Scheme but only for 52 weeks beginning with the date of receipt of the payment.

2. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.

3. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme but only for 52 weeks beginning with the date of receipt of the payment.

4. The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, but, notwithstanding paragraph 32 of this scheme (calculation of income and capital of members of applicant's family and of a polygamous marriage), only one dwelling shall be disregarded under this paragraph.

5. Any premises acquired for occupation by the applicant which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.

6. Any sum directly attributable to the proceeds of sale of any premises formerly occupied by the applicant as his home which is to be used for the purchase of other premises intended for such occupation within 26 weeks of the date of sale or such longer period as is reasonable in the circumstances to enable the applicant to complete the purchase.

7. Any premises occupied in whole or in part—

- (a) by a partner or relative of a single applicant or any member of the family as his home where that person has attained the qualifying age for state pension credit or is incapacitated;
- (b) by the former partner of the applicant as his home; but this provision shall not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.

8. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his capital.

9. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and his partner is on income-based jobseeker's allowance, the whole of the applicant's capital.

10. Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.

11.—(1) The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner, or if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

(2) The assets of any business owned in whole or in part by the applicant where—

- (a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but

- (b) he intends to become engaged or, as the case may be, re-engaged as a self-employed earner in that business as soon as he recovers or is able to become engaged or re-engaged in that business,

for a period of 26 weeks from the date on which the application for a reduction under this scheme is made, or is treated as made, or, if it is unreasonable to expect him to become engaged or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.

(3) In the case of a person who is receiving assistance under the self-employment route, the assets acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is being received.

(4) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

12.—(1) Subject to sub-paragraph (2), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of—

- (a) any payment specified in paragraphs 11, 13 or 14 of Schedule 8;
- (b) an income-related benefit under Part 7 of the SSCBA;
- (c) an income-based jobseeker's allowance;
- (d) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;
- (e) working tax credit and child tax credit;
- (f) an income-related employment and support allowance,

but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.

(2) In a case where the total of any arrears and, if appropriate, any concessionary payment referred to in sub-paragraph (1) relating to one of the specified payments, benefits or allowances amounts to £5,000 or more (referred to in this sub-paragraph and in sub-paragraph (3) as “the relevant sum”) and is—

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

sub-paragraph (1) shall have effect in relation to such arrears or concessionary payment either for a period of 52 weeks from the date of receipt, or, if the relevant sum is received in its entirety during the period of an award of a reduction under this scheme, for the remainder of that period if that is a longer period.

(3) For the purposes of sub-paragraph (2), “the period of an award of a reduction under this scheme” means—

- (a) the award in which the relevant sum is first received (or the first part thereof where it is paid in more than one instalment); and
- (b) where that award is followed by one or more further awards which, or each of which, begins immediately after the end of the previous award, such further award provided that for that further award the applicant—
 - (i) is the person who received the relevant sum; or
 - (ii) is the partner of the person who received the relevant sum, or was that person's partner at the date of his death.

13. Any sum—

- (a) paid to the applicant in consequence of damage to, or loss of the home or any personal possession and intended for its repair or replacement; or
- (b) acquired by the applicant (whether as a loan or otherwise) on the express condition that it is to be used for effecting essential repairs or improvement to the home,

which is to be used for the intended purpose, for a period of 26 weeks from the date on which it was so paid or acquired or such longer period as is reasonable in the circumstances to effect the repairs, replacement or improvement.

14. Any sum—

- (a) deposited with a housing association as defined in section 1(1) of the Housing Associations Act 1985(157) as a condition of occupying the home;
- (b) which was so deposited and which is to be used for the purchase of another home,

for the period of 26 weeks or such longer period as may be reasonable in the circumstances to enable the applicant to complete the purchase.

15. Any personal possessions except those which have been acquired by the applicant with the intention of reducing his capital in order to secure entitlement to a reduction under this scheme or to increase the amount of that reduction.

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

17. Where the funds of a trust are derived from a payment made in consequence of any personal injury to the applicant or applicant's partner, the value of the trust fund and the value of the right to receive any payment under that trust.

18.—(1) Any payment made to the applicant or the applicant's partner in consequence of any personal injury to the applicant or, as the case may be, the applicant's partner.

(2) But sub-paragraph (1)—

- (a) applies only for the period of 52 weeks beginning with the day on which the applicant first receives any payment in consequence of that personal injury;
- (b) does not apply to any subsequent payment made to him in consequence of that injury (whether it is made by the same person or another);
- (c) ceases to apply to the payment or any part of the payment from the day on which the applicant no longer possesses it;
- (d) does not apply to any payment from a trust where the funds of the trust are derived from a payment made in consequence of any personal injury to the applicant.

(3) For the purposes of sub-paragraph (2)(c), the circumstances in which an applicant no longer possesses a payment or a part of it include where the applicant has used a payment or part of it to purchase an asset.

(4) References in sub-paragraphs (2) and (3) to the applicant are to be construed as including references to his partner (where applicable).

19. The value of the right to receive any income under a life interest or from a life rent.

20. The value of the right to receive any income which is disregarded under paragraph 15 of Schedule 7 or paragraph 29 of Schedule 8.

21. The surrender value of any policy of life insurance.

22. Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.

23. Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or sections 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

24.—(1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ("A") which A passes on to the applicant.

- (2) Sub-paragraph (1) applies only where A—
- (a) was formerly in the applicant's care, and
 - (b) is aged 18 or over, and
 - (c) continues to live with the applicant.

25. Any social fund payment made pursuant to Part 8 of the SSCBA.

26. Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.

27. Any capital which by virtue of paragraph 54 or 79 (capital treated as income: persons who are not pensioners, treatment of student loans) is to be treated as income.

28. Where any payment of capital is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.

29.—(1) Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund.

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) the person who is suffering from haemophilia or who is a qualifying person;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.
- (4) Sub-paragraph (3) does not apply if—
- (a) the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced, or
 - (b) where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death.
- (5) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—
- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
 - (b) the payment is made either—
 - (i) to that person's parent or step-parent; or
 - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,
 but only for a period from the date of the payment until the end of two years from that person's death.
- (6) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—
- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was or had been a member of his family; and
 - (b) the payment is made either—
 - (i) to that person's parent or step-parent; or
 - (ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,
 but only for a period of two years from the relevant date.
- (7) In the case of a person to whom or for whose benefit a payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.
- (8) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, and the London Bombings Relief Charitable Fund.
- 30.—**(1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.
- (2) In this paragraph "dwelling" includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is

impracticable or unreasonable to sell separately, in particular, in Scotland, anycroft land on which the dwelling is situated.

31. Any premises where the applicant is taking reasonable steps to dispose of those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

32. Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.

33. Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.

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

35. The value of the right to receive an occupational or personal pension.

36. The value of any funds held under a personal pension scheme.

37. The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.

38. Any payment in kind made by a charity or under or by the Trusts, the Fund, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).

39. Any payment made pursuant to section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990, but only for the period of 52 weeks beginning on the date of receipt of the payment.

40. Any payment in consequence of a reduction of council tax under section 13 of the 1992 Act (reduction of liability for council tax), but only for a period of 52 weeks from the date of the receipt of the payment.

41. Any grant made in accordance with a scheme made under section 129 of the Housing Act 1988(158) or section 66 of the Housing (Scotland) Act 1988(159) (schemes for payments to assist local housing authority and local authority tenants to obtain other accommodation) which is to be used—

- (a) to purchase premises intended for occupation as his home; or
- (b) to carry out repairs or alterations which are required to render premises fit for occupation as his home,

for a period of 26 weeks from the date on which he received such a grant or such longer period as is reasonable in the circumstances to enable the purchase, repairs or alterations to be completed and the applicant to commence occupation of those premises as his home.

42. Any arrears of supplementary pension which is disregarded under paragraph 54 of Schedule 8 (sums to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 55 or 56 of that Schedule, but only for a period of 52 weeks from the date of receipt of the arrears.

43.—(1) Any payment or repayment made—

- (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
- (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
- (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies),

but only for a period of 52 weeks from the date of receipt of the payment or repayment.

(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers which is analogous to a payment or repayment mentioned in sub-paragraph (1), but only for a period of 52 weeks from the date of receipt of the payment or repayment.

44. Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins), but only for a period of 52 weeks from the date of receipt of the payment.

45. Any payment made under Part 8A of the SSCBA (entitlement to health in pregnancy grant).

46. Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.

47. Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944(**160**) to assist disabled persons to obtain or retain employment despite their disability.

48. Any payment made by a local authority under section 3 of the Disabled Persons (Employment) Act 1958(**161**) to homeworkers assisted under the Blind Homeworkers' Scheme.

49.—(1) Subject to sub-paragraph (2), where an applicant falls within class F (alternative maximum council reduction: persons who are not pensioners), the whole of his capital.

(2) Sub-paragraph (1) does not apply where an applicant falls within class E and class F.

50.—(1) Any sum of capital to which sub-paragraph (2) applies and—

- (a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 or by the Court of Protection;
- (b) which can only be disposed of by order or direction of any such court; or
- (c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.

(2) This sub-paragraph applies to a sum of capital which is derived from—

- (a) an award of damages for a personal injury to that person; or
- (b) compensation for the death of one or both parents where the person concerned is under the age of 18.

51. Any sum of capital administered on behalf of a person in accordance with an order made under section 13 of the Children (Scotland) Act 1995, or under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules, where such sum derives from—

- (a) award of damages for a personal injury to that person; or
- (b) compensation for the death of one or both parents where the person concerned is under the age of 18.

52. Any payment to the applicant as holder of the Victoria Cross or George Cross.

53. In the case of a person who is receiving, or who has received, assistance under the self-employment route, any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.

54.—(1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that payment except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) “food” does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

55.—(1) Any payment—

- (a) by way of an education maintenance allowance made pursuant to—
 - (i) regulations made under section 518 of the Education Act 1996;
 - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;
 - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
- (b) corresponding to such an education maintenance allowance, made pursuant to—
 - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and National Assembly for Wales to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
 - (ii) regulations made under section 181 of that Act; or
- (c) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

(2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to—

- (a) regulations made under section 518 of the Education Act 1996;
- (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
- (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,

in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

56. In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.

57. Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of receipt of the payment.

58. Where an ex-gratia payment of £10,000 has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or interment of—

- (a) the applicant;
- (b) the applicant's partner;
- (c) the applicant's deceased spouse or deceased civil partner; or
- (d) the applicant's partner's deceased spouse or deceased civil partner,

by the Japanese during the Second World War, £10,000.

59.—(1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant's family who is—

- (a) a diagnosed person;
- (b) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
- (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
- (d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.

(2) Where a trust payment is made to—

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

whichever is the latest.

(3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is—

- (a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
- (b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
- (c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death,

but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.

- (4) Where a payment as referred to in sub-paragraph (3) is made to—
- (a) a person referred to in sub-paragraph (3)(a), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending on the date on which that person dies;
 - (b) a person referred to in sub-paragraph (3)(b), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending two years after that date; or
 - (c) person referred to in sub-paragraph (3)(c), that sub-paragraph shall apply for the period beginning on the date on which that payment is made and ending—
 - (i) two years after that date; or
 - (ii) on the day before the day on which that person—
 - (aa) ceases receiving full-time education; or
 - (bb) attains the age of 20,
 whichever is the latest.

- (5) In this paragraph, a reference to a person—
- (a) being the diagnosed person's partner;
 - (b) being a member of a diagnosed person's family;
 - (c) acting in place of the diagnosed person's parents,

at the date of the diagnosed person's death shall include a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home, an Abbeyfield Home or an independent hospital on that date.

- (6) In this paragraph—
- “diagnosed person” means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeld-Jakob disease;
- “relevant trust” means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeld-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;
- “trust payment” means a payment under a relevant trust.

60. The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant's partner, the applicant's deceased spouse or deceased civil partner or the applicant's partner's deceased spouse or deceased civil partner—

- (a) was a slave labourer or a forced labourer;
- (b) had suffered property loss or had suffered personal injury; or
- (c) was a parent of a child who had died,

during the Second World War.

61.—(1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.

(2) For the purposes of sub-paragraph (1) “local authority” includes in England a county council.

62. Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care).

63. Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

64. Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).

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APPENDIX 3



Introduction of Council Tax Reduction Scheme - equality analysis

Guidance notes

Things to remember:

Under the Public Sector Equality Duty (PSED) public authorities are required to have due regard to the aims of the general equality duty when making decisions and when setting policies. Understanding the affect of your policies and practices on people with different protected characteristics is an important part of complying with the general equality duty.

Under the PSED the council must ensure that:

- Decision-makers are aware of the general equality duty's requirements.
- The general equality duty is complied with before and at the time a particular policy is under consideration and when a decision is taken.
- They consciously consider the need to do the things set out in the aims of the general equality duty as an integral part of the decision-making process.
- They have sufficient information to understand the effects of the policy, or the way a function is carried out, on the aims set out in the general equality duty.
- They review policies or decisions, for example, if the make-up of service users changes, as the general equality duty is a continuing duty.
- They take responsibility for complying with the general equality duty in relation to all their relevant functions. Responsibility cannot be delegated to external organisations that are carrying out public functions on their behalf.
- They consciously consider the need to do the things set out in the aims of the general equality duty not only when a policy is developed and decided upon, but when it is being implemented.

Best practice guidance from the EHRC recommends that public bodies:

- Consider all the [protected characteristics](#) and all aims of the general equality duty (apart from in relation to marriage and civil partnership, where only the discrimination aim applies).
- Use equality analysis to inform policy as it develops to avoid unnecessary additional activity.
- Focus on the understanding the effects of a policy on equality and any actions needed as a result, not the production of a document.
- Consider how the time and effort involved should relate to the importance of the policy to equality.
- Think about steps to advance equality and good relations as well as eliminate discrimination.
- Use good evidence. Where it isn't available, take steps to gather it (where practical and proportionate).
- Use insights from engagement with employees, service users and others can help provide evidence for equality analysis.

Equality analysis should be referenced in equality impact statements in council reports. Community impact statements are a corporate requirement in all reports to the following meetings: the cabinet, individual decision makers, scrutiny, regulatory committees and community councils. Community impact statements enable decision makers to identify more easily how a decision might affect different communities in Southwark and to consider any implications for equality and diversity It be referenced in community impact statements in council reports.

The public will be able to view and scrutinise any equality analysis undertaken. Equality analysis should be written in a clear and transparent way using plain English. It may be published under the council's publishing of equality information, or if part of a business plan, requested by the public under the council's publication scheme.

Equality analysis should be reviewed after a sensible period of time to see if the affects you expected have occurred. If not then you will need to consider amending your policy accordingly. This does not mean repeating the equality analysis, but using the experience

gained through implementation to check the findings and to make any necessary adjustments.

Equality Analysis will not need to go to an Equality and Diversity Panel for feedback, as under the old Equalities and Human Rights Scheme. Community engagement is recommended as part of the development of equality analysis and the council's community engagement division and FEHRS can assist with this (see section below on community engagement). www.southwarkadvice.org.uk

Section 1: Equality analysis details

Proposed policy/decision/business plan to which this equality analysis relates		Introduction of Council Tax Reduction Scheme			
Equality analysis author		Trefor Henman			
Strategic Director:		Duncan Whitfield			
Department		Finance	Division	Revs & Bens	
Period analysis undertaken		October / November 2012			
Date of review (if applicable)		March 2013			
Sign-off	?	Position	?	Date	?

Section 2: Brief description of policy/decision/business plan

1.1 Brief description of policy/decision/business plan

As part of its wide-ranging changes to the welfare state the Government has decided to abolish Council Tax Benefit (CTB). In its place, the council has been asked to develop a proposal for a new local Council Tax Reduction Scheme (CTRS) to replace it.

In addition to localising support, the Government is only providing funding for this scheme at 90% of the expenditure needed to provide CTB. Given that government's annual settlements with the London Borough of Southwark have decreased substantially since May 2010 and are set to decrease significantly further in future years, it is unable to cover the estimated shortfall in funding of at least £2.8m without impacting on either services or the level of Council Tax.

Southwark is proposing to amend the existing CTB scheme for Working Age claimants, with a 15% reduction in the current level of CTB. Pensioners will not be affected by the proposed changes.

In addition to this amendment, the Council is also proposing a technical change to abolish Second Adult Rebate. This is a complex award for customers to understand as it is based upon the income of the second adult's income who is usually a grown up child or elderly parent. However whilst there is no requirement to offer second adult rebate for working age customers, it must be retained in its current state for pensioner age claimants.

Before adopting a local scheme for CTRS, or changing a scheme once adopted, it is a statutory requirement to consult with taxpayers and stakeholders locally.

When designing local schemes, authorities should have regard to vulnerable -groups and their responsibilities in respect of child poverty, disabled people and homelessness. In addition, the local authority (LA) has clear duties set out under the Equality Act 2010.

There is no specific definition in law or guidance of the characteristics that make an individual 'vulnerable', and no guidance is provided for designing local schemes. The local authority must therefore consider the needs of its communities and in particular take account of relevant statutory duties in relation to the following:-

- Part 2 of the Child Poverty Act 2010, sections 19-25, which places a duty on LAs to reduce child poverty in their area.
- Section 1 of the Equality Act 2010: The LA must have regard to disabilities when exercising and when making decisions of a strategic nature to reduce any inequalities.
- Section 149 of the Equality Act 2010: there is a duty on the LA to eliminate discrimination and advance equality of opportunity. The Equality Act 2010 also sets out those protected characteristics which must be considered as part of the Public Sector Equality Duty under s.149.
- Homelessness prevention and duties under the 1996 Housing Act to prevent homelessness.

Furthermore there are additional requirements on local authorities to;

- Deliver an operational scheme by April 2013, including financial assessment (means testing) for working age claimants;
- Have a process in place for managing legacy council tax benefit;
- Retain a local fraud service for the investigation of council tax fraud;
- Having a financial contingency in case local support schemes are oversubscribed i.e. the pensioner caseload increases and also take-up increases.
- Enable council tax support to be applied as a discount to the council tax bill; and
- Ensure a local scheme is agreed by council assembly after consultation with the public and other key stakeholders such as precepting authorities.

This analysis provides an update to the initial analysis that accompanied the Local Council Tax Reduction Scheme cabinet report of 23 October 2012. The data within this analysis is updated from July to October 2012.

Section 3: Overview of service users and key stakeholders consulted

2. Service users and stakeholders	
Key users of the department or service	Current and future Council Tax Benefit recipients.
Key stakeholders were / are involved in this policy / decision / business plan	<p>This is a central government decision to devolve responsibility of scheme design and administration to Local Authorities.</p> <p>An eight week public consultation with all council tax bill payers, Council Tax Benefit recipients and any other interested parties was undertaken from 18 July 2012 to 12 September 2012.</p> <p>Consultation also took place with relevant third sector and representative bodies. A full list of consultees is contained in Appendix A.</p>

Section 4: Pre-implementation equality analysis

This section considers the potential impact (positive and negative) of proposals on the key 'protected characteristics' in the Equality Act 2010 and Human Rights, the equality information on which above analysis is based and mitigating actions to be taken.

Age - Where this is referred to, it refers to a person belonging to a particular age (e.g. 32 year olds) or range of ages (e.g. 18 - 30 year olds).

Potential impacts (positive and negative) of proposed policy/decision/business plan

As of October 2012, there were 35,878 Council Tax Benefit recipients in Southwark. 12,189 (34%) of these were of pension credit age and 23,689 (66%) were of working age. Due to fluctuations in the case load these figures change on a monthly basis, however the split between pensioner and working age is indicative of the type of division normally seen in the caseload.

As prescribed by Central Government regulations, pensioners will see no reduction from their current level of benefit entitlement. The administration and application of CTRS will also be broadly similar to CTB and we anticipate no impact on this group. Second Adult Rebate will also be retained for pensioner cases.

Under Southwark's preferred CTRS scheme, all claimants of working age will see a 15% reduction in the level of benefit they currently receive, on average equating to a loss of £116.08p per annum. Appendix B provides an analysis of the impact that this will have on working age claimants. 19,855 claimants will be required to pay Council Tax who are currently in receipt of full CTB and therefore currently make no contribution towards their liability. On average, this group will be expected to pay £123.46 next year where they currently pay nothing.

Claimants under 18 years of age are not liable for Council Tax and will therefore be unaffected by this change.

The table below provides an analysis of the average annual loss of benefit faced by working age claimants according to age. The analysis is based on the age of claimant:

Age group	Number affected	Average annual loss in benefit
18-24	1,330	£105.02
25-34	5,127	£110.46
35-44	6,697	£115.92
45-54	7,807	£118.78
55-60	2,728	£121.51

Equality information on which above analysis is based

Modelling data obtained relating to people and finance from the current CTB processing system.

The regulations drafted by DCLG prescribe protection around pensioners' entitlements and the council therefore have no discretion about whether or not to follow this principle. The Government stated in their "Localising Council Tax – EIA" in January 2012 that...

"The Government has considered the situation for low income pensioners who would currently be eligible for support with their council tax bill. Unlike most other groups, pensioners cannot be expected to seek paid employment to increase their income. The Government therefore proposes that as a vulnerable group, low income pensioners should be protected from any reduction in support as a result of this reform".

Mitigating actions to be taken

Given that government's annual settlements with the London Borough of Southwark have decreased substantially since May 2010 and are set to decrease significantly further in future years, it is unable to cover the estimated

shortfall in funding of at least £2.8m without impacting on either services or the level of Council Tax. The Council therefore has no option other than to pass the 10% reduction on to working age claimants.

- CTRS remains a means tested award, meaning that those tax payers on the lowest incomes will still receive financial support towards their Council Tax. Analysis shows that the decision to apportion the 10% funding reduction evenly across the working age claimants is the fairest approach whilst maintaining the protection and premiums that exist in the current CTB scheme.
- We will work with third parties including credit unions and advice agencies to increase the provision of financial education and budgeting support. This approach has been successfully trialled in the Direct Payment demonstration project in conjunction with the Department of Work & Pensions.
- We will review recovery policies and procedures to ensure that they are fair and reflect the shift in behaviour that is required from tax payers previously not liable for any Council Tax.
- Following the introduction of CTRS, further equality analysis will be conducted to measure the impact of this policy and whether this has had any unanticipated, disproportionate affect on any particular groups.

Disability - A person has a disability if s/he has a physical or mental impairment which has a substantial and long-term adverse effect on that person's ability to carry out normal day-to-day activities.

Possible impacts (positive and negative) of proposed policy/decision/business plan

For the purpose of the modelling activity, disabled households were defined as households in receipt of disability benefits, disability premiums (including enhanced and severe disability premiums) or households responsible for a disabled child. Based on this definition, 4,262 households were identified as being disabled. It is likely that there are more disabled households in the caseload but due to the passported status of their claim it is not possible to identify these customers through the same means (see below).

Analysis shows that the average loss for a disabled household will be £124.64p per annum, which is greater than the average loss across all working age households. This is because disabled households generally currently receive greater levels of CTB because of the premiums and disregards that are in place. This means that under the proposed CTRS the 15% reduction on average will be higher than that for a non-disabled household.

Appendix C shows the modelling activity that took place earlier this year which considered offering protection to disabled households so that they would see no reduction from their current level of CTB. The modelling demonstrated that this approach would leave a shortfall of over £516,000 as the 15% reduction imposed on other claims was not great enough to cover the £2.8m funding shortfall. In order to achieve the necessary saving, non-disabled households would need to face a 19% reduction in their current benefit levels, which would bring the average reduction for this group to £144.91p. A further risk associated with awarding protection to disabled households is that there is no reliable record of how many disabled households are within the caseload. Under the current assessment regime it is not necessary to record a disability status on claims that are 'passported' and there are therefore likely to be more disabled households than the council are currently able to identify. With over 68% of the caseload receiving a passported status, there is a significant risk that the £2.8m saving required would not be achieved should the number of disabled households increase. The subsequent percentage reduction imposed on non-disabled households would then have to be even greater than 19%.

Citizens with severe mental impairment are entitled to an exemption from paying any Council Tax

Equality information on which above analysis is based

Appendix D details the modelling that took place around CTRS, and includes an analysis of how disabled households will be affected.

Mitigating actions to be taken

- Through Southwark's approach of adapting the existing CTB scheme, disabled households will retain the income disregards and premiums that are already in place and will therefore on average receive a higher level of financial support under CTRS than non-disabled households. Appendix E demonstrates the levels of protection that will still exist for this group under CTRS.
- Consultation with relevant third parties is taking place to enable us to identify any emerging issues relating to this group. Groups engaged with include SLAN and the Forum for Equalities and Human Rights and are detailed in full in Appendix A.
- We will work with third parties including credit unions and advice agencies to increase the provision of financial education and budgeting support. This approach has been successfully trialled in the Direct Payment demonstration project in conjunction with the Department of Work & Pensions.
- As part of the operational roll-out of CTRS, due regard will be given to disabled groups to ensure that engagement and communications are targeted to offer relevant support and advice.
- We are currently reviewing our approach to a discretionary hardship payment in light of the localisation of the social fund from April 2013; however there will be severe financial restrictions in place.
- A take-up campaign for Severe Mental Impairment (SMI) exemptions will be implemented in the run-up to April 2013 through Southwark's Rightfully Yours service. This will ensure that people who fulfil the criteria are exempt from paying Council Tax and will therefore not be subject to the 15% reduction.
- A take-up campaign for Disability Living Allowance will be implemented in the run-up to April 2013 through Southwark's Rightfully Yours service. This will ensure that people who fulfil the criteria are exempt from paying Council Tax and will therefore not be subject to the 15% reduction.
- In line with CTB, CTRS will disregard War pensions / War Disablement Pensions as income.
- Following the introduction of CTRS, further equality analysis will be conducted to measure the impact of this policy and whether this has had any unanticipated, disproportionate affect on any particular groups.

Gender reassignment - The process of transitioning from one gender to another.

Possible impacts (positive and negative) of proposed policy/decision/business plan

This data is not held locally as it is not relevant to the assessment of CTB. The council is therefore unable to anticipate an impact on this group.

Equality information on which above analysis is based.

N/a

Mitigating actions to be taken

None.

Marriage and civil partnership - Marriage is defined as a 'union between a man and a woman'. Same-sex couples can have their relationships legally recognised as 'civil partnerships'. Civil partners must be treated the same as married couples on a wide range of legal matters. **(Only to be considered in respect to the need to eliminate discrimination.**

Possible impacts (positive and negative) of proposed policy/decision/business plan
<p>On average, couples stand to lose £141.74 through the introduction of Council Tax Support. 77% of couples have dependent children which is higher than the average of 45% for all working age claimants. As families receive higher levels of support the average loss for couples reflects the higher rate of benefit in payment.</p> <p>As with CTB, for CTRS purposes both marriage and civil partnerships would be assessed in exactly the same way.</p>
Equality information on which above analysis is based
N/A
Mitigating actions to be taken
The regulatory wording will reflect the existing CTB scheme in treating both sets of customers in exactly the same way

Pregnancy and maternity - Pregnancy is the condition of being pregnant or expecting a baby. Maternity refers to the period after the birth, and is linked to maternity leave in the employment context. In the non-work context, protection against maternity discrimination is for 26 weeks after giving birth, and this includes treating a woman unfavourably because she is breastfeeding.
Possible impacts (positive and negative) of proposed policy/decision/business plan
<p>In line with CTB, Southwark's proposed CTRS scheme will be a means tested discount and available to support new and expectant mothers who fulfil the qualifying criteria.</p> <p>The treatment of Maternity and Child-related income would remain the same under CTRS although the 85% cap would still be applied at the end of the calculation.</p> <p>Although the data to assess the impact is not readily available, in line with all working-age claimants, new and expectant mothers will see a reduction in the level of support that they can expect to receive</p>
Equality information on which above analysis is based
Data unavailable.
Mitigating actions to be taken
<p>CTRS remains a means tested award, meaning that those tax payers on the lowest incomes will still receive financial support towards their Council Tax.</p> <ul style="list-style-type: none"> For CTB purposes, Child Benefit and Child Maintenance have been disregarded as income since 2008

resulting in those claimants with higher levels of income being brought back into benefit entitlement. By adapting this scheme for CTRS, the same disregards will apply, subject to a 15% reduction in entitlement.

Race - Refers to the protected characteristic of Race. It refers to a group of people defined by their race, colour, and nationality (including citizenship) ethnic or national origins.

Possible impacts (positive and negative) of proposed policy/decision/business plan

Appendix F provides an analysis of welfare benefit recipients at a national level (UK). The analysis demonstrates that a larger proportion of claimants fall into the following groups:

- Black Caribbean – 26%
- Black or Black British – 24%
- Black Non-Caribbean – 23%

Similar data is not held at a Southwark level. The Department for Work and Pensions (DWP) do however hold a record of what benefits are claimed locally:

Working-age client group - key benefit claimants (February 2012)				
	Southwark (numbers)	Southwark (%)	London (%)	Great Britain (%)
Total claimants	34,140	16.1	14.6	15.0
By statistical group				
Job seekers	11,110	5.3	4.3	4.1
ESA and Incapacity Benefit	13,640	6.5	5.9	6.5
Lone parents	4,660	2.2	1.9	1.5
Carers	1,680	0.8	1.0	1.2
Others on income related benefits	1,190	0.6	0.4	0.4
Disabled	1,630	0.8	0.8	1.1
Bereaved	220	0.1	0.2	0.2
Key out of work benefits †	30,610	14.5	12.6	12.5

Source: DWP benefit claimants - working age client group

† Key out-of-work benefits includes the groups: job seekers, ESA and incapacity benefits, lone parents and others on income related benefits. See the Definitions and Explanations below for details

Note: % is a proportion of resident population of area aged 16-64

This demonstrates that there is a higher proportion of job-seekers, ESA, and other income-related benefit recipients in Southwark than the London or national average.

The Southwark Housing Needs Survey provides the most up-to-date analysis of ethnicity in Southwark from 2008:

Table 2.02 Ethnicity of Southwark broken down by Community Council area

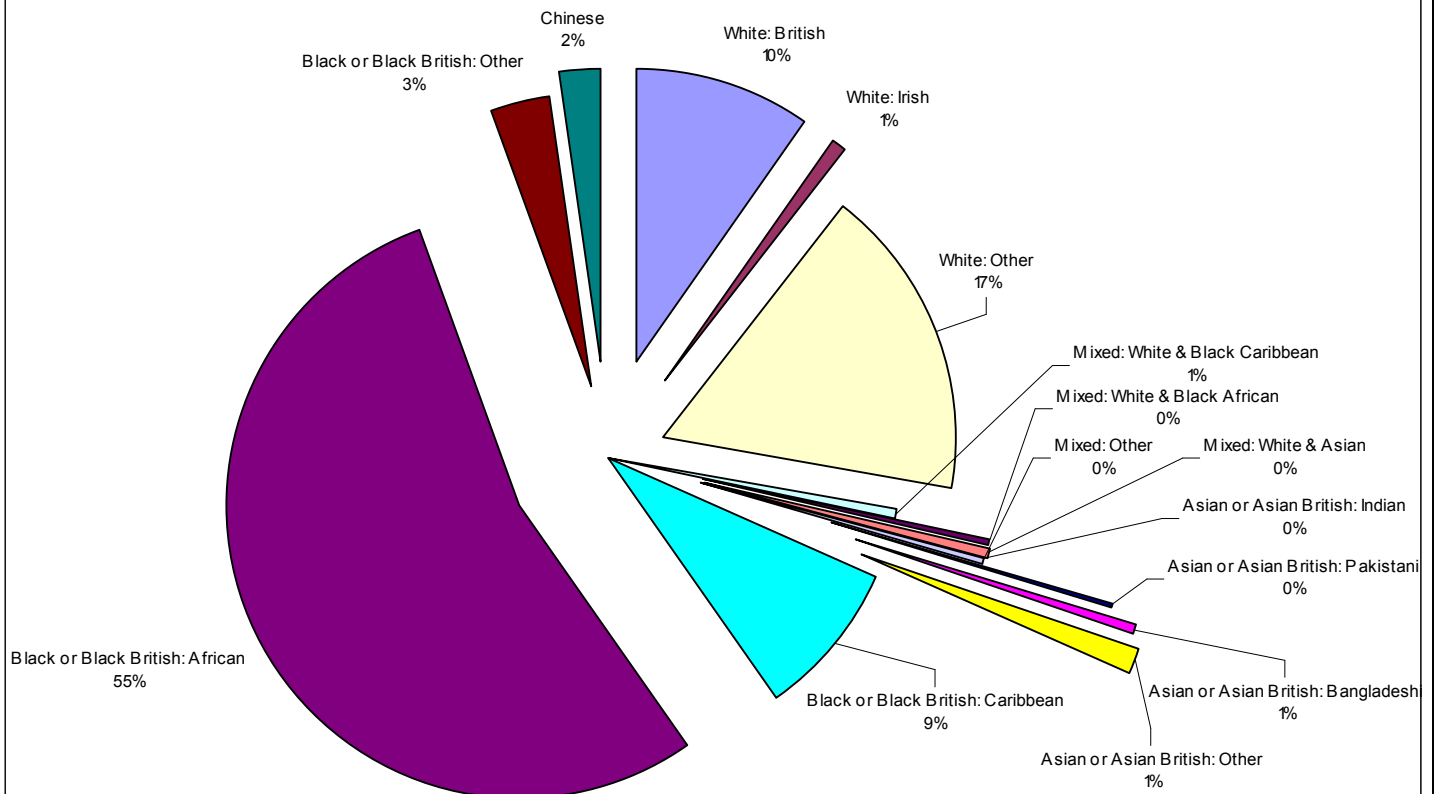
Community Council area	White British	White Irish	White Other	Mixed	Asian	Black	Chinese	Other
Borough and Bankside	50.4%	2.2%	11.8%	1.1%	8.5%	19.4%	3.0%	3.6%
Bermondsey	50.5%	1.8%	19.4%	0.5%	0.9%	19.1%	4.1%	3.8%
Camberwell	42.0%	2.5%	9.0%	2.0%	2.9%	31.9%	3.8%	6.0%
Dulwich	64.3%	2.2%	8.6%	2.7%	3.0%	15.7%	2.2%	1.3%
Nunhead and Peckham Rye	50.9%	3.3%	11.0%	2.1%	1.8%	27.7%	1.3%	1.9%
Peckham	27.0%	2.0%	11.2%	4.4%	1.3%	43.5%	4.7%	5.9%
Rotherhithe	52.2%	3.7%	15.2%	0.5%	2.7%	19.8%	4.4%	1.5%
Walworth	39.8%	5.4%	16.0%	1.3%	2.1%	25.6%	3.8%	5.9%
Total	48.2%	3.0%	12.9%	1.6%	2.8%	24.4%	3.4%	3.7%

Source: Southwark Housing Needs Survey 2008

The Southwark CTB application form asks claimants to confirm details relating to their ethnicity. However many customers do not complete this section of the form and where they do it is rarely recorded in the assessment system as it is not relevant to the assessment of CTB. As a result, ethnicity details are only held for 2.2% of claimants (533 out of an overall caseload of 23,689).

Appendix B sets out a full analysis of the data held, which is summarised below:

Ethnicity analysis based on available data



The analysis demonstrates that the largest impact will be felt by the following households

- 55% of these cases are categorised as Black or Black British: African
- 17% of these cases are categorised as White: Other
- 10% of cases are categorised as White: British

With only limited data, it is impossible to evaluate the overall impact of the CTRS scheme. However the national data demonstrates that receipt of CTB is higher in certain groups and therefore any amendment or adaptation of this scheme would affect them to a greater extent.

Equality information on which above analysis is based

A summary of the data held in the Housing Benefit assessment system is available in Appendix B. However this data is not normally completed by assessment staff so it is difficult to draw any firm conclusions from this analysis.

Mitigating actions to be taken

CTRS remains a means tested award, meaning that those tax payers on the lowest incomes will still receive financial support towards their Council Tax.

- Following the introduction of CTRS, further equality analysis and reviews will be conducted to measure the impact of this policy and whether this has had any unanticipated, disproportionate affect on any particular groups.

Religion and belief - Religion has the meaning usually given to it but belief includes religious and philosophical beliefs including lack of belief (e.g. Atheism). Generally, a belief should affect your life choices or the way you live for it to be included in the definition.

Possible impacts (positive and negative) of proposed policy/decision/business plan

This data is not held locally as it is not relevant to the assessment of CTB. The council are therefore unable to identify a potential impact on this group.

Equality information on which above analysis is based

N/a

Mitigating actions to be taken

None.

Sex - A man or a woman.

Possible impacts (positive and negative) of proposed policy/decision/business plan

Analysis in Appendix D shows that women face a greater loss in financial support through the introduction of CTRS than men:

- Average annual loss for couples: £141.74
- Average annual loss for single female claimants: £115.48
- Average annual loss for single male claimants: £105.51

Under CTB, 66% (13,298) of single claimants are women and 61% (8,095) of these are single mothers.

There are only 6,919 single male claimants and only 440 of these are single fathers.

As a far higher proportion of single parents are women, they will on average face a larger reduction in CTRS as they currently receive a higher level of support.

As with CTB, the assessment of men and women is the same and both are subject to the same means test.

Equality information on which above analysis is based

Appendix D includes details how Council Tax Support will affect sex. A breakdown of existing working-age claimants by sex is detailed below:

Gender	Number of claims affected
Male	8,611
Female	14,488
Unknown	590

Mitigating actions to be taken

CTRS remains a means tested award, meaning that those tax payers on the lowest incomes will still receive financial support towards their Council Tax.

Sexual orientation - Whether a person's sexual attraction is towards their own sex, the opposite sex or to both sexes

Possible impacts (positive and negative) of proposed policy/decision/business plan

This data is not locally held as it is not relevant to the assessment of CTB. The council are therefore unable anticipate an impact on this group as a result of the proposed changes.

Equality information on which above analysis is based

N/a

Mitigating actions to be taken

None.

Human Rights

There are 16 rights in the Human Rights Act. Each one is called an Article. They are all taken from the European Convention on Human Rights. The Articles are The right to life, Freedom from torture, inhuman and degrading treatment, Freedom from forced labour, Right to Liberty, Fair trial, Retrospective penalties, Privacy, Freedom of conscience, Freedom of expression, Freedom of assembly, Marriage and family, Freedom from discrimination and the First Protocol

Possible impacts (positive and negative) of proposed policy/decision/business plan

Privacy – Data will be used and shared for administrative purposes in accordance with relevant Data Sharing regulations.

Marriage and family – CTRS remains a means tested award, meaning that those tax payers on the lowest incomes will still receive financial support towards their Council Tax.

Freedom from discrimination – CTRS remains a means tested award, meaning that those tax payers on the lowest incomes will still receive financial support towards their Council Tax, and the 85% allowance will be applied to applicants regardless of any protected characteristic.

Freedom of expression – Before adopting a local scheme for CTRS, or changing a scheme once adopted, it is a statutory requirement to consult with taxpayers and stakeholders locally. The Local Authority has done this and has ensured that communities within Southwark have had the opportunity to make representations through the following Disability / third sector / representative groups.

Information on which above analysis is based

N/A

Mitigating actions to be taken

Before adopting a local scheme for CTRS, or changing a scheme once adopted, it is a statutory requirement to consult with taxpayers and stakeholders locally.

- Ensure that operational model for CTRS reflects the requirements of the relevant data-sharing regulations.

Section 5: Further actions and objectives

5. Further actions *			
Based on the initial analysis above, please detail the key areas identified as requiring more detailed analysis or key mitigating actions.			
Number	Description of Issue	Action	Timeframe
1	Financial inclusion / budgeting advice	Work with third parties including credit unions and advice agencies to increase the provision of financial education and budgeting support.	Nov-Mar 2013
2	Recovery procedures	Review recovery policies and procedures to ensure that they are fair and reflect the shift in behaviour that is required from tax payers previously not liable for any Council Tax.	Nov-Mar 2013
3	Consultation activity	Consultation with relevant third parties is taking place to enable us to identify any emerging issues relating to this group. Groups engaged with include SLAN and the Forum for Equalities and Human Rights.	July – September 2012
4	CTRS hardship fund/S13a Policy	Review approach to a discretionary hardship payment in light of the localisation of the social fund from April 2013	Nov-Mar 2013
5	Ethnic monitoring data	Recommend that assessment staff begin to complete this information when assessing claims so that the data is of more valuable in future analysis.	Immediate
6	Data-sharing	Ensure that operational model for CTRS reflects the requirements of the data-sharing regulations and Data Protection Act 1998	Nov-Mar 2013
7	SMI exemptions	A take-up campaign for SMI exemptions will be implemented in the run-up to April 2013 through Southwark's Rightfully Yours service.	Nov-Mar 2013
8	DLA take-up campaign	A take-up campaign for Disability Living Allowance will be implemented in the run-up to April 2013 through Southwark's Rightfully Yours service.	Jan-Mar 2013
9	Ongoing analysis	Further equality analysis will be conducted to measure the impact of this policy and whether this has had any unanticipated, disproportionate affect on any particular groups.	Ongoing

* The above actions were set out in the Equality Analysis of July 2012. Since then, a Revenues & Benefits welfare reform action plan has been developed and an overview of this can be found at Appendix G of this analysis.

5. Equality objectives (for business plans)					
Based on the initial analysis above, please detail any equality objectives that you will set for your department/service.					
Objective	Lead officer	Current performance (baseline)	Targets		
			2012/13	2013/14	2014/15
N/A					

Appendix A

Engagement activity

Below is a calendar of engagement activity that is taking place in the community with various partners, stakeholders and representative groups.

Consultation & Engagement Audience	Audience / Stakeholder Group	Venue	Date	Attendees
Borough Bankside and Walworth community council meeting	Local Residents, Local Councillors	Amigo Hall, St Georges Cathedral. St Georges Road	02/07/2012	110
Advice and Information Event	Third Sector, Local residents	Cambridge House,	04/07/2012	80
Special Briefing with Voluntary Organisations arranged by SLAN	Third Sector	INSPIRE BUILDING. St Peters, Liverpool Grove	10/07/2012	18
Bermondsey and Rotherithe Community Council Meeting	Local Residents, Local Councillors	Southwark College	12/07/2012	105
Advice and Information Event	Local partners, DWP, SBAH, Local residents including CTB recipients	Rockingham Community Centre, Falmouth Road SE16	16/07/2012	60
Camberwell East Area Housing Forum	Local residents, Tenancy council representatives, Local residents including CTB recipients	Harris Street Satellite Office, Harris Street, London SE5 7RF	16/07/2012	10
Bermondsey West Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives	Mabel Goldwin House, 49 Grange Walk, London SE1 3DY	17/07/2012	20
Walworth West Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives	Pasley Tenants Hall, Stopford Road, SE17	19/07/2012	25
Walworth East Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives,	Tra Hall, Hilery Close, Salisbury Estate, SE17 1RQ	19/07/2012	16

Financial Inclusion Forum	Third sector, Local partners	Ability Media Centre 56 Southwark Bridge Road	20/07/2012	20
Rotherhithe Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives	Silverlock Tenants Hall, Warndon Street, London, SE16	24/07/2012	20
Home Owners Council	Homeowners, Residents association representatives, Local residents including CTB recipients	160 Tooley Street	25/07/2012	25
SOUHAG	Housing Associations, Social landlords	160 Tooley Street	26/07/2012	25
Peckham Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives	Bells Gardens Community Centre, Buller Close, Peckham SE15	20/08/2012	20
Tenant Council	Local residents including CTB recipients, TRA representatives, Local Councillors	Four Squares tenants hall Drummond Road, SE16	03/09/2012	25
Bermondsey East Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives	160 Tooley Street	05/09/2012	15
Keep Warm Keep Well Project	Third sector, Local partners	3rd Floor Walworth Methodist Church, 54 Camberwell Road, London SE5 0EN	06/09/2012	10
Southwark Carers Group	Carers, Local residents including CTB recipients	132 Queens Road	06/09/2012	10
Nunhead and Peckham Rye Area Housing Forum	Local residents including CTB recipients, Tenancy council reps, Local Councillors	Lordship Lane TRA Hall, Bew Court, SE22	06/09/2012	20
Dulwich Area Housing Forum	Local residents including CTB recipients, Tenancy council representatives	Aylesbury Housing Office, Thurlow Street. SE17 2TZ	06/09/2012	15
Aylesbury Area Housing Forum	Local residents including CTB recipients, Tenancy council reps, Local Councillors	160 Tooley Street	18/09/2012	10
TMO	Tenancy managers	160 Tooley Street	19/09/2012	16
Peckham and Nunhead Community Council Meeting	Local residents including CTB recipients, Local Councillors	Harris Academy, Peckham	24/09/2012	100

Forum for Equalities and Human Rights.	Third sector	160 Tooley Street	26/09/2012	25
Financial Inclusion Forum	Third Sector, Local partners	Four Squares tenants hall Drummond Road, SE16	28/09/2012	25
Lewisham: Consultation on Local Council Tax Support Scheme	Third Sector, Local residents	Town Hall, Civic Suite, Catford SE6 4RU	08/10/2012	25
Souhag Management	Housing Associations, Social landlords	160 Tooley Street	10/10/2012	25
Home Owners Council	Homeowners, Residents association representatives, ctb recipients	Inspire. The Crypt, St Peters Church, Liverpool Grove, SE17 2HH	07/11/2012	70
Bells Gardens T & RA meeting	Local Residents, Local Councillors	Bells Gardens Community Centre, Buller Close, Peckham SE15	12/11/2012	25
Brandon 2 T & RA meeting	Local Residents, Local Councillors	Brandon Hall 32 Andrews Walk	15/11/2012	TBC
Brunswick Park T & RA AGM	Local Residents, Local Councillors	Flying Dutchman on corner of Wells Way and Southampton Way	19/11/2012	TBC
Camberwell Community Council Meeting	Local Residents, Local Councillors	Heartbeat Academy, Clemance Hall, 3-15 Brisbane Street London SE5 7NL	21/11/2012	TBC
International Day of Persons with Disabilities	Local Residents, Local Councillors, Disability Groups, Advocacy Sector	Amigo Hall, St. George's Cathedral.	03/12/2012	TBC

Appendix B

Working age CTB recipient analysis

Annual CTB expenditure: £18,274,205.24

No of customers: 23,689

Value of annual CTB awards:

Annual CTB award	Number of claims
£0 - £99.99	166
£100 - £199.99	382
£200 - £299.99	472
£300 - £399.99	530
£400 - £499.99	682
£500 - £599.99	767
£600 - £699.99	3,178
£700 - £799.99	6,936
£800 - £899.99	4,050
£900 - £1,000	3,134
£1,000 - £1,099.99	1,544
£1,100 - £1,199.99	566
£1,200 or more	1,282

Household breakdown:

Households with dependent children:	11,102
Single parents:	8,763
Disabled households:	4,262
Number of Carers:	179

Claimant gender breakdown:

Gender	Number of claims affected
Male	8,611
Female	14,488
Unknown	590

Breakdown of CTB claimants by ethnicity:

Group	Number of claims
White: British	51
White: Irish	4
White: Other	90
Mixed: White & Black Caribbean	3
Mixed: White & Black African	2
Mixed: White & Asian	2
Mixed: Other	1
Asian or Asian British: Indian	1
Asian or Asian British: Pakistani	2
Asian or Asian British: Bangladeshi	3
Asian or Asian British: Other	6
Black or Black British: Caribbean	46
Black or Black British: African	283
Black or Black British: Other	18
Chinese	11
Unknown	23,166

Income:

Working households:	5,195
Receiving Income Support:	7,972
Receiving Jobseeker's Allowance:	5,131
Receiving Employment Support Allowance (IR)	3,214
Cases paid as Second Adult Rebate:	254

Council Tax Band analysis (all figures per annum):

CTax Band	Gross CTax liability	Average Net CTax liability	Total CTB expenditure by band	No. of CTB claims	Average CTB award	No. of families	Average CTB award for families	No. of disabled households	Average CTB award for disabled households
A	£812.57	£636.11	£2,035,263.46	3,365	£604.83	585	£626.12	602	£613.04
B	£948.00	£761.08	£6,899,882.83	9,780	£705.51	4,410	£714.70	1,691	£733.22
C	£1,083.43	£892.91	£5,166,296.04	6,403	£806.86	3,612	£814.40	1,121	£875.63
D	£1,218.86	£1015.75	£2,378,683.62	2,604	£913.47	1,500	£933.24	505	£1,001.80
E	£1,489.72	£1,267.33	£1,483,652.00	1,306	£1,136.03	848	£1,160.33	290	£1,254.84
F	£1,760.58	£1,521.32	£232,949.78	173	£1,346.53	116	£1,411.88	43	£1,474.61
G	£2,031.43	£1,685.33	£61,965.01	41	£1,511.34	22	£1,483.84	9	£1,847.13
H	£2,437.72	£1,523.61	£3,047.23	2	£1,523.61	1	£1,828.13	1	£1,219.10
Unknown Band	-	£1,770.07	£12,465.27	15	£831.02	8	£874.24	0	-

Analysis of average annual CTB award by Council Tax Band and residential status

Council Tax Band	Council Tenant	Private tenant	Housing Association	Owner Occupier	Temporary Accommodation
A	(2,700)	(247)	(257)	(144)	(17)
	£606.13	£591.96	£607.46	£591.83	£657.06
B	(6,695)	(978)	(1,663)	(350)	(94)
	£712.19	£672.61	£708.73	£645.74	£737.72
C	(3,165)	(864)	(1,906)	(401)	(67)
	£830.73	£749.49	£810.79	£719.49	£829.62
D	(748)	(329)	(1,313)	(206)	(8)
	£961.12	£809.37	£925.68	£827.41	£952.00
E	(255)	(109)	(833)	(109)	(0)
	£1,224.32	£865.21	£1,160.14	£1,016.05	
F	(30)	(26)	(98)	(19)	(0)
	£1,563.36	£1,178.19	£1,376.73	£1078.75	
G	(11)	(6)	(19)	(5)	(0)
	£1,877.33	£938.14	£1,467.14	£1,561.99	
H	(0)	(0)	(0)	(2)	(0)
				£1,523.61	
Unknown Band	(6)	(1)	(6)	(2)	(0)
	£912.15	£711.23	£878.26	£505.79	
Total	13,610	2,560	6,095	1,238	186

Analysis of family size with average annual CTB award

Number of children	Number of claims	Number of single parents	Disabled households	Working households	Job-seeking households
1	(5,350) £776.73	(4,605) £755.98	(581) £910.93	(1,456) £600.27	(875) £849.50
2	(3,394) £813.88	(2,600) £784.49	(338) £937.40	(1,152) £697.96	(535) £869.69
3	(1,626) £880.90	(1,123) £837.43	(132) £1,024.03	(598) £798.22	(245) £949.96
4	(541) £935.74	(327) £872.68	(51) £1,085.23	(216) £893.23	(75) £1,014.95
5	(127) £971.70	(74) £877.50	(16) £1,045.01	(42) £944.20	(22) £1,041.27
6	(43) £1,063.44	(27) £1,059.54	(4) £1,055.76	(16) £946.16	(6) £1,116.03
7	(13) £1,137.64	(4) £1,133.72	(1) £1,115.34	(4) £1,040.51	(5) £1,164.35
8	(6) £975.59	(2) 761.81	(0)	(3) £1,036.95	(1) £1,219.10
9	(1) £1,117.42	(1) £1,117.42	(0)	(0)	(0)
10	(0)	(0)	(0)	(0)	(0)
11	(1) £1,489.72	(0)	(1) £1,489.72	(0)	(1) £1,489.72

Appendix C

85% cap on CTB entitlement with protection extended to include disabled households *

Annual saving achieved: £2,283,749.60

This model analyses the impact of reducing current levels of CTB entitlement by 15%, effectively setting an 85% cap on existing award levels. This model offers protection to pensioners as well as disabled households so that they see no reduction in benefit.

* (Modelling is based on July 2012 data)

No of customers affected: 19,963

Value of annual CTB lost:

Amount of annual CTB lost	Number of claims
£0 - £49.99	1,133
£50 - £99.99	4,037
£100 - £149.99	12,168
£150 - £199.99	2,255
£200 - £249.99	322
£250 or more	48

Average amount of annual CTB lost: **£114.40**

Largest reduction in CTB award: **£344.77**

No. of cases paid as Second Adult Rebate: **256**

Council Tax Band of affected customers:

Council Tax Band	Number of claims
A	2,836
B	8,286
C	5,457
D	2,155
E	1,039
F	140
G	33
H	1
Unknown	16

Household breakdown:

Households with dependent children: **9,951**

Single parents in group: **7,975**

Disabled households in group: **0**

Number of Carers in group: **69**

Claimant gender breakdown in affected group:

Gender	Number of claims affected
Male	7,009
Female	12,487
Unknown	467

Breakdown of affected group by ethnicity:

Group	Number of claims
White: British	45
White: Irish	4
White: Other	85
Mixed: White & Black Caribbean	4
Mixed: White & Black African	1
Mixed: White & Asian	2
Mixed: Other	1
Asian or Asian British: Indian	1
Asian or Asian British: Pakistani	1
Asian or Asian British: Bangladeshi	3
Asian or Asian British: Other	4
Black or Black British: Caribbean	43
Black or Black British: African	257
Black or Black British: Other	17
Chinese	11
Unknown	19,484

Income:

Working households: **4,734**

Receiving Income Support: **7,006**

Receiving Jobseeker's Allowance: **5,459**

Receiving Employment Support Allowance (IR) **2,136**

Appendix D

Proposed scheme: 85% cap on CTB entitlement

Annual saving achieved: £2,741,130.79

This model reduces current levels of CTB entitlement by 15%, effectively setting an 85% cap on existing award levels. This model offers no additional protection to any group other than pensioners, although by adapting the existing CTB scheme there built in protections offered to disabled households and work incentives.

No of customers affected: 23,689

Value of annual CTB lost:

Amount of annual CTB lost	Number of claims
£0 - £49.99	1,202
£50 - £99.99	4,763
£100 - £149.99	14,332
£150 - £199.99	2,874
£200 - £249.99	444
£250 - £299.99	60
£300 or more	14

Average amount of annual CTB lost: **£115.71**

Largest reduction in CTB award: **£304.72**

No. of cases paid as Second Adult Rebate: **254**

Council Tax Band of affected customers:

Council Tax Band	Number of claims
A	3,65
B	9,780
C	6,403
D	2,604
E	1,306
F	173
G	41
H	2
Unknown	15

Household breakdown:

Households with dependent children: **11,102**

Single parents in group: **8,763**

Disabled households in group: **4,262**

Number of Carers in group: **179**

Claimant gender breakdown in affected group:

Gender	Number of claims affected
Male	8,611
Female	14,488
Unknown	590

Breakdown of affected group by ethnicity:

Group	Number of claims
White: British	51
White: Irish	4
White: Other	100
Mixed: White & Black Caribbean	3
Mixed: White & Black African	2
Mixed: White & Asian	2
Mixed: Other	1
Asian or Asian British: Indian	1
Asian or Asian British: Pakistani	2
Asian or Asian British: Bangladeshi	3
Asian or Asian British: Other	6
Black or Black British: Caribbean	46
Black or Black British: African	283
Black or Black British: Other	18
Chinese	11
Unknown	23,166

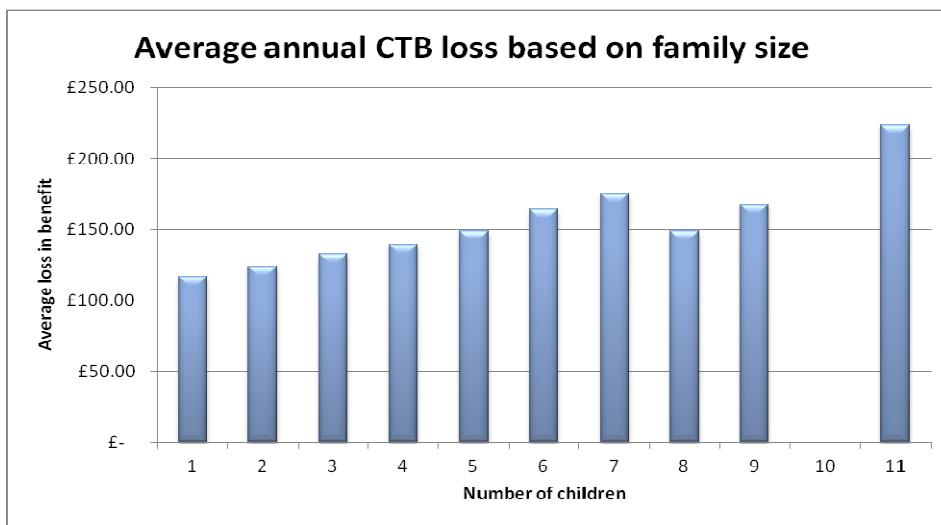
Income:

Working households: **5,195**

Receiving Income Support: **7,972**

Receiving Jobseeker's Allowance: **5,131**

Receiving Employment Support Allowance (IR) **3,214**

Benefit reduction:Average annual loss for group: **£115.71**Average annual loss for families: **£122.26**Average annual loss single parent households: **£117.21**Average annual loss for disabled households: **£124.64**Average annual loss for working households: **£96.44**Average annual loss for couples: **£141.74**Average annual loss for single female claimants: **£115.48**Average annual loss for single male claimants: **£105.51**

Appendix E

Protection within the preferred CTRS scheme

Disabled Households			Average annual CTB award	Non-Disabled Households			Average annual CTB award	Protection offered under CTB
Existing CTB Scheme	Disabled single claimant	£	794.20	Existing CTB Scheme	Non-Disabled single claimant	£	705.00	£ 89.20
	Disabled couple	£	1,053.63		Non-Disabled couple	£	913.23	£ 140.40
	Disabled couple (1 child)	£	1,018.56		Non-Disabled couple (1 child)	£	875.65	£ 142.91
	Disabled couple (2 children)	£	1,069.73		Non-Disabled couple (2 children)	£	880.02	£ 189.71
	Disabled couple (3 children)	£	1,114.23		Non-Disabled couple (3 children)	£	960.86	£ 153.37
	Disabled single parent (1 child)	£	872.45		Non-Disabled single parent (1 child)	£	744.05	£ 128.40
	Disabled single parent (2 children)	£	858.75		Non-Disabled single parent (2 children)	£	777.89	£ 80.86
	Disabled single parent (3 children)	£	957.56		Non-Disabled single parent (3 children)	£	828.71	£ 128.85

Disabled Households			Average annual CTRS award	15% reduction	Non-Disabled Households			Average annual CTRS award	15% reduction	Protection offered under CTRS			
Preferred CTRS Scheme (15% reduction)	Disabled single claimant	£	675.07	£	119.13	Preferred CTRS Scheme (15% reduction)	Non-Disabled single claimant	£	599.25	£	105.75	£	75.82
	Disabled couple	£	895.59	£	158.04		Non-Disabled couple	£	776.25	£	136.98	£	119.34
	Disabled couple (1 child)	£	865.78	£	152.78		Non-Disabled couple (1 child)	£	744.30	£	131.35	£	121.48
	Disabled couple (2 children)	£	909.27	£	160.46		Non-Disabled couple (2 children)	£	748.02	£	132.00	£	161.25
	Disabled couple (3 children)	£	947.10	£	167.13		Non-Disabled couple (3 children)	£	816.73	£	144.13	£	130.37
	Disabled single claimant (1 child)	£	741.58	£	130.87		Non-Disabled single claimant (1 child)	£	632.44	£	111.61	£	109.14
	Disabled single claimant (2 children)	£	729.94	£	128.81		Non-Disabled single claimant (2 children)	£	661.21	£	116.68	£	68.73
	Disabled single claimant (3 children)	£	813.93	£	143.63		Non-Disabled single claimant (3 children)	£	704.40	£	124.31	£	109.53

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The above analysis offers a comparison between the protection offered under the existing CTB scheme and that offered under Southwark’s preferred CTRS scheme. It demonstrates that by adapting the existing CTB scheme, disabled households and families will on average receive a higher award of CTRS than those that fall outside of this definition. Work incentives will also be preserved through retaining the existing Extended Payment award when a claimant finds employment.

A requirement of a Local CTRS is to give consideration to the type of protection that it is appropriate to build into the scheme. This protection must apply to ‘vulnerable’ claimants, although definition of this criterion has been left up to individual Local Authorities. Authorities have also been reminded of their duties in respect of preventing Child Poverty and asked to ensure that the scheme does not go against the work incentives that are a cornerstone of the Welfare Reform Bill and eventual roll-out of Universal Credit.

Appendix F: Family Resources survey 2010/11

Table 2.9: Benefit units by state support receipt and ethnic group of head

Percentage of benefit units

State support received	Ethnic group					Ethnic group				All benefit units
	White	Mixed	Asian or Asian British	Indian	Pakistani and Bangladeshi	Black or Black British	Black Caribbean	Black Non-Caribbean	Chinese or Other Ethnic Group	
Working Tax Credit	6	7	10	6	17	8	7	8	5	6
Child Tax Credit	14	16	20	13	30	21	18	23	13	15
Income Support	4	8	5	3	8	9	8	9	4	5
Pension Credit	6	2	4	3	4	4	6	2	2	6
Housing Benefit	12	18	9	5	12	22	22	22	11	12
Council Tax Benefit ¹	16	18	15	9	21	24	26	23	13	16
Retirement Pension	27	6	9	10	7	9	17	3	9	25
Widow's Benefits	-	-	-	-	1	-	-	-	-	-
Jobseeker's Allowance	3	8	4	3	6	7	9	6	2	3
Employment and Support Allowance	1	1	-	-	1	1	1	-	-	1
Incapacity Benefit	4	2	3	3	3	3	3	2	2	4
Severe Disablement Allowance	-	-	-	-	-	-	-	-	-	-
Attendance Allowance	3	-	1	1	1	1	1	-	1	3
Carer's Allowance	1	1	1	1	2	1	1	1	1	1
Disability Living Allowance (care component)	6	4	4	4	5	4	4	4	3	6
Disability Living Allowance (mobility component)	6	4	4	4	4	4	4	3	3	6
Industrial Injuries Disablement Benefit	1	0	-	-	-	-	-	-	-	1
Armed Forces Compensation Scheme	-	-	0	0	0	-	-	-	-	-
Child Benefit	22	24	30	24	39	31	25	35	22	23
On any income-related benefit	20	28	20	13	27	30	32	29	17	20
On any non-income-related benefit	59	39	45	42	51	47	52	43	37	57
All in receipt of benefit	62	49	50	45	56	56	61	52	42	61
All in receipt of tax credits	15	17	21	13	31	22	19	24	14	15
All not in receipt of state support	37	50	50	54	43	43	38	47	57	38
Sample size (=100%)	81,651	772	3,290	1,518	1,244	1,858	783	1,075	974	88,545

Source: 2008/09, 2009/10 and 2010/11 Family Resources Survey, United Kingdom

¹ This is support for Rates payable to those receiving Housing Benefit in Northern Ireland

Appendix G: R&B Welfare Reform Support Action Plan

R&B Welfare Reform Support Action Plan						
Issue to Mitigate	Mitigating Action	Joined Up Partners	Activities	Intended Outcome	Start date	RAG Status
Financial inclusion	We will continue to work with third parties including credit unions and advice agencies to identify opportunities to increase the provision of financial education and budgeting support.	Joined up Working on support packaging with Credit Unions, Advocacy Sector, Rightfully yours, Area Housing Management, Economic Development, Money Advice Service				G
			Identify 3rd sector orgs and areas of support	Targeted approach to provide financial support and advice	ongoing	G
			Identify comms opportunities and raising awareness for affected people	Deliver key messages as the project progresses.	ongoing	G
			Establish series of workshops to identify opportunities for improvement	To map support provision	12/11/2012	G
			Benefit Maximisation campaign - see below	Ensure awareness across stakeholders and customers of benefits available	ongoing	G
Wider Welfare Reform	Complete modelling to identify claimants affected by Benefit cap and Size criteria reform. Feed this info into comms plan.	Area housing management, Rightfully yours, Advocacy sector, Economic development, Local JCP.				G
			Cross match CTB data to find claims that should be in receipt of SPD	SPD correctly awarded - current work being done on SPD review in Revs	09/10/2012	G
			Cross match claimants on full CTB with entitled to SPD	To reduce these customers Ctax liability	05/11/2012	G
			Review and identify affected groups and target comms routes including joining up wider welfare reform message	Deliver key messages as the project progresses.	ongoing	G
Recovery of	We will review	Other L/A's to ensure a				G

Council Tax	recovery policies and procedures to ensure that they are fair and reflect the shift in behaviour that is required from tax payers previously not liable for any Council Tax.	consistent approach				
			CAB debt advice/support	Reduce summons/court activity	09/10/2012	G
			Review our policies	highlight mechanisms/signposting in place to support vulnerable/indebted customers	09/10/2012	G
			Review other LA approaches		09/10/2012	G
CTRS take-up	Contact all Second Adult Rebate recipients prior to April 2013 to inform them of the implications of CTRS and to offer them the opportunity to make a claim based on their household income levels.					G
			Develop joined up message to send	Clear message delivered advising changes that affects the customers	03/12/2012	G
Customer Enquiries	As a result of the introduction of CTRS it is envisaged there will be an increase in customer contact, as well as footfall and telephones queries.					G
			Briefing / training on CTRS ahead of calls	Consistent message delivered	12/11/2012	G
			Estimate additional call load and plan for it		12/11/2012	G
			Measurement of extra load when it happens		12/11/2012	G

Severely Mentally Impaired (SMI) take-up	Tax Payers with a severe mental impairment are entitled to a full exemption from Council Tax. A take-up campaign for SMI exemptions will be implemented in the run-up to April 2013 through Southwark's Rightfully Yours service.	Advocacy sector, Adult Social Care, Rightfully yours	RYS already undertaking southwark wide campaign to increase awareness and encourage take up. - see line 14 above			G
			Identify how to find SMI citizens	Ensure customers classed as SMI can be signposted for Ctax exemption	09/10/2012	G
			Develop message or scripting to issue to referral sources (CAB etc)	Correctly identify customers with possible entitlement to SMI and direct to their doctors to complete forms	19/11/2012	G
			Work instructions/OP's aware of how to identify SMI cases and establish entitlement to SMI - What is the criteria and how best should it be cascaded internally/externally?			G
Disability Living Allowance take-up	A take-up campaign for DLA will be implemented in the run-up to April 2013 through Southwark's Rightfully Yours service. This will ensure that people who qualify will be more likely to receive a greater level of support under CTRS	Advocacy sector, Adult Social Care, Rightfully yours				G
			Identify how to find potential DLA claimants	Work underway on RYS to support this initiative - regular meetings to be set up to review progress	09/10/2012	G

			DLA take-up initiatives		09/10/2012	G
Disregarded incomes	In line with CTB, CTRS will disregard War pensions / War Disablement Pensions as income.					G
			Request identifier for incomes to be disregarded with Northgate.			G
Equality analysis	Following the introduction of CTRS, further equality analysis will be conducted to measure the impact of this policy and whether this has had any unanticipated, disproportionate affect on any particular groups.	Advocacy sector, Adult Social Care, Rightfully yours				G
			Encourage equality groups to encourage claimant to provide equality monitoring information	Encourage customers that its important to provide equality information	ongoing	G
			Encourage Staff to enter equality information provided on Northgate		12/11/2012	G
			Review equality analysis data and feedback to ops teams.	Dependant on above	ongoing	G
			Actions arising from equality analysis review		ongoing	G
On Line Information	Information to be made available on council's web page informing of Welfare changes and signposting customers to relevant advice Network					G
			Feed into Corporate message which would be on the councils website	Ensure message consistent across the council on all areas affected by welfare reform		G
			Advice Network Map to be	To advise customer0s what is		G

			incorporated into website	currently available in terms of support		
Community engagement	As part of the operational roll-out of CTRS, due regard will be given to affected groups to ensure that engagement and communications are targeted to offer relevant support and advice.	Advocacy sector, Adult Social Care, Rightfully yours, Community engagement				G
			Identify AHFs, Traa and other community events	Deliver key messages as the project progresses.	ongoing	G
			Develop briefing message			G
			Feed into comms plan			G
Training of Back Office Staff	All Back Office staff to be aware of new calculation in regard to CTRS - although calculation will be automatic - staff still need to be made aware of new screens (amended) and taper that applies.					G
			Develop Training and Ops Implementation Schedule	Ensure all staff across benefits are aware of changes and are ready to deliver 01.01,13.		G
Training of Front Office Staff	It is envisaged that the training required for Front office staff will be more extensive new to the requirement of customer contact and the associated questions and customer contact as a result of the introduction of CTRS					G
			Develop Training Schedule for	Ensure all staff across		G

			front Office Staff	customer services are aware of changes and are ready to answer questions once customers are aware of the change 01.01.13.		
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TRANSITIONAL GRANT MODELLING

	Working Age (Full Benefit)	Working Age (Partial Benefit)	Total Working Age	Non Working Age	Total	Total
Current Council Tax Benefit	19,176	4,513	23,689	12,188	35,877	£ 1,219
September 2012 CTB	£15,761,639	£2,512,566	£18,274,205	£9,565,949	£27,840,154	£ 27,840,154
10% reduction would be					£-2,784,015	£- 2,784,016
					£25,056,139	£ 25,056,138
Southwark Proposed CTRS Scheme						
September 2012 CTB	£15,761,639	£2,512,566	£18,274,205	£9,565,949	£27,840,154	£ 27,840,154
15% reduction in working age	£-2,364,246	£-376,885	£-2,741,131	£0	£-2,741,131	£- 2,741,131
Cost of proposed CTRS scheme	£13,397,393	£2,135,681	£15,533,074	£9,565,949	£25,099,023	£ 25,099,023
Transitional grant						
September 2012 CTB	£15,761,639	£2,512,566	£18,274,205	£9,565,949	£27,840,154	£ 27,840,154
8.5% reduction in working age	£-1,339,739	£-213,568	£-1,553,307	£0	£-1,553,307	£- 1,553,307
Cost of transitional CTRS Scheme	£14,421,900	£2,298,998	£16,720,898	£9,565,949	£26,286,847	£ 26,286,847
Gap						£ 1,187,824
Transition grant						£- 652,653
Unfunded gap						£ 535,171

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