

Council (Extraordinary)

Monday 21 January 2013

CONFIRMATION OF CABINET AND COMMITTEE RECOMMENDATIONS AND RELEVANT ORIGINATING BACKGROUND PAPERS

ITEM ON SUMMONS	CABINET / COMMITTEE RECOMMENDATION	ORIGINATING REPORT
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Recommendation I:
Cabinet
(22 November 2012)

3.	TECHNICAL REFORMS OF COUNCIL TAX DISCOUNTS AND EXEMPTIONS	Report of the Corporate Director of Resources (Pages 1 - 54)
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Recommendation II:
Cabinet
(13 December 2012)

4.	LOCALISATION OF COUNCIL TAX BENEFIT	Report of the Corporate Director of Resources (Pages 55 - 474)
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REPORT FOR: **CABINET**

Date of Meeting:	22 November 2012
Subject:	Technical Reforms of Council Tax Discounts and Exemptions
Key Decision:	Yes
Responsible Officer:	Julie Alderson, Corporate Director of Resources
Portfolio Holder:	Councillor Sachin Shah, Portfolio Holder for Finance
Exempt:	No
Decision subject to Call-in:	No, as the decision is reserved to Council
Appendices:	Appendix 1 – EqIA Appendix 2 – Consultation Feedback Analysis

Section 1 – Summary and Recommendations

This report sets out proposals for Harrow to change its policy with regards to some Discounts & exemptions currently available to Council Tax payers. The changes arise from proposed legislation derived from the Local Government Finance Act 2012.

Recommendations:

That Cabinet considers the information given in this report and recommends to full Council that the discounts and exemptions, as set out in the detailed proposals & summarised in table A, are changed with effect from 1 April 2013.

Reason: (For recommendation)

Agreeing the proposed changes to Council Tax discounts/exemptions will

result in Harrow generating an extra £1.1m in Council Tax revenue through the application of removal of discounts or exemptions, or the application of a premium on empty homes. The proposals will mean that Harrow, and the major preceptors, will benefit from an increase in Council Tax revenue without Council Tax being increased. This will maximise tax take and support the Council's financial priorities. Harrow's share will be 80% with 20% going to the preceptors (GLA, Fire and Police Authorities).

Section 2 – Report

Introduction

In its “Technical Reforms for Council Tax”, the Government proposed to allow local authorities to charge full council tax on second homes and to abolish class A and C exemptions, and instead allow authorities to set a discount of between 0% and 100%. In addition, it proposed to abolish class L exemption and instead make Mortgagees in possession liable for council tax.

The reforms relate to the following areas;

- **Uninhabitable** - This provision now allows the authority to reduce the exemption discount to zero against properties that are uninhabitable.
- **Unoccupied** - This provision now allows the authority to reduce or withdraw the period of exemption offered to unoccupied and unfurnished homes.
- **Repossessions** - This provision now allows the authority to reduce or withdraw the period of exemption offered to properties having been repossessed by the mortgagor.
- **Second Homes** - This provision now allows the authority to lower the discount applied on second homes to nil.
- **Empty Homes** - This provision now allows the authority to levy an “empty homes premium” on properties left empty longer than two years.

Following the implementation of the relevant legislation and consultation on the matter, it is now proposed that Harrow changes its policy and adopts the changes as set out in table A. This will result in a one off growth in the Council Tax Base which will lead to council tax income growth of approximately £1.1m before inflation rises, and in turn would support the budget process.

Detailed Proposals

Second Homes

Government propose to amend secondary legislation to allow billing authorities to levy up to full council tax on second homes with effect from 1/4/2013. The existing rules mean that second homes in Harrow receive a 10% discount.

It is proposed that the second home discount of 10% is changed to 0% with effect from 1/4/2013, in effect removing the discount altogether. This will affect approximately *248 households and raise £37k.

Empty Dwellings undergoing major repair

Government propose to abolish Class A exemption which applies to unoccupied dwellings which require or are undergoing structural alteration or major repair, for up to 12 months.

The Local Government Finance Bill, which became the Local Government Finance Act 2012 on the 31/10/2012, amends the Local Government Finance Act 1992 to give billing authorities the ability to determine a discount which may be set anywhere between 100% to 0%, based on local circumstances. The Government has confirmed that it is intended that the prescribed class of dwellings will be those previously covered under the Class A exemption. The period of this discount, if granted, will remain 12 months and a local authority cannot allow a shorter period of time.

It is proposed Harrow determines that a discount is created to be applied to dwellings previously covered under Class A, and that the discount is 0% for the full duration of the discount period, (12 months). This will affect approximately *176 households and raise around £290k.

Vacant dwellings

The Government propose to abolish Class C exemption which applies to empty and unfurnished dwellings for up to 6 months.

The Local Government Finance Act amends the Local Government Finance Act 1992 to give billing authorities the ability to determine a discount of between 100% and 0%, based on local circumstances.

The Government has confirmed that it is intended that the prescribed class of dwellings will include those currently falling within Class C.

It is proposed to replace this exemption with a discount and to set the discount at 0% for the full six month period. This will affect approximately *500 households and raise around £621k.

Liabilities of Mortgagees in possession

The Local Government Finance Act 2012 amends the Local Government Finance Act 1992 to allow the mortgagee in possession of the owner's interest to become liable for council tax. The existing legislation allows the owner to still be liable for council tax where a bank or building society has repossessed their property but to also claim an exemption under Class L so they are excluded from paying council tax.

If these changes are implemented, the Council will be able to charge the mortgagee in possession rather than allowing a council tax exemption. This will affect approximately *15 households and raise around £34k.

Empty Homes Premium

The Local Government Finance Act 2012 amends the Local Government Finance Act 1992 to allow a billing authority to determine that a long term empty dwelling will not qualify for a discount and that the amount of council tax shall be increased by a percentage of not more than 50%. Long term empty dwelling is defined as a dwelling which has been unoccupied and substantially unfurnished for a continuous period of 2 years.

With regards to long term empty property, it is proposed that the Council charges a council tax premium of 50% on top of the normal council tax charge for properties which meet the definition of long term empty properties. This will mean that all long term empty properties will be liable to pay 150% of the council tax liability at the relevant band amount (assuming the dwelling were occupied and the single person discount did not apply). This will affect approximately *150 households and raise around £118k.

Notice of any determination under this section must be published in a local newspaper within 21 days of the determination.

It is proposed all of the above changes are implemented with effect from 1/4/2013 therefore maximising the income from the areas as soon as legislation allows.

**Assumed numbers based on monetary value of discounts & exemptions awarded in 2011/12*

Council Tax is calculated on a daily basis so changes would be applied from the day in question. As the changes the Authority is making come into effect on a specific date, should there be any residual period of class A or C due under the old 12 and 6 month exemptions, granted prior to the 1/4/2013, council tax will be charged from the date of the agreed implementation negating any residual period, if any was still to be outstanding.

Table A

Recommendations	Current position	Proposal from 1/4/2013	Additional Ctax Generated £
Proposed measure 1 Remove the Council Tax discount for properties not occupied as a main home	10% discount	To reduce the discount percentage to 0%	37k
Proposed measure 2 Removing the Council Tax exemption on empty properties undergoing repair or major structural alteration	12 months exemption Class A exemption	To replace the exemption with a discount and to set discount at 0% for the discount period (12 months)	290k
Proposed measure 3 Replace exemption for properties which are empty and unfurnished with discount	6 months exemption Class C exemption	To replace the exemption with a discount and to set discount at 0% for the discount period (6 months)	621k
Proposed measure 4 Removing the Council Tax exemption on properties having been re-possessed by the mortgagee	These properties are exempt Class L exemption	To charge the mortgagee in possession for council tax	34k
Proposed measure 5 Removing the discount on long term empty properties and charging an 'empty homes premium' of 50% on properties left empty for longer than two years	0% discount	To charge a premium of 50% on top of normal council tax for properties meeting the definition of long term empty properties	118k

Other Options Considered

Following consultation and evaluation of the feedback, the following options were considered;

- a) Doing nothing and leaving the position as is. This would allow the status quo to continue and lose the authority the opportunity of raising an additional £1.1m gross or £620k net (after deducting GLA proportion and allowing for a 70% collection rate). Considering the cuts in Central Government grant to date, and the Government's intention to continue with its deficit cutting programme, it is therefore felt appropriate that the Council should consider the use of the technical reforms to discounts and exemptions to generate additional income to alleviate other financial pressures.
- b) Changing some of the Discounts/Exemptions but perhaps not fully removing them. Consideration was given to maintaining a period of exemption at 100%. However the only practical consideration was to allow a period of 1 month exemption at 100% for class C as this could have supported landlords by allowing up to 30 days for new

occupations to commence before charging council tax on unoccupied domestic property. However the financial pressures are such that it is proposed not to implement this concession as it would only benefit multiple home owners or large organisations which are better able to meet the increases in council tax rather than our general residents who are having their general household income reduced due to both lack of employment or cuts in benefits brought about by the welfare reform changes being imposed by Government.

- c) Not charging long term empty premium and maintaining class A exemption. Consideration was given to this but the option was rejected on the basis that this would not support our housing strategy which requires owners to be incentivised to bring the property back into use, or to sell it to someone who can. The fact that owners of empty and uninhabitable homes will no longer obtain up to 12 months exemption from council tax, and after two years will have to pay 150% of the relevant council tax for their property, should help to achieve this aim.

Consultation Feedback

A 6 week consultation was carried out between the 13th August and 21st of September. Written invitations and questionnaires were sent to:-

- 17 Housing Associations
- 39 Local Estate & letting Agents
- 1100 landlords
- 500 random council taxpayers selected on a pro rata basis from each council tax band

Two workshops were arranged for the 4th and 5th September for the Housing Associations and Estate Agents. Feedback was also received from Harrow's Housing Department.

Generally external responses were not in favour of the proposed changes to remove council tax discounts and exemptions. The three main areas, removal of the 10% discount for second homes, removal of the six month exemption for properties immediately they become vacant and removal of the 12 month exemption for properties undergoing structural repairs all had reasonably high response percentages against the proposals. The headline results are as follows:

- 35 out of 61 disagreed with the proposal to remove the 10% discount for furnished empty properties. Of those who disagreed, there were various responses as to what level of discount should be offered.
- 45 out of 61 disagreed with the proposal to remove the 6 month class C exemption. The majority of those who disagreed felt that 6 months exemption should continue to apply.
- 49 out of 61 disagreed with the proposal to remove the 12 month class C exemption. The majority who disagreed felt that the 12 month exemption should continue to apply.

- 45 out of 61 agreed that where a property has been repossessed the mortgagee should be responsible for the council tax and there should be no exemption
- 36 out of 61 agreed that there should be an additional premium charged where a property has been empty for more than 2 years.

Despite issuing over 1,656 invitations to the consultation only 61 online responses were received and there was no attendance at the workshops set up in September.

Breakdown of respondent types

	Count
Number of Responses	61
Housing Association	1
Estate Agent	2
Private Landlord (up to 5 properties)	14
Council Tax Payer	32
Private Landlord (greater than 5 properties)	9
Second Home Owner	3
Total	61

As can be seen by the actual feedback received, this consultation was of interest specifically to those individuals owning multiple properties or to professional landlords which, if the proposals are accepted, will be affected financially if they are in possession of empty or vacated property.

Some of the comments captured highlighted the fact that landlords would be picking up additional costs in between lets, and that generally a council tax exemption, whilst a property was being refurbished, was still necessary to ensure properties were maintained to high standards.

The comments have been summarised below;

- Unattractiveness of Harrow for landlords and developers

Some comments confirmed that this approach would see less landlord buying and letting properties in the Harrow areas which would have a negative effect as there is a high demand for privately rented properties. Some respondents felt that landlords would be less likely to rent properties to tenants on Housing Benefits. This was because it was perceived that this type of tenant left properties in much disrepair than normal private tenants which could lead to longer unrented periods incurring charges to the landlord for the in between period. There is however no evidence supplied to support this argument.

Response – these reforms have been introduced to give local authorities flexibility in how the exemptions and discounts work in the local area. When deciding to let a property, the landlord must take account of the cost of the property whilst not let. Landlords are entitled to secure a deposit from tenants at the beginning of the tenancy and can use this deposit if the tenant has not

complied with their tenancy agreement in relation to how the property is left at the end of the tenancy. For landlords who are able to re-let their properties quickly, the effect of the changes is minimal. The proposal should encourage landlords to bring properties back into use quickly.

- Social housing providers are hit hard and this will be funded from increased rents.

Response – social housing providers will be impacted by these proposals in the same way as private landlords. Vulnerable and low income tenants are housed in both the private sector and social housing market. It would therefore be difficult to justify treating social housing providers in a different way from private sector landlords. If rents are increased, tenants who are on means tested benefits may still qualify for help to pay these rents. It should be noted that welfare reform proposals are largely protecting low income pensioners.

- Impact of council tax benefit proposals on council tax payers

Response - the Council is proposing to introduce a local council tax support scheme, which will be the subject of a separate report. The Council has consulted on a proposed scheme on the basis that the funding shortage from benefit claimants will be fully met by the new scheme. The policy reason behind the legislative changes is to allow reforms to the exemptions and discounts to alleviate the financial pressure on council tax payers as a whole including council tax support claimants. It is accepted that private landlords are not always in the business to make large profits however the policy reasons behind these proposals are to ensure that residential properties are mainly occupied in an area such as Harrow where there is huge pressure for housing. Removal of the exemptions and discounts should apply equally to all owners of property.

- Discretion for exceptional circumstances

Response - the Council has options to reduce or remove exemptions and discounts. These must be applied in a consistent manner. It is therefore not possible to introduce an exception for specific personal circumstances. These must be applied in a consistent manner. However, the Council does have discretion as to how to enforce any debt and will take account of personal circumstances when deciding on the most appropriate method.

- Empty properties are not using Council services

Response - these reforms allow for the removal of discounts and exemptions for empty properties. Council tax attaches to dwellings as opposed to individuals and charging local tax based on use of service would be returning to a poll tax system. Many council services benefit the amenity of an area, such as highways, planning, environment and community services, all of which impact on the value of a property. Council tax has never been levied based on pure use of services. Empty and long term empty properties can also take up additional public sector resources in some areas due to problems associated with their status; for example anti-social behaviour leading to additional attendances by both fire services and the police. The policy reason for allowing a premium for long term empty properties is to encourage these properties to be brought back into use, as empty properties are not contributing to the local economy.

- Delay in nominations from the Council leads to delay in re-lets for social housing providers

Response – Housing aims to handle re-lets and nominations in a timely manner to minimise void time. To achieve this, properties can be advertised through the council's choice based lettings process before they are ready for letting to minimise delay. Unfortunately delay can still occur where a tenant turns down a property after viewing. The best way to avoid this would be through multiple viewings and to ensure advertising is accurate. If delays become a problem, Housing will be happy to agree an appropriate service standard.

Detailed Equality impact information is set out in the equality impact assessment under Appendix 1.

Legal Background

Clauses 10 to 12 of the Local Government Finance Act 2012 inserted new clauses 11A and 11B and amend section 6(2) of the Local Government Finance Act 1992. Although secondary legislation has not yet been issued, it is expected these will be issued shortly allowing the relevant sections to commence and to allow determinations to be made by billing authorities in readiness for 1 April 2013.

Under s11A(2) of the LGFA 1992, the council will therefore be required to make a determination regarding reducing discounts on unoccupied properties, whilst s11A(6) requires that the determination be published in a local newspaper within 21 days of the determination. There is no statutory requirement for consultation, although there are publication requirements.

The Local Government Finance Act requires certain determinations to be made by full Council and this includes the new section 11A and section 11B as set out above.

When making policy decisions, the Council must take into account of all relevant material, including financial resources, consultation responses and potential equality impacts in order to reach a decision. This report presents a number of options and the financial implications of these and makes a recommendation. However, this does not preclude Cabinet from recommending that another option is the most appropriate way forward.

There is no statutory duty to consult on these technical reforms, however in accordance with the Council's consultation charter and its corporate priorities, it was felt appropriate to undertake a consultation exercise to seek the public's views on the proposals. The Council undertook a consultation exercise between 13/8/2012 and 21/9/2012 to allow people to comment on the proposals.

A summary of the details of the consultation responses are set out in the report and attached appendix 1. Case law has confirmed that when determining whether to change policy, the Council must be receptive to reasonable arguments against the proposals, however this does not simply involve a head count of those for and against the proposals. It is common for

the most vociferous response to come from those affected by the proposals and in the case of withdrawal of exemptions and discounts, it will not be surprising if a number of respondents are against the proposal. The Council must of course take these views into account, however just because a majority of the respondents to consultation do not agree with the proposals does not mean that Cabinet should not recommend this option if justified for proper policy reasons.

Tax Base Implications of the Recommendation

The Government has also amended the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (SI 1992/612) to ensure the calculation of the council tax base takes account of the above changes; empty homes premium etc.

The above will affect the Council Tax Base. The council tax base is a count of "Band D equivalent dwellings" (the 'taxable capacity of an area). It is used for the purposes of calculating a billing authority's and a precepting authority's Band D council tax.

The Council Tax Base Regulations require the aggregate of the relevant amount, for each band, to reflect any discount or exemptions that are applicable. What this means, in practice, is that by granting discounts and exemptions the council tax base is reduced. By approving the changes to the policy proposed in this report, this in effect will result in an increase if the council tax base.

Financial Implications

This is a report of the Corporate Director of Resources and deals with financial matters throughout.

Cut backs in funding, announced by Central Government as part of the 2010 spending review and which will contribute to the Government's deficit reduction programme, are eroding the grants that Harrow receives to support services. Government is changing the rules on discounts and exemption flexibility deliberately to allow billing authorities to raise additional income streams to mitigate the loss of support grant. Government has also restricted the ability of billing authorities raising additional revenue by imposing a very low threshold (2%) on the amount that council tax can be increased annually before a referendum is triggered. Not changing the status quo and charging the full amounts allowed would therefore put at risk the delivery of key services as less funding becomes available in future and Harrow is further restricted on future council tax increases.

Performance Issues

There may be temporary in year collection performance issues as initial resistance to the changes manifests itself. However it is not believed this will result in long term performance issues as compliance will increase once property owners are made aware of the policy. Collection will also be supported by a robust collection strategy that will ensure those who can pay actually do.

The levy of an additional charge on long-term empty properties may also encourage behaviours that will encourage property owners to find ways of avoiding payment of any additional charge. As such additional checks may need to be undertaken to verify and/or challenge such claims which may be consuming and costly.

Environmental Impact

None

Risk Management Implications

A tax payer will be able to challenge the proper application of the new section if they are affected personally, by making an appeal to the Valuation Tribunal; a process which already exists and is already dealt with by Revenues staff through the normal operational procedures for council tax administration. This risk will therefore be managed by existing processes in place.

There is a risk that small balances might not be paid, as charges may average out as £5 per day. However a 70% collection rate has been assumed that mitigates risk to budgeted income.

Equalities implications

When making this decision Cabinet should have due regard to the public sector equality duty. The Council completed an equality impact assessment and a summary of results is shown below.

Section 149 of the Equalities Act 2010 created the public sector equality duty. Section 149 states:-

- (1) A public authority must, in the exercise of its functions, have due regard to the need to:
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

When making policy decisions, the Council must take account of the equality duty and in particular any potential impact on protected groups.

An equality impact assessment has been completed to indicate the impact of the proposal on particular groups and the EqIA is included as an appendix. The Council must also take account of other material such as press reports and consultation results to determine whether there is a potential positive or negative impact on a specific individual or group of individuals and if so, what mitigating measures can be taken to address this.

The results of the EqIA are summarised below;

- Age – one Housing Association has confirmed that they provide accommodation to older persons and as such this age group will be impacted more than other age groups.

Response / Mitigation measure – the proposed welfare reform changes are largely protecting pensioners as a group and as such benefit payments to low income pensioners should stay largely the same as under the current benefit system. There is a risk that social landlords will have to increase rental payments and for those who do not qualify for full state benefits this could have an impact, however this is likely to affect people across the age brackets.

- Disability – one housing association has confirmed that they provide accommodation to older persons, who would have high levels of need. In addition HAD responded stating that disabled people may have to leave their property empty whilst in hospital or other type of care or whilst waiting for adjustments to their home.

Response / Mitigation measure – whilst the proposals may mean that some disabled persons who were previously able to apply for a reduction will now have to pay full council tax, it should be noted that many exemptions still remain which will ensure those receiving care other than in their home, or those hospitalised etc, will still receive council tax relief. If a council tax bill is applicable, when deciding how to enforce this debt, the council would decide the most appropriate method taking into account of a person's individual circumstances. If an individual has an asset, such as a property, but does not have a large income, the Council can consider applying for a charge against the property as an alternative to seeking immediate payment of the debt.

As a mitigating measure, the Council will work with voluntary agencies to ensure that publicity is given to other exemptions that may apply to particular circumstances.

- Race – there is no evidence that landlords are from any particular ethnic group or that a particular ethnic group is being affected more than another. The majority of the landlords are larger organisations, such as housing associations and private property investment companies.

Benefits of adopting the proposals include incentives for empty property to be reoccupied, benefitting all those residents either on housing waiting lists or privately looking for accommodation to let, which supports Harrow's housing strategy, as well as supporting the Council's priorities as it raises additional income to support service delivery generally.

Corporate Priorities

The report addresses the Council's corporate priorities as the change in policy will ensure additional monies are raised from council tax to support services. By increasing the Council's tax base it also ensures this is an on-going process which will continue delivering the extra funds in future years.

Section 3 - Statutory Officer Clearance

Name: Julie Alderson	<input checked="" type="checkbox"/>	Chief Financial Officer
Date: 29 October 2012		
Name: Sarah Wilson	<input checked="" type="checkbox"/>	on behalf of the Monitoring Officer
Date: 26 October 2012		

Section 4 – Performance Officer Clearance

Name: Martin Randall	<input checked="" type="checkbox"/>	on behalf of the Divisional Director Partnership, Development and Performance
Date: 16 October 2012		

Section 5 – Environmental Impact Officer Clearance

Name: John Edwards	<input checked="" type="checkbox"/>	Divisional Director (Environmental Services)
Date: 16 October 2012		

Section 6 - Contact Details and Background Papers

Contact:

Fern Silverio (Divisional Director – Collections & Housing Benefits),
Tel: 020-8736-6818 / email: fern.silverio@harrow.gov.uk

Background Papers:

Communities & Local Government - various Consultation Papers on Technical Reforms to Council Tax <http://www.legislation.gov.uk/ukpga/2012/17/enacted>

**Call-In Waived by the
Chairman of Overview
and Scrutiny
Committee**

NOT APPLICABLE

*[Call-in does not apply as the
decision is reserved to Council]*

TEMPLATE 2 - Full Equality Impact Assessment (EqIA)

In order to carry out this assessment, it is important that you have completed the EqIA E-learning Module and read the Corporate Guidelines on EqIAs. Please refer to these to assist you in completing this form and assessment.

What are the proposals being assessed? (Note: 'proposal' includes a new policy, policy review, service review, function, strategy, project, procedure, restructure)	Proposals for changing certain types of council tax discounts and exemptions as part of the Technical reforms to Council Tax.
Which Directorate / Service has responsibility for this?	Resources
Name and job title of lead officer	Fern Silverio
Name & contact details of the other persons involved in the EqIA:	Lynn Allaker – Service Manager Revenues Tel 020 8424 1920 Lynn.allaker@harrow.gov.uk
Date of assessment:	25 th September 2012

Stage 1: Overview

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1. What are the aims, objectives, and desired outcomes of your proposals? (Explain proposals e.g. reduction / removal of service, deletion of posts, changing criteria etc)	<p>Part of the Local Government Resource Review covered both the technical reforms of Council Tax and also the replacement of the Council Tax Benefit scheme with a Local Council Tax Reduction scheme. Central Government's intention was to provide local authorities with the ability to raise additional sources of income to support the funding gap created by the changes to funding arrangements.</p> <p>The proposal covers the following:</p> <ul style="list-style-type: none"> - Abolition of Class A (empty and uninhabitable or requiring/undergoing major repairs for a period of up to 12 months) and the discretion to Local Authorities to set a discount of between 0% and 100% - Abolition of Class C (empty and unfurnished for a period up to 6 months) and the discretion to Local Authorities to set a discount of between 0% and 100% for a variable time period up to a maximum of 6 months - Discretion to Local Authorities to charge 100% on second homes
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	<ul style="list-style-type: none"> - Abolition of Class L and amendments to the liability to the mortgagee in possession - Discretion to Local Authorities to raise a 'surcharge' levy of up to 50% (i.e. total charge 150%) on long term empties defined as over 2 years <p>Initial calculations suggested that approximately £620K could be obtained by maximising the income streams for each of the above. The determination needs to be made by members as part of the tax setting process so that the correct demands can be issued by 1st April 2013 and any additional income considered for the budget calculations for 2013-14.</p>
<p>2. What factors / forces could prevent you from achieving these aims, objectives and outcomes?</p>	<p>Delays in regulations being laid Lack of agreement Negative feedback from consultation Property owners and developers choosing not to invest in property within LB of Harrow</p>
<p>3. Who are the customers? Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.</p>	<p>Primarily owners of second properties, housing associations, landlords, LB Harrow Housing Department, taxpayers whose property has been repossessed, banks and building societies. Should the maximum income stream options not be agreed, then all other council taxpayers in the borough if the Band D charge increases due to this.</p>
<p>4a. How are/will they be involved in this assessment?</p>	<p>The responsibility for the development of the policy is shared with Corporate Finance and Collections Councillors are responsible for deciding whether the changes that have been proposed will be implemented Collections and Access Harrow will be responsible for the implementation of the policy if the proposals are agreed.</p> <p>A presentation was made to CLG (Corporate Leadership Group) on 24th July 2012 and a general steer on maximising the potential income was agreed. Legal agreed the broad outline for a consultation to take place for 6 weeks from 13th August 2012 to 21st September 2012. It is intended that the outcome and report are shared with</p> <ul style="list-style-type: none"> a) the Welfare Reform Project Board on 12th October 2012 b) the Councillor Policy Group between 13th October 2012 and 6th November 2012

c) the Corporate Strategic Board between 13th October 2012 and 6th November 2012

Meetings have taken place with the Housing Department who have fed into the Consultation process. Invites were issued to the main Housing Associations and local Estate Agents to attend two workshops arranged for 4th & 5th September 2012.

A random selection of 500 residents were mailed to invite them to complete an online survey.

Stage 2: Monitoring / Collecting Evidence / Data

5. What information is available to assess the impact of your proposals? Include the actual data, statistics and evidence (including full references) reviewed to determine the potential impact on each equality group (protected characteristic). This can include results from consultations and the involvement tracker, customer satisfaction surveys, focus groups, research interviews, staff surveys, workforce profiles, service users profiles, local and national research, evaluations etc

(Where possible include data on the nine protected characteristics. Where you have gaps, you may need to include this as an action to address in the action plan)

Age (including carers of young/older people)	Online consultation feedback & Harrow Churches Association feedback.
Disability (including carers of disabled people)	Online consultation feedback & HADS feedback
Gender Reassignment	Online consultation feedback
Marriage / Civil Partnership	Online consultation feedback
Pregnancy and Maternity	Online consultation feedback
Race	Online consultation feedback
Religion and Belief	Online consultation feedback
Sex / Gender	Online consultation feedback

Sexual Orientation	Online consultation feedback
<p>6. Is there any other (local, regional, national research, reports, media) data sources that can inform this assessment?</p> <p>Include this data (facts, figures, evidence, key findings) in this section.</p>	<p>DCLG (Department of Communities & Local Government) Consultation – October 2011</p> <p>DCLG summary of Responses report – May 2012</p> <p>DCLG Impact Assessment Local Government Finance Bill –December 2011</p> <p>See below extract:</p> <p>Impact on individual claimants</p> <p>31. The proposals set out under paragraphs 1 (a), (b) and (c) give additional flexibility to authorities to set discounts on certain properties. Authorities will use this to maximise their revenue (or minimise a general increase in council tax). Affected taxpayers will face higher bills than they otherwise would have (or where exemptions previously applied, a tax liability will arise where there was none before).</p> <p>32. Some people may consider it unfair that others in similar circumstances will receive a different level of discount just because they are in a different local authority to them. However that is a consequence of relinquishing central control.</p> <p>The impact on different council tax payer groups</p> <p>33. The main impacts are likely to be as follows:</p> <p>a. Owners of second homes are currently liable to pay between 50% and 90% of a normal council tax bill (depending on the exercise of the local authority's discretion). Once these changes are enacted, they will be liable to between 50% and 100%. The entitlement to a 50% discount enjoyed by taxpayers who have a second home because one of their homes is job-related will not be affected.</p> <p>b. Owners of unoccupied, unfurnished dwellings which are awaiting, undergoing or have just undergone major repair or structural alteration currently have no liability to pay council tax for up to 12 months. This is Class A exemption. Once these changes are enacted they will be liable to between 0% and 100% of the full bill.</p> <p>c. Owners of other unoccupied, unfurnished dwellings currently enjoy an exemption (Class C) of up to 6 months. They too will become liable to pay between 0% and 100% of a full bill once these flexibilities are in place.</p> <p>d. Owners of empty dwellings that have been repossessed by a mortgagee</p>

	<p>currently have no liability to council tax. This is Class L exemption. Mortgagees are never liable. The changes being contemplated would make the mortgagees liable for council tax in preference to the owners. Class L exemption would become otiose.</p> <p>Impact on administration costs</p> <p>34. The loss of exemptions, and higher bills for those people affected may increase enforcement costs, but the impact will be small, and heavily dependent on the extent to which authorities use the new flexibilities.</p> <p>35. There may also be transitions costs for changing the systems that local authorities will apply these changes.</p> <p>London Revenues Group Surveys</p> <p>Local Information System</p>		
<p>7. Have you undertaken any consultation on your proposals? (this may include consultation with staff, members, unions, community / voluntary groups, stakeholders, residents and service users)</p>	<p>Yes</p>	<p>yes</p>	<p>No</p>
<p>NOTE: If you have not undertaken any consultation as yet, you should consider whether you need to. For example, if you have insufficient data/information for any of the protected characteristics and you are unable to assess the potential impact, you may want to consult with them on your proposals as how they will affect them. Any proposed consultation needs to be completed before progressing with the rest of the EqIA. Guidance on consultation/community involvement toolkit can be accessed via the link below http://harrowhub/info/200195/consultation/169/community_involvement_toolkit</p>			
<p>Who was consulted?</p>	<p>What consultation methods were used?</p>	<p>What do the results show about the impact on different equality groups (protected characteristics)?</p>	<p>What action are you going to take as a result of the consultation? This may include revising your proposals, steps to mitigate any adverse impact. <i>(Also Include these in the Improvement Action Plan at Stage 5)</i></p>
<p>Housing Department</p>	<p>Meetings and briefing notes</p>	<p>No formal response received other than comments fed into initial report to CLG</p>	<p>Work with the Housing Department on an awareness campaign of the grants and assistance available to private</p>

		<p>summarised as</p> <p><i>We understand the pressures facing the General Fund and don't have any objections to the exemptions or discounts being removed. It makes absolute sense at a time of housing supply shortage to minimise the time empty properties are kept empty and therefore removing the discount should encourage private landlords to bring their properties into use as quickly as possible.</i></p> <p><i>However, it is a myth that all private landlords are wealthy and some are local people and as such, this is their local business; something that members want to support.</i></p> <p><i>Housing needs the private sector and we have been working with them to improve standards and encourage them to use Harrow as their managing agent of choice which obviously brings in an income.</i></p>	<p>landlords via the Help2let and Empty Homes Unit.</p> <p>Whilst a concern has been raised that it may lead to higher rents there is no information that this may affect one group more than any other.</p>
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Private landlords may see this as another step forcing them to charge higher rents to compensate for the removal of discount.

Housing has recently increased the availability of relatively small grants – mostly between £2,000 and £5,000 to help private landlords bring their properties back into use quicker than they would be able to without the grant and this allows us to either manage the property or allocate to it – thus achieving a saving on the average cost of £7,000 per family in B+B. This makes absolute business sense because it's cheaper, improves standards and is better accommodation for the customer.

Maybe, consideration should be given to widening the availability of small grants to assist the transition to complete removal of discounts, as in the short term this may provide an additional incentive to private

		<p><i>landlords to turn their properties around quickly; this would also be a much better presentational message.</i></p>	
<p>Housing Associations</p>	<p>Mailshot to attend workshop and/or complete online survey</p>	<p>2 Housing Associations responded, 1 online and 1 by letter. Both indicate that the proposals for the Class C and Class A exemptions would result on the additional cost being unfair and potentially passed on to the tenants through increases in rent. As the clients are primarily people who may be deemed vulnerable for a number of reasons who require support via social housing, this may impact on particular protected groups but no data is available.</p>	<p>One Housing Association is referring to the restrictions placed upon properties being relet due to the authority holding nomination rights to their vacancies. However this affects all housing associations and Housing have confirmed that they endeavour to nominate as soon as possible.</p>
<p>Local Estate Agents</p>	<p>Mailshot to attend workshop and/or complete online survey</p>	<p>2 estate agents responded to the online survey of which one felt it was unfair to charge on empty properties on the basis that this does not use services and proposed reverting to a local taxation scheme similar to Poll Tax. The other only commented on the proposed surcharge of 50% where properties have been empty for 2 years or more. Neither of these comments</p>	

Local Landlords	Mailshot to complete online survey	impact on any protected characteristics 23 Private landlords responded online and 1 by letter. 14 of these had up to 5 properties and 10 more than 5 properties. The majority of the comments were that this was unfair to landlords who have to refurbish properties between lets and that this could divert landlords from investing in properties within LBH. One referred to carrying out work via the empty homes or better homes fund arrangements.	Work with Housing to increase awareness of potential grants and funding opportunities for landlords including Help2Let and Empty Homes Unit and any other Housing Initiatives to bring properties back into use.
Mortgage lenders, Property related businesses, organisations representing the property industry, charities, local authorities, organisations presenting local authorities, town and parish councils, MPs and MEP's, Political parties, public including landlords	DCLG Consultation	Not specifically reported in DCLG impact assessment	
500 random Council Tax Payers	Online survey	Comments in general did not identify any impact on the protected characteristics with the exception of the potential impact on the housing market should property owners cease to invest in LBH if the maximum proposed changes are introduced.	

Stage 3: Assessing Impact and Analysis

8. What does your information tell you about the impact on different groups? Consider whether the evidence shows potential for differential impact, if so state whether this is an adverse or positive impact? How likely is this to happen? How you will mitigate/remove any adverse impact?				
Protected Characteristic	Positive	Adverse	Explain what this impact is, how likely it is to happen and the extent of impact if it was to occur.	What measures can you take to eliminate or reduce the adverse impact(s)? E.g. consultation, research, implement equality monitoring etc (Also include these in the Improvement Action Plan at Stage 5)
Age (including carers of young/older people)			<p>The analysis of the online survey respondents shows no adverse impact however Harrow Churches Housing Association has stated that they provide accommodation for older persons. No information has been provided on the percentage of properties that are used for this purpose nor is there any indication that they would cease to provide accommodation to this type of client if the changes were introduced.</p> <p>The analysis of the online survey respondents shows no adverse impact however Harrow Churches Housing Association has stated that they provide accommodation for frailer older persons who have higher support needs and also families living with incurable diseases. No information has been provided on the percentage of properties that are used for this purpose nor is there any indication that they would cease to provide accommodation to this type of client if the changes were introduced. HADs have responded and stated that where the property is empty because</p> <ul style="list-style-type: none"> - someone is in hospital or other type of care and planning to return home at any point or - someone is in hospital or other type of care and will not be able to return home but is unable to manage their affairs - someone else is dealing with their affairs but 	<p>Low income pensioners will continue to receive support via the Council tax Local Support and Housing Benefit/Universal Credit via the Welfare Reform. Those pensioners who are not on full welfare benefits may be affected should rents increase.</p> <p>The current exemptions for properties left empty due receiving or providing care elsewhere are not affected by these proposals.</p> <p>Housing could be requested to obtain information regarding disability of their tenants from all social housing providers as at this point to obtain a benchmark so that any impact can be measured.</p> <p>The current regulations allow for an exemption to be given if someone has left their home permanently to receive care whether that is in a hospital or other formal provider of care or with a relative and there is no proposal for that to be changed. Further work could be done with HADS to increase awareness of this.</p> <p>DCLG is currently re-consulting on the types of empty properties which may be subject to the 150% premium and HADS comments could be passed to them as part of the Council's response.</p> <p>The current exemptions for properties left empty</p>
Disability (including carers of disabled people)				

			<p>badly</p> <ul style="list-style-type: none"> - they are waiting for adjustments to their home to make it possible to live in after an acquired or increased disability <p>They should not be penalised by paying 150% of the charge and should in many cases not pay any council tax at all.</p>	<p>due receiving or providing care elsewhere are not affected by these proposals but only affect where it is a permanent move if receiving care .</p>
Gender Reassignment			The analysis of the online survey respondents shows no adverse impact.	
Marriage and Civil Partnership			The analysis of the online survey respondents shows no adverse impact.	
Pregnancy and Maternity			The analysis of the online survey respondents shows no adverse impact.	
Race			An analysis of the private landlords who responded shows that there is higher percentage of Pakistani and Indian landlords who have completed the online survey measured against the borough statistics from the Local Information System. This may however be distorted due to the low number of returns (23)	The council will work with the voluntary sector to ensure that the awareness campaign is inclusive
Religion or Belief			The analysis of the online survey respondents shows no adverse impact.	
Sex			The analysis of the online survey respondents shows no adverse impact.	
Sexual Orientation			The analysis of the online survey respondents shows no adverse impact.	
Other (please state)				
9. Cumulative impact – Are you aware of any cumulative impact?				
For example, when conducting a major review of services. This would mean ensuring that you have sufficient relevant information to				There is likely to be a cumulative impact as the Welfare Reform Act 2012 proposes to make major changes to the Benefits system. This project is a

understand the cumulative effect of all of the decisions.

Example:

A local authority is making changes to four different policies. These are funding and delivering social care, day care, and respite for carers and community transport. Small changes in each of these policies may disadvantage disabled people, but the cumulative effect of changes to these areas could have a significant effect on disabled people's participation in public life. The actual and potential effect on equality of all these proposals, and appropriate mitigating measures, will need to be considered to ensure that inequalities between different equality groups, particularly in this instance for disabled people, have been identified and do not continue or widen. This may include making a decision to spread the effects of the policy elsewhere to lessen the concentration in any one area.

workstream of the Welfare Reform Project Board where Harrow Council services and partners are working together to identify the impacts of all the proposed changes.

Listed below are the changes within the Welfare Reforms and a summary of the who these could effect:

- **Removal of the £15 excess payment to tenants who rented a property below the LHA rate** - these changes could affect all groups equally and could affect 9% of Housing Benefit claimants
- **Increase in the deduction for non dependants** – this change could affect Council Tax Benefit claimants who have one or more non dependants living in a household as a result of the non dependants having to increase their contribution
- **Under 35s restriction to a room in shared house** – this change will affect people who live in self-contained accommodation who remain in the accommodation further to the changes being implemented.
- **Capping the Local Housing Allowance to the rate of a 4 bed house** – this change will affect Council Tax Benefit claimants with larger families. A percentage of Adult Social Care users who also claim Council Tax Benefit will be affected by these changes.
- **Overall benefit cap** – the capping of total benefits will affect a percentage of Council Tax Benefit claimants and would have the greatest impact on families with 3 or more children. A % of Adult Social Care users that are also claiming Council Tax Benefit will be affected by the benefit caps.

Should rents increase as part of this proposal, this will be in addition to the above changes.

Other areas which may also have possible cumulative impacts have been identified via the work on the Council tax Local Support Scheme as:

Community Health and Wellbeing (Adults) – possibility of a cumulative

impact as a result of the introduction of the Contributions Policy.

There are 4001 clients of Adult Social Care. Of this number there are approximately 1,266 who are in community based settings and receiving Council Tax Benefit however approximately 75% of these are pensioners. The remaining 25% working age Adult Social Care clients are living in a household that is receiving Council Tax Benefit and therefore could be affected by the changes.

Over 50% of these Adult Social Care users that are impacted by the changes to Council Tax Benefits live in social housing so could be affected by multiple benefit impacts.

Duty to prevent homelessness - Impact of Council Tax Benefit changes could contribute to Harrow's homelessness duties if Council Tax Claimants are made homeless

- Because of additional financial pressure due to multiple changes
- Because of recovery of Council Tax Benefit arrears or inability to pay rent because of Council Tax debt.

Groups that may be impacted by these changes could be:

- Large families
- Ethnic minority families; and
- Lone parents

However the proposed changes in this policy would work to bring more properties into use to try and reduce the above identified impact.

The Child Poverty Act 2010 - places a duty on local authorities and their partner authorities to work together to reduce the impacts of child poverty in the local area. As required Harrow Council will take into account the local child poverty needs assessment in designing and developing the localised scheme.

	<p>Impacts of the Council Tax Benefit changes could disproportionately impact the following groups:</p> <ul style="list-style-type: none"> - Children due to increased poverty levels. Where risk of unemployment evidence shows families are at higher risk of turning to substance/alcohol misuse. - Care leavers who could be moving from supported living arrangements into their own accommodation. <p>The new operating model within Children & Families Services will deliver improved co-ordination of services, earlier identification of problems and swift effective early help.</p>
<p>10. How do your proposals contribute towards the requirements of the Public Sector Equality Duty (PSED), which requires the Council to have due regard to eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relations between different groups.</p> <p>(Include all the positive actions of your proposals, for example literature will be available in large print, Braille and community languages, flexible working hours for parents/carers, IT equipment will be DDA compliant etc)</p>	
<p>Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010</p>	<p>Advance equality of opportunity between people from different groups</p>
<p>Cross reference to the EQIA completed for the Local Council Tax Support Scheme.</p>	<p>By bringing properties back into use more promptly this will support the Housing aims to reduce homelessness. Additionally the revenues raised will support the Council objective to support those most in need.</p>
<p>Foster good relations between people from different groups</p>	<p>Are there any actions you can take to meet the PSED requirements? <i>(List these here and include them in the Improvement Action Plan at Stage 5)</i></p>

11. Is there any evidence or concern that your proposals may result in a protected group being disadvantaged (please refer to the Corporate Guidelines for guidance on the definitions of discrimination, harassment and victimisation and other prohibited conduct under the Equality Act)?

	Age (including carers)	Disability (including carers)	Gender Reassignment	Marriage and Civil Partnership	Pregnancy and Maternity	Race	Religion and Belief	Sex	Sexual Orientation
Yes	✓	✓							
No			✓	✓	✓	✓	✓	✓	✓

If you have answered "yes" to any of the above, set out what justification there may be for this in Q12a below - link this to the aims of the proposal and whether the disadvantage is proportionate to the need to meet these aims. (You are encouraged to seek legal advice, if you are concerned that the proposal may breach the equality legislation or you are unsure whether there is objective justification for the proposal)

If the analysis shows the potential for serious adverse impact or disadvantage (or potential discrimination) but you have identified a potential justification for this, this information must be presented to the decision maker for a final decision to be made on whether the disadvantage is proportionate to achieve the aims of the proposal.

If there are adverse effects that are not justified and cannot be mitigated, you should not proceed with the proposal. (select outcome 4)
 If the analysis shows unlawful conduct under the equalities legislation, you should not proceed with the proposal. (select outcome 4)

Stage 4: Decision

Q12. Please indicate which of the following statements best describes the outcome of your EqIA (tick one box only)

Outcome 1 – No change required: when the EqIA has not identified any potential for unlawful conduct or adverse impact and all opportunities to enhance equality are being addressed.	
Outcome 2 – Minor adjustments to remove / mitigate adverse impact or enhance equality have been identified by the EqIA. <i>List the actions you propose to take to address this in the Improvement Action Plan at Stage 5</i>	✓
Outcome 3 – Continue with proposals despite having identified potential for adverse impact or missed opportunities to enhance equality. In this case, the justification needs to be included in the EqIA and should be in line with the PSED to have ‘due regard’. In some cases, compelling reasons will be needed. You should also consider whether there are sufficient plans to reduce the adverse impact and/or plans to monitor the impact. (explain this in 12a below)	
Outcome 4 – Stop and rethink: when there is potential for serious adverse impact or disadvantage to one or more protected groups. (You are encouraged to seek Legal Advice about the potential for unlawful conduct under equalities legislation)	

12a. If your EqIA is assessed as **outcome 3 or have ticked ‘yes’ in Q11**, explain your justification with full reasoning to continue with your proposals.

Stage 5: Making Adjustments (Improvement Action Plan)

13. List below any actions you plan to take as a result of this impact assessment. This should include any actions identified throughout the EqIA.

Area of potential adverse impact e.g. Race, Disability	Action proposed	Desired Outcome	Target Date	Lead Officer	Progress
Age and Disability	Feed to Housing concerns raised about delays in the nomination process. Awareness campaign on exemptions which are not affected by proposals	That there is no reduction in the current breakdown of vulnerable clients being supported in this way	31 st January 2013	Lynn Allaker	
Age and Disability	Work with volunteer organisations to increase awareness of reductions available to council taxpayers	That vulnerable customers are aware of what reductions they may be entitled to.	30 th June 2013	Lynn Allaker	
Age	The council will work with the voluntary sector to ensure that any awareness campaign is inclusive	That there is no disadvantage caused by inadequate communication of any changes in policy	31 st January 2013	Lynn Allaker	
All	Request enhancement to Northgate Revenues system to hold EQ information on all liable parties.	Ability to analyse council tax base	31 st January 2013	Lynn Allaker	

Stage 6 - Monitoring

The full impact of the decision may only be known after the proposals have been implemented, it is therefore important to ensure effective monitoring measures are in place to assess the impact.

<p>14. How will you monitor the impact of the proposals once they have been implemented? How often will you do this? <i>(Also Include in Improvement Action Plan at Stage 5)</i></p>	<p>Monitoring information from Housing on Social Housing Providers. Budget impact and additional yield raised to support council services</p>		
<p>15. Do you currently monitor this function / service? Do you know who your service users are?</p>	<p>Yes</p>	<p>No</p>	<p>Y</p>
<p>16. What monitoring measures need to be introduced to ensure effective monitoring of your proposals? <i>(Also Include in Improvement Action Plan at Stage 5)</i></p>	<p>Endeavour to attend to discuss impact of proposals with the Harrow Supporting People Forum and Private Landlords Forum within 12 months of the implementation of the policy</p>		
<p>17. How will the results of any monitoring be analysed, reported and publicised? <i>(Also Include in Improvement Action Plan at Stage 5)</i></p>			
<p>18. Have you received any complaints or compliments about the policy, service, function, project or proposals being assessed? If so, provide details.</p>	<p>See general comments in report.</p>		

Stage 7 – Reporting outcomes

All completed EqIA must be attached to all committee reports and a summary of the key findings included in the relevant section within them.

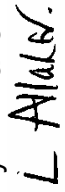
EqIA's will also be published on the Council's website and made available to members of the public on request.

19. Summary of the assessment

NOTE: This section can also be used in your reports, however you must ensure the full EqIA is available as a background paper for the decision makers (Cabinet, Overview and Scrutiny, CSB etc)

What are the key impacts – both adverse and positive?
 Are there any particular groups affected more than others?
 Do you suggest proceeding with your proposals although an adverse impact has been identified? If yes, what are your justifications for this?
 What course of action are you advising as a result of this EqIA?

See cabinet report.

<p>20. How will the impact assessment be publicised? E.g. Council website, intranet, forums, groups etc</p>	<p>Part of cabinet report.</p>	
<p>Stage 8 - Organisational sign Off (to be completed by Chair of Departmental Equalities Task Group) The completed EqIA needs to be sent to the chair of your Departmental Equalities Task Group (DETG) to be signed off.</p>		
<p>21. Which group or committee considered, reviewed and agreed the EqIA and the Improvement Action Plan?</p>	<p>Resources ETG</p>	
<p>Signed: (Lead officer completing EqIA)</p>	<p>Lynn Allaker </p>	<p>Signed: (Chair of DETG)</p>
<p>Date:</p>	<p>29/10/2012</p>	<p>Date:</p>

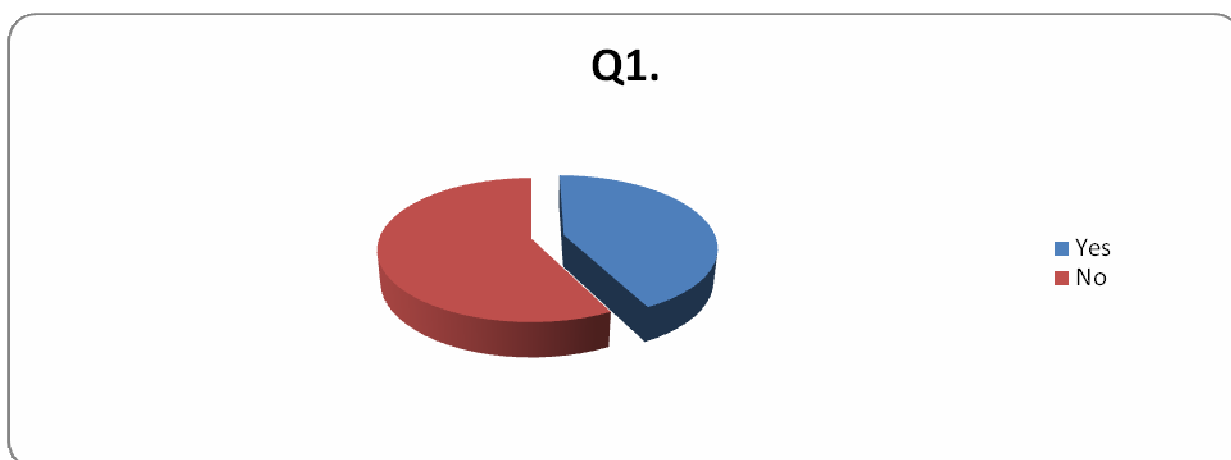
Appendix 2

Part 1

Below is the outcome of the consultation and an assessment of the specific question to see if there has been any adverse impact identified through this consultation process.

Question 1

Q1.			
Do you agree that Council Tax payers who own furnished properties other than their main home should have to pay the full Council Tax charge on those additional properties?			
	% Total	% Answer	Count
Number of Responses	100.00%	-	61
Yes	42.62%	42.62%	26
No	57.38%	57.38%	35
Don't know	0.00%	0.00%	0
[No Response]	0.00%	-	0
Total	100.00%	100.00%	61



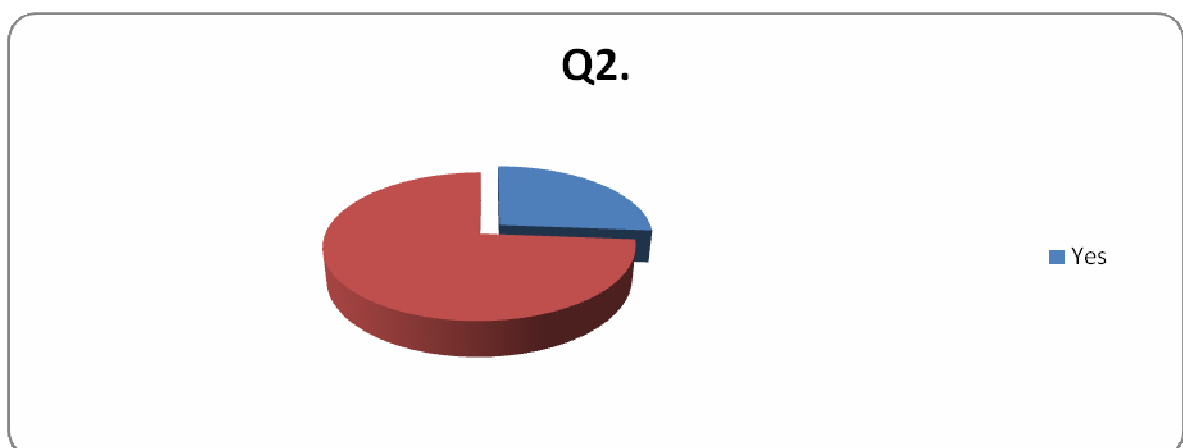
A secondary question was asked that if they responded No to the above about what percentage they feel should be applied:-

Percentage Discount	No of respondents
10%	5
20%	1
25%	6
50%	8
75%	1
80%	1
100%	6

Of the 61 responses where the answer was No to the proposal to reduce the furnished 10% discount to 0% there was a cross the board return indicating that there was no adverse impact on any one group

- Age – 18 (25-44 age bracket); 13 (45-64 age bracket); 4 (over 65)
- Ethnicity – 22 Asian; 1 Caribbean; 1 Mixed other; 12 White or White British
- Disability – 3 responded of which 2 had disabilities affecting mobility and 1 with a learning disability
- Religion - - 1 Buddhist, 13 Christian, 14 Hindu, 2 Islam, 1 Judaism, 3 Jainism
- Sex – 11 Female, 24 Male
- Sexual Orientation – 33 Heterosexual, 1 Gay Man
- Gender Reassignment – 1 person
- Marriage/Civil Partnership – 30 married

Q2			
Do you agree that owners of properties that are empty and unfurnished, such as between tenancies, should have to pay the full Council Tax charge whilst not one is living there as their main home?			
	% Total	% Answer	Count
Number of Responses	100.00%	-	61
Yes	26.23%	26.23%	16
No	73.77%	73.77%	45
Don't know	0.00%	0.00%	0
[No Response]	0.00%	-	0
Total	100.00%	100.00%	61



A secondary question was asked that if they responded No to the above about what time period and what percentage they feel should be applied:-

Time Period	28 days	3 months	4-6 months	6 months	9 months	12 months	18 months or greater
Number	1	9	5	22	1	2	2

With regard to the percentage discount to be applied,

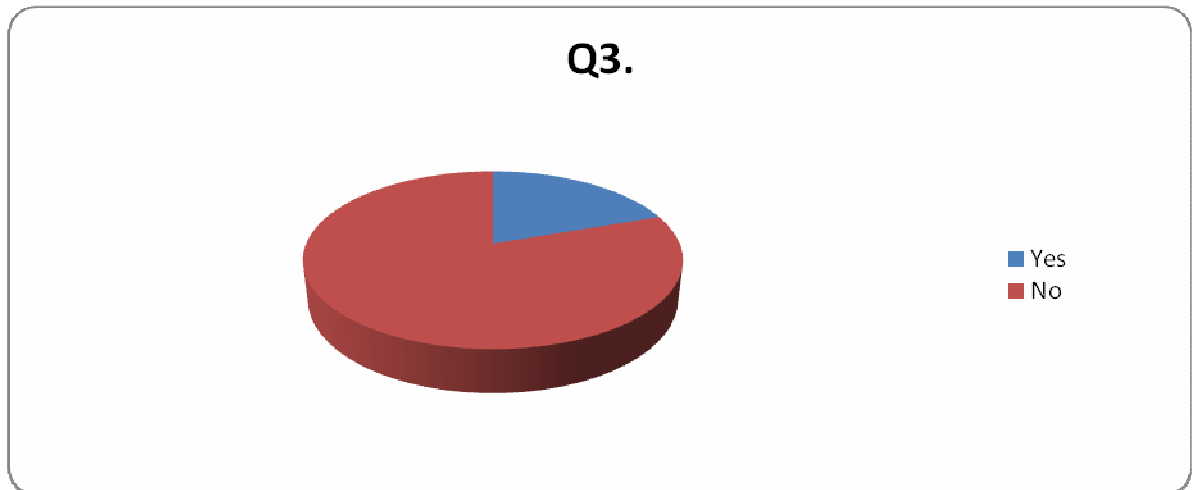
Percentage Discount	No of respondents
0%	9
10%	1
15%	1
25%	2
40%	1
50%	3
90%	1
100%	24

Of the 61 responses where the answer was No to the proposal to charge owners full Council Tax on empty and unfurnished properties there was no evidence indicating that there was an adverse impact on any one group

- Age – 24 (25-44 age bracket); 16 (45-64 age bracket); 5 (over 65)
- Ethnicity – 25 Asian; 2 Caribbean; 2 Mixed other; 15 White or White British
- Disability – 2 responded of which 1 had disabilities affecting mobility and 1 with a learning disability
- Religion - - 1 Buddhist, 10 Christian, 17 Hindu, 3 Islam, 1 Judaism, 3 Jainism
- Sex – 9 Female, 36 Male
- Sexual Orientation – 33 Heterosexual, 1 Gay Man
- Gender Reassignment – 1 person
- Marriage/Civil Partnership – 34 married

Q3

Do you agree that empty and unfurnished properties which are having major or structural works carried out for up to 12 months should have to pay the full Council Tax charge?			
	% Total	% Answer	Count
Number of Responses	100.00%	-	61
Yes	19.67%	19.67%	12
No	80.33%	80.33%	49
Don't know	0.00%	0.00%	0
[No Response]	0.00%	-	0
Total	100.00%	100.00%	61



A secondary question was asked that if they responded No to the above about what time period and what percentage they feel should be applied:-

Time Period

Time Period	4 weeks	8 weeks	3 months	6 months	9 months	12 months	18 months or greater
Number	2	1	1	9	1	30	2

With regard to the percentage discount to be applied,

Percentage Discount	No of respondents
25%	3
50%	6
75%	1
80%	1
100%	25

Comments

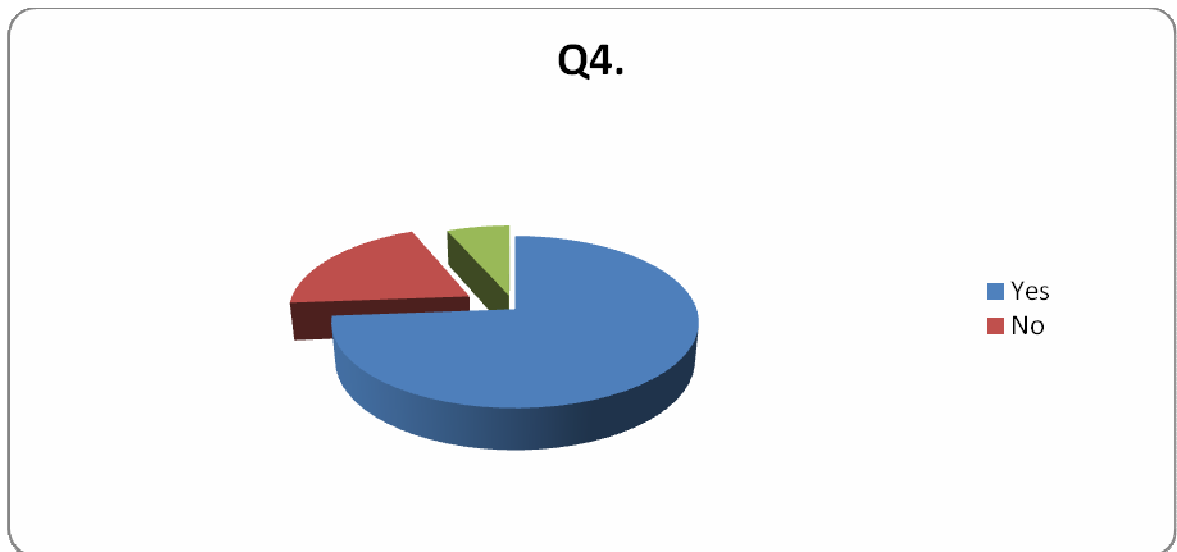
A suggestion that the discount is tiered to encourage the work to be completed earlier i.e. 100% for the first 3 months, 50% for next 3 months and then 0%.

Of the 61 responses where the answer was No to the proposal to charge owners full Council Tax on properties having major or structural works for up to 12 months there was no evidence indicating that there was an adverse impact on any one group

- Age – 23 (25-44 age bracket); 18 (45-64 age bracket); 8 (over 65)
- Ethnicity – 27 Asian; 2 Caribbean; 2 Mixed other; 18 White or White British
- Disability – 4 responded of which 3 had disabilities affecting mobility and 1 with a learning disability
- Religion - - 2 Buddhist, 11 Christian, 17 Hindu, 3 Islam, 1 Judaism, 4 Jainism
- Sex – 10 Female, 39 Male
- Sexual Orientation – 41 Heterosexual, 1 Gay Man
- Gender Reassignment – 1 person
- Marriage/Civil Partnership – 35 married

Q4

Do you agree that when a property has been repossessed the mortgagees, (such as banks or building societies), rather than the owner should have to pay 100% of the Council Tax charge?			
	% Total	% Answer	Count
Number of Responses	100.00%	-	61
Yes	73.777%	73.77%	45
No	19.67%	19.67%	12
Don't know	6.56%	6.56%	4
[No Response]	0.00%	-	0
Total	100.00%	100.00%	61

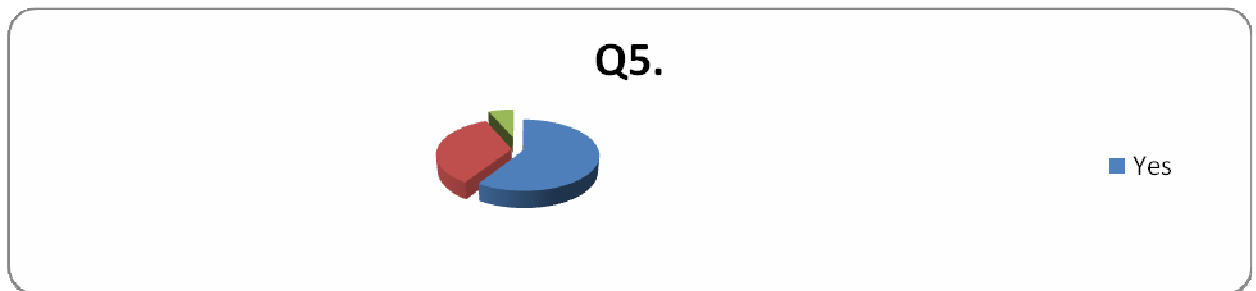


I have not analysed Question 4 as this proposal is in doubt and Government may not progress it further.

Q5

Do you agree that if a property has not been used as anyone’s main home for longer than 2 years and they do not qualify for any other exemption e.g. in a nursing home or still waiting for probate to be granted, that they should pay more Council Tax i.e. 150% of the normal charge to encourage them to bring the property back into use?

	% Total	% Answer	Count
Number of Responses	100.00%	-	61
Yes	59.02%	59.02%	36
No	34.43%	34.43%	21
Don't know	6.56%	6.56%	4
[No Response]	0.00%	-	0
Total	100.00%	100.00%	61



A secondary question was asked that if they responded No to the above about what time period they feel should be applied:-

Time Period

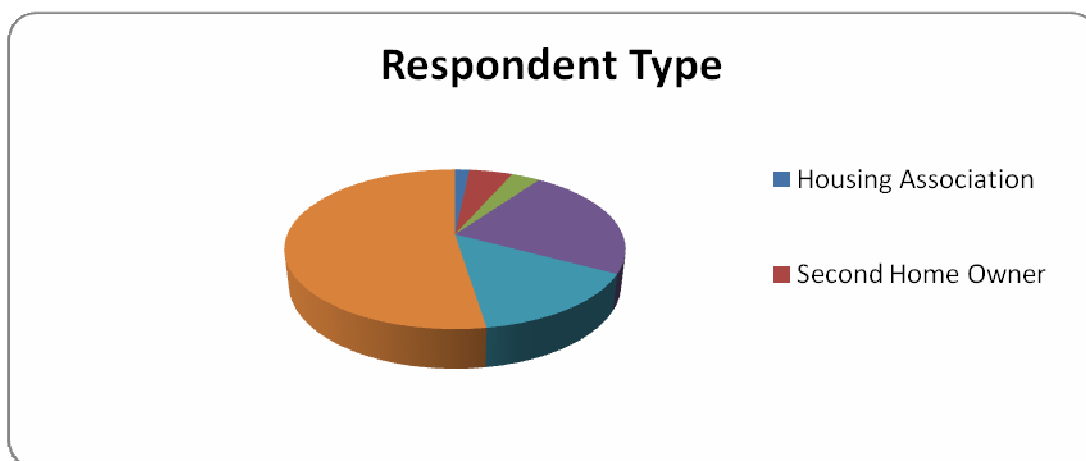
Time Period	6 months	More than 1 year	2 years	3 years	5 years	Case by case
Number	1	1	2	5	2	2

Of the 61 responses where the answer was No to the proposal to charge owners an additional 50% surcharge where a property has been empty and is not exempt for any other reason for more than 2 years there is no evidence indicating that there was an adverse impact on any one group

- Age – 11 (25-44 age bracket); 8 (45-64 age bracket); 2(over 65)
- Ethnicity – 14 Asian; 6 White or White British
- Disability – 1 responded who had a disability affecting mobility
- Religion - - 1 Buddhist, 1 Christian, 7 Hindu, 2 Islam, 2 Jainism
- Sex – 4 Female, 17 Male
- Sexual Orientation – 17 Heterosexual, 1 Gay Man
- Marriage/Civil Partnership – 14 married

Breakdown of respondent types

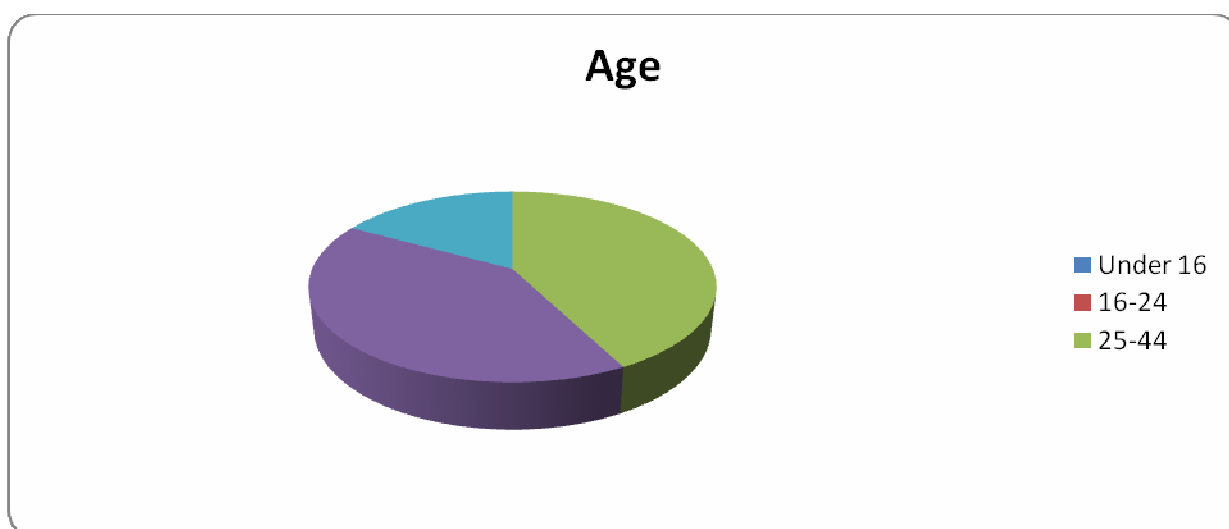
	% Total	% Answer	Count
Number of Responses	100.00%	-	61
Housing Association	1.64%	1.64%	1
Second Home Owner	4.92%	4.92%	3
Estate Agent	3.28%	3.28%	2
Private Landlord (up to 5 properties)	22.95%	22.95%	14
Private Landlord (greater than 5 properties)	14.75%	14.75%	9
Council Tax Payer	52.46%	52.46%	32
Total	100.00%	100.00%	61



Part 2

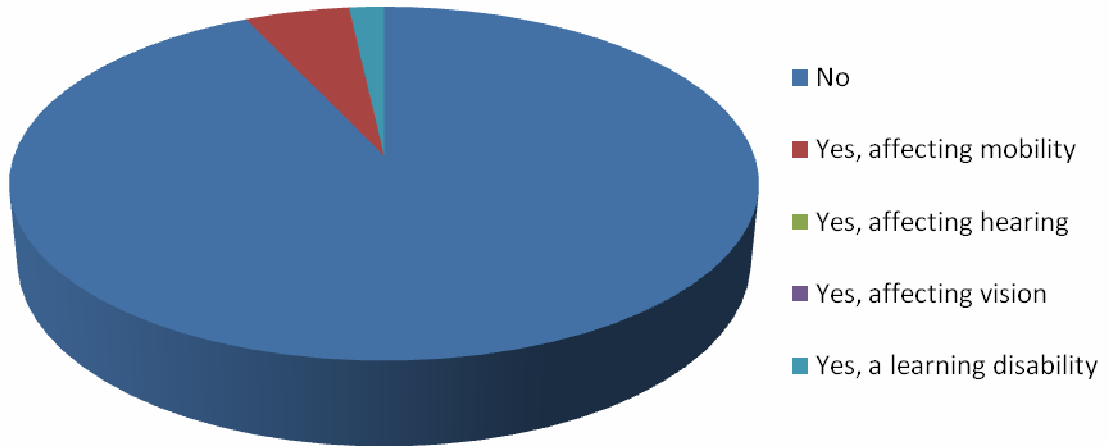
Equalities Information

Age	% Total	% Answer	Count
Number of Responses	96.72%	-	59
Under 16	0.00%	0.00%	0
16-24	0.00%	0.00%	0
25-44	40.98%	42.37%	25
45-64	39.34%	40.68%	24
65+	16.39%	16.95%	10
No response	3.28%	0.00%	2
Total	100.00%	100.00%	61



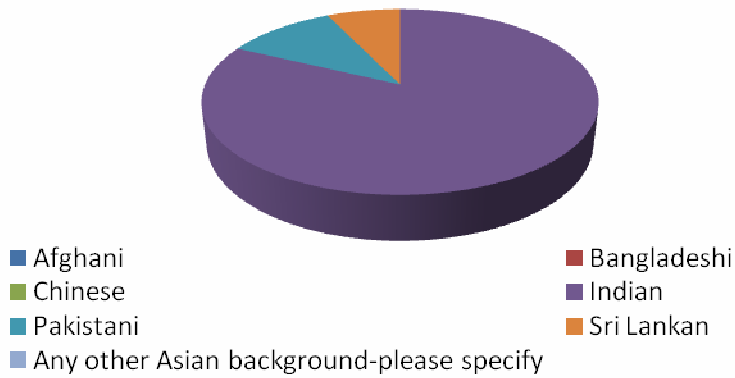
Disability	% Total	% Answer	Count
Number of Responses	93.44%	-	57
No	86.89%	92.98%	53
Yes – affecting mobility	4.92%	5.26%	3
Yes – affecting hearing	0.00%	0.00%	0
Yes – affecting vision	0.00%	0.00%	0
Yes – a learning disability	1.64%	1.75%	1
Yes – mental ill-health	0.00%	0.00%	0
Yes – another form of disability	0.00%	0.00%	0
No Response	6.56%		4
Total	100.00%	100.00%	61

Disability



Asian, Asian British	% Total	% Answer	Count
Number of Responses	45.90%	-	28
Afghani	0.00%	0.00%	0
Bangladeshi	0.00%	0.00%	0
Chinese	0.00%	0.00%	0
Indian	37.70	82.14	23
Pakistani	4.92%	10.71%	3
Sri Lankan	3.28%	7.14%	2
Any other Asian background	0.00%	0.00%	0
No Response	54.10%		33
Total	100.00%	100.00%	61

Asian, Asian British



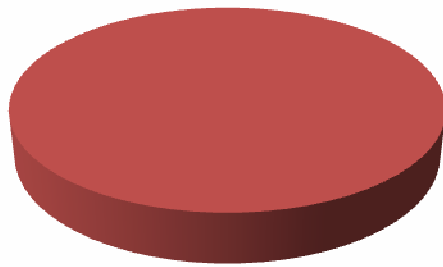
Other Asian	% Total	% Answer	Count
Number of Responses	3.28%	-	2
Response	3.28%		2
No Response	96.72%		59
Total	100.00%	100.00%	61

Other Asian background, please specify



Black, Black British	% Total	% Answer	Count
Number of Responses	3.28%	-	2
African	0.00%	0.00%	0
Caribbean	3.28%	100.00%	2
Somali	0.00%	0.00%	0
No Response	96.72%		59
Total	100.00%	100.00%	61

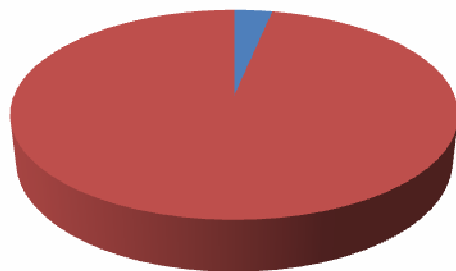
Black, Black British



- African
- Caribbean
- Somali
- Any other Black background

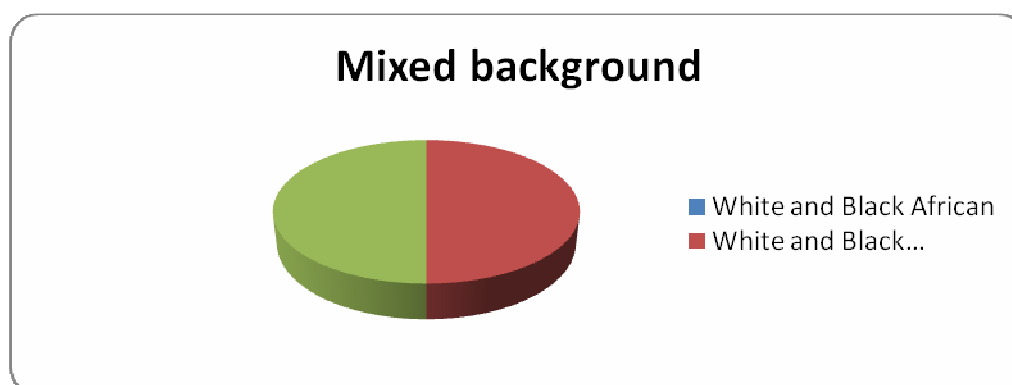
Other Black	% Total	% Answer	Count
Number of Responses	3.28%	-	2
Response	3.28%		2
No Response	96.72%		59
Total	100.00%	100.00%	61

Other Black background, please specify



- [Responses]

Mixed Background	% Total	% Answer	Count
Number of Responses	3.28%	-	2
White and Black African	0.00%	0.00%	0
White and Black Caribbean	1.64%	50.00	1
White and Asian	1.64%	50.00	1
No Response	96.72%		59
Total	100.00%	100.00%	61

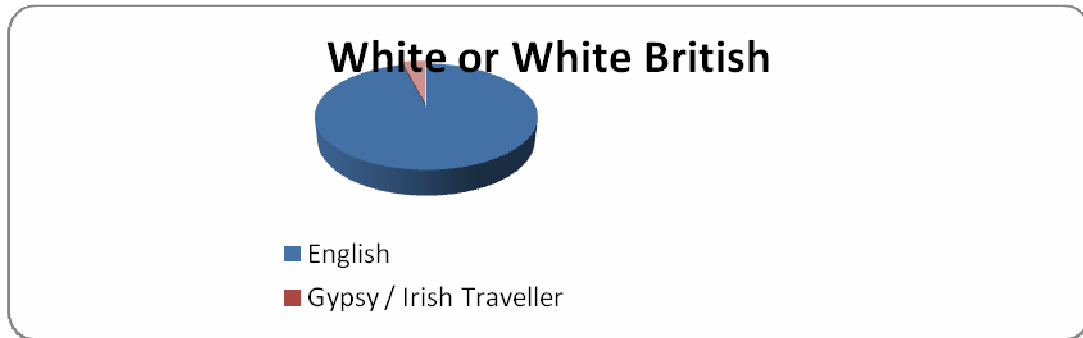


Other Mixed Background	% Total	% Answer	Count
Number of Responses	1.64%	-	1
Response	1.64%	100.00	1
No Response	98.36%		60
Total	100.00%	100.00%	61

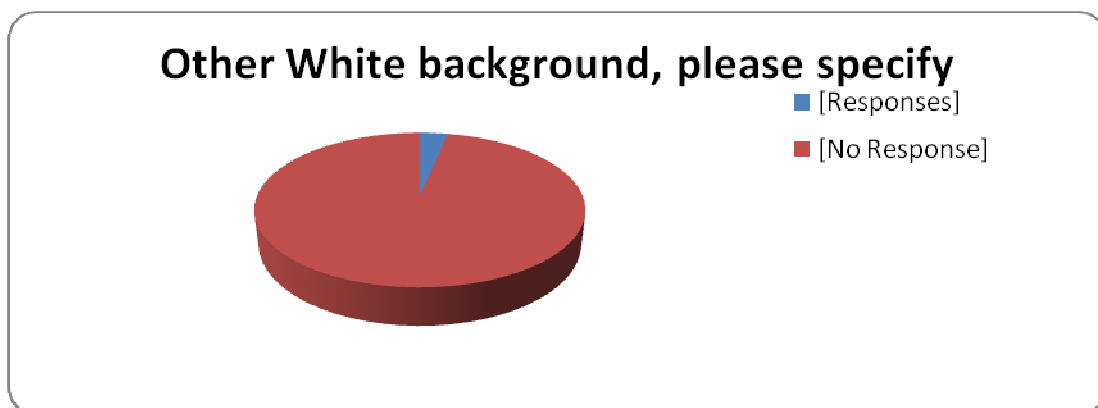
Other Ethnic Background	% Total	% Answer	Count
Number of Responses	1.64%	-	1
Response	1.64%	100.00	1
No Response	98.36%		60
Total	100.00%	100.00%	61

White or White British	% Total	% Answer	Count
Number of Responses	40.98%	-	25
English	39.34%	96.00%	24
Gypsy/Irish Traveller	0.00%	0.00%	0

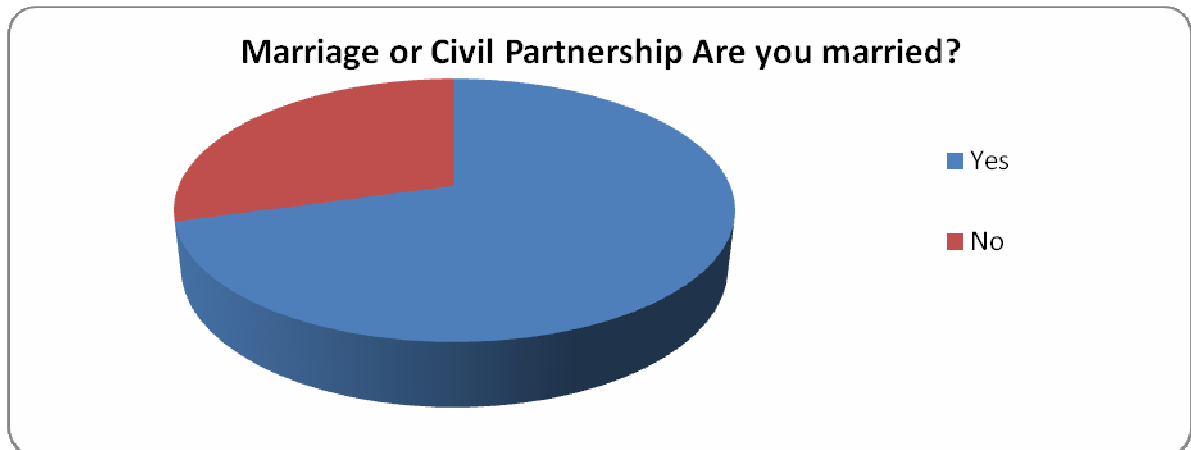
Irish	0.00%	0.00%	0
Polish	0.00%	0.00%	0
Romanian	0.00%	0.00%	0
Scottish	0.00%	0.00%	0
Welsh	0.00%	0.00%	0
Any other White Background	1.64%	4.00%	1
No Response	59.02%		36
Total	100.00%	100.00%	61



Other White Background	% Total	% Answer	Count
Number of Responses	3.28%	-	2
Response	3.28%		2
No Response	96.72%		59
Total	100.00%	100.00%	61



Marriage or Civil Partnership – Are you married?	% Total	% Answer	Count
Number of Responses	95.08%	-	58
Yes	67.21%	70.69%	41
No	27.87%	29.31%	17
No Response	4.92%		3
Total	100.00%	100.00%	61

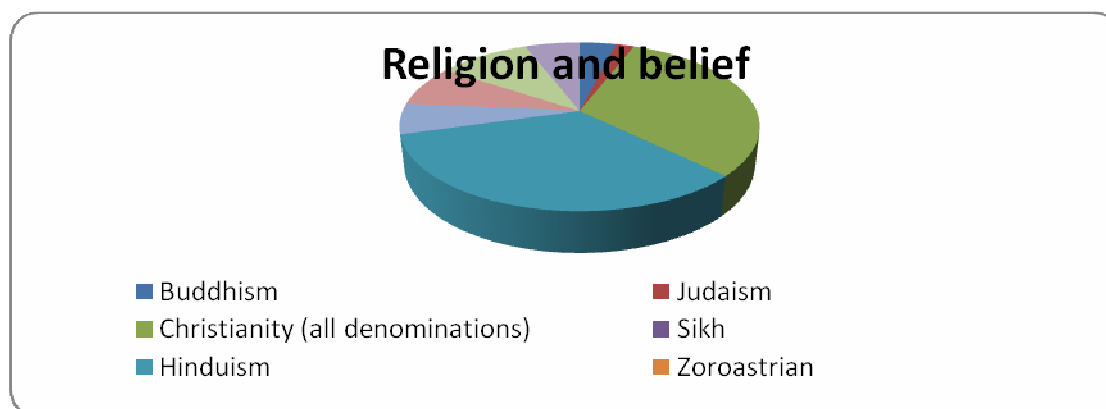


Marriage or Civil Partnership – Are you in a civil partnership?	% Total	% Answer	Count
Number of Responses	40.98%	-	25
Yes	0.00%	0.00%	0
No	40.98%	100.00%	25
No Response	59.02%		36
Total	100.00%	100.00%	61

Pregnancy or Maternity – Have you been pregnant or on maternity leave in the last 2 years	% Total	% Answer	Count
Number of Responses	83.61%	-	51
Yes	0.00%	0.00%	0
No	83.61%	100.00%	51
No Response	16.39%		10
Total	100.00%	100.00%	61

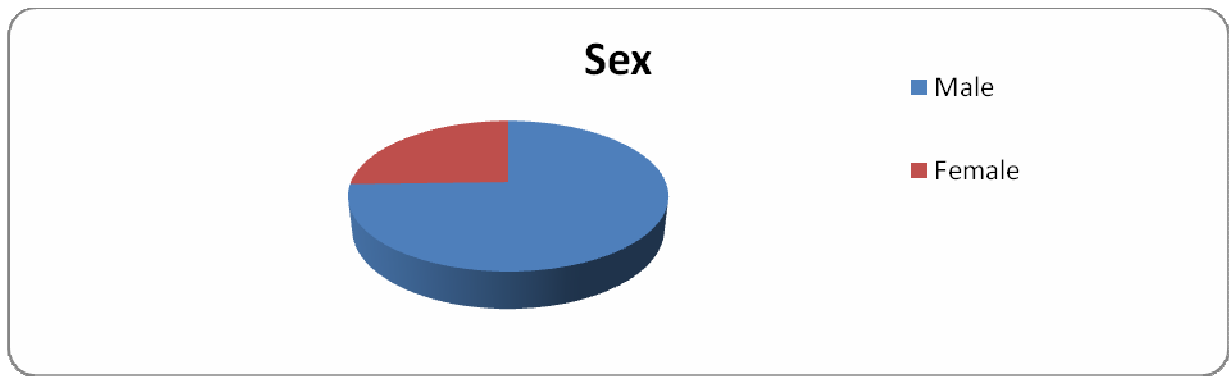
Religion and Belief	% Total	% Answer	Count
Number of Responses	83.61	-	51
Buddhism	3.28%	3.92%	2
Judaism	1.64%	1.96%	1

Christianity (all denominations)	26.23%	31.37%	16
Zoroastrian	0.00%	0.00%	0
Islam	4.92%	5.88%	3
No Religion/Atheist	6.56%	7.84%	4
Jainism	8.20%	9.80%	5
Other	4.92%	5.88%	3
No Response	16.39%		10
Total	100.00%	100.00%	61



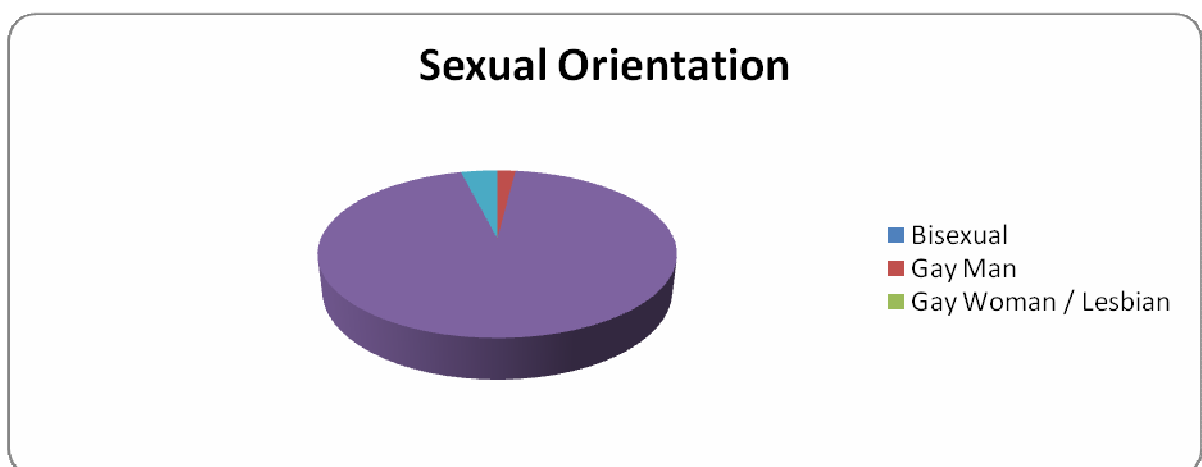
Other Religion	% Total	% Answer	Count
Number of Responses	9.84%	-	6
Response	9.84%		6
No Response	90.16%		55
Total	100.00%	100.00%	61

Sex	% Total	% Answer	Count
Number of Responses	96.72%	-	59
Male	72.13%	74.58%	44
Female	24.59%	25.42%	15
No Response	3.28%		2
Total	100.00%	100.00%	61



Gender Identity	% Total	% Answer	Count
Number of Responses	95.08%	-	58
Yes	93.44%	98.28%	57
No	1.64%	1.72%	1
No Response	4.92%		3
Total	100.00%	100.00%	61

Sexual Orientation	% Total	% Answer	Count
Number of Responses	83.61%	-	51
Bisexual	0.00%	0.00%	0
Gay Man	1.64%	1.96%	1
Gay Woman/Lesbian	0.00%	0.00%	0
Heterosexual	78.69%	94.12%	48
Other	3.28%	3.92%	2
No Response	16.39%	0	10
Total	100.00%	100.00%	61



Other Sexual Orientation	% Total	% Answer	Count
Number of Responses	4.92%	-	3
Response	4.92%		3
No Response	95.08%		58
Total	100.00%	100.00%	61

Consultation General Comments

There were a number of themes that came out of the general comments:-

1) Landlords and developers may chose not to invest in LB of Harrow if the proposals are implemented and it may put them off refurbishing properties. :-

- enforcing higher council tax on these properties will cause more expense to landlords who will look elsewhere to invest reducing the stock of the private rented sector meaning less revenue in total.
- If Council starts charging during void periods (in between tenancies ,newly purchased properties requiring renovation etc..) it will put off potential landlords and Housing associations from investing in properties for rental purposes, as it is there is an acute shortage of rental properties, this will only exacerbate the situation. There should be a grace period to allow for renovations.
- If properties are being refurbishments for the good of the local community they should not be penalised.
- It is unfair to charge 100% council tax whilst a property is not being habited. Especially if between tenancy agreements/major refurbishment
- I agree with the principal behind this initiative which is to encourage empty properties to be occupied, but at present, the proposals are too aggressive..there should be some incentive for owners to refurbish empty properties before they get occupied, and by charging 100% from day 1, it will drive some owners away from keeping their properties updated between tenancies.. What I like about the proposal is to charge more council tax or properties that have been empty for more than 2 years, actually this charge should be for properties that have been empty for more than 1 year!
- Properties need to be developed and additional investment and not cost is required.
- Landlords are providing homes and providing a vital service to the society. They should be allowed and helped by 0% council tax charge to find tenants, repair and refurbish, redecorate property in between the tenancies.. (note,

they are duly deprived of rental income... while mortgage has to be paid) and any major restructuring jobs. Not all landlords own properties for profit making, for example, I have a 2nd house for my Son who is in his 30s. Because he is single yet, he is living with us and will occupy this house (his only and main home) as soon as he is married. Thus any harsh rule regarding let properties should apply to people who own properties for "only profit motive" and own more than one property per head (for example, my Son's property is in joint name with me as I paid a hefty purchase deposit. Yet, in fact each of us have only one main property. we do not own any spare property per head. So any idea that "let property owners are loaded and let us rip them off" is absurd, unfair and unacceptable.

- Social Housing Providers will be hit fairly hard by this proposal and we believe that our organisation will incur extra costs of £86,000 if we had to pay council tax on voids. This would be funded from tenants rent money, a number of whom pay council tax. Proposals should include exemption for social housing providers with significant stock holding in affected areas .
- Some landlords have to spend weeks fixing properties that tenants have left in poor state. They should not have to pay for these works for at least 3 months. This is another attempt by Harrow council to make life difficult for good landlords who want the best for their tenants
- The reason for these issue is that tenants leave the property in a terrible state and it cannot be used until refurbishment work is carried out, so the landlord loses out on the rent as well cost for work carried out plus the additional cost of taking time off work to supervise the work. If tenant pays for the period the property is empty then it makes better sense, as it would encourage them to look after properties and that way more properties would come on to the market
- These changes could really penalise private landlords and people bringing homes in disrepair back into use, I am completely against them
- This charge will penalise those that have the money to invest, and already pay considerable taxes in other ways or forms. It in no way benefits the economy, others wishing to purchase properties etc.
- To encourage derelict/unused homes being put into use, I agree with the proposal of charging homes undergoing repossession or probate as these homes often stay unused for a long period. However charging the MAXIMUM for homes between tenancies or structural renovation work, which clearly is an act to put a home back into use, is unfair and not encouraging these proactive actions.
- We own over thirty properties in the Harrow & Brent area. The majority of these properties have been refurbished with empty property or better homes grants. These are very marginal investments. Imposing Council Tax during void periods and applying Council Tax during refurbishment works will tip the scales and we will not be investing in any further property to rent to Housing Benefit tenants.

- Yes - please use carrots and not sticks. People not using properties (sometimes through no fault of their own) are not using council services. The effect of most of these measures will be to put off buy-to-let purchasers, thus depressing the housing market further. Also those buy to let landlords will have to increase their rents to cover void periods. This is exactly the opposite of what is needed at the moment. Find a way of providing incentives to let out property, rather than punishing!

2) Other Council Tax payers should not be penalised for those who are benefits

- Do not penalise working council tax payers to accommodate those that are on benefits.
- I cannot afford to pay council tax twice. I have noticed that there are no questions on this form regarding: a) council tax discounts to council benefit tenants, who currently have a free life and can abuse and run from the law. Unfortunately, the hard working and tax community is punished. b) councils should not be giving free housing and making us pay for it. c) All public council management should have their salaries reduced to minimum wage due to the poor council spending decisions.
- I own only one property which I shall move in as soon as possible as I work far from it at present, this harsh rule should be avoided which will be really hard on ordinary owners like myself. I work hard and pay high taxes, never have and never will claim any benefits. Similarly, my parents worked hard and helped me to buy this (only) property. If the Government needs cuts they should target rich landlords who own many properties with a sole purpose of making profits.
- I think you should charge 100% council tax on buy to let properties and second homes. People who have been made redundant should get Council tax benefits regardless of what they have in the bank (16,000 is a small amount) and what their partner earns. Redundancy is not people's fault and if they have paid their council taxes before there should be some kind of an adjustment until they get a job.

3) There should be some discretion for special circumstances

- Each case should be considered on its own merits. There should be discretion on exceptional circumstances where properties are left empty for genuinely good reasons or is unavoidable
- I believe whoever is the owner of a property should pay full council tax no matter what its status (e.g. empty, being refurbished). Discounts tend to benefit "property developers" or buy to let landlords during the transition of a property between tenants or while building work is being done. I do think, however, that careful consideration about discounts should be given to relatives when dealing with probate during the disposal of an empty property of a relative

4) There should be no charge whilst properties are unoccupied/they should stay as they are

- I believe the council tax exemptions should stay as they are
- I do not feel that it is fair for council tax to be levied on unoccupied properties, as they are not receiving any of the local services, such as refuse collection, and one would presume that the owners are paying council tax elsewhere
- I feel most strongly about question 2. If a tenant has been at a property for more than a year they usually have to only give 2 month's notice to end their tenancy. Writing from experience I can say that I have never been able to find a new tenant by the time my existing tenant leaves the property. I therefore think that a 100% exemption allowance is appropriate and fair.
- the council tax as they are utilising the borough facilities which is the whole point of the council tax. The council tax is only the landlord's responsibility when there is no active tenant agreement. At which point a discount should apply as there is no utilisation of council facilities.
- No change should be made to the current exemptions and discounts except the repossessed properties.
- Some of these proposals are excessive. If a property is deliberately left void then a surcharge should apply. The current situation for voids between tenancies and refurbishment are correct.
- The current exemptions are fair. I have a let property because my son is living with us while he is still single. During the vacant period it is hard to make ends meet. Every buy to let property does not belong to rich landlords.
- Whilst Councils are under pressure to manage their finances better and reduce costs, charging/increasing taxes on empty homes is not fair or equitable - empty homes do not use Council's resources (bin collection, schools, emergency services, street lighting, etc.) - the people (living in the homes) that use the services are the ones that should be paying for them, and more effort needs to go in to both reducing costs and chasing people who avoid paying the council tax that is due by moving to another property
- Yes it is fundamentally wrong that because someone owns a property they should be charged for services they are not using when it is empty. There should be a period of up to three months before any charge is made. Clearly the more adults in a property, the more the household should be paying, as they are using more local facilities and amenities. Introduce a tax on each adult in a property to replace council tax and it will be a fairer way of raising more revenue.

5) Others

- I feel that no matter what I think, the Council will implement the changes they've proposed
- it's a recession we should help each other not cut each other down
- My no answers are because it is the most ambiguous and worst questionnaire I have ever seen, Should have employed a professional.

- My only comment at this time would be that the council tax be the responsibility of the tenant named on the active tenancy agreement and not the landlord. It is the tenants responsibility to pay
- Proposal 4 is naive as the mortgagee would simply pass the extra cost back to the defaulter, no doubt with an additional administration charge. This would result in additional hardship for someone who has already lost their property.
- there should be no discounts for second homes
- this consultation encourages you to say yes so the council earns more - why can't you be honest and have a proper debate and give some independent opinions
- Your questions have been badly written Q1. Same as point 2 below. Q2. You ask what percentage discount should be given in the notes but then the field descriptor says % change! 2 different things. How do you ascertain which answer the interviewee is responding to? I think a 100% discount should be applied for a maximum of 3 months to be fair to landlords and give them a chance to rent out a property by finding a tenant. They obviously want to find a tenant as they don't want to lose rent, so they won't delay. Why penalise them? Q4 if you make the bank responsible for the council tax following a repossession, you simply put more pressure on the bank to lower the price even more to obtain a fire sale of the house thereby making the owner of the house increase their overall loss. Ultimately, the owner will suffer if you think the bank will be liable.

REPORT FOR: CABINET

Date of Meeting:	13 December 2012
Subject:	Localisation of Council Tax Benefit
Key Decision:	Yes <i>[Decision required on the content of the new Harrow Council Tax Support Scheme]</i>
Responsible Officer:	Julie Alderson, Corporate Director of Resources
Portfolio Holder:	Councillor Sachin Shah, Portfolio Holder for Finance
Exempt:	No
Decision subject to Call-in:	No, as the decision is reserved to Council
Enclosures:	Consultation booklet and survey - Appendix A Telephone Survey (BMG Research) – Appendix B Residents Panel Survey (Quantify) – Appendix C Summary of face to face activity and web/hard copy survey – Appendix D Greater London Authority (GLA) formal response – Appendix E Harrow Association Disabled People (HAD) formal response – Appendix F Harrow Mencap formal response – Appendix G Harrow Local Council Tax Support Scheme – Appendix H Council Tax Support Equality Impact Assessment – Appendix I <i>[The appendices have been circulated to</i>

Cabinet Members, the Leader and Deputy Leader of the Conservative Group, Chair and Vice-Chairman of O&S Committee and key officer(s) only. A hard copy has been placed in the Members' Library and Group Offices. The document has been published with the agenda and can be viewed on the website.]

Section 1 – Summary and Recommendations

This report sets out the changes to Council Tax Benefits and Local Authorities new responsibilities for the development and adoption of a localised Council Tax Support Scheme by 31 January 2013 with implementation on 1 April 2013. The report provides members with feedback from the consultation carried out with Harrow residents and stakeholders and shows how the feedback has informed the development of the new Localised Council Tax Support Scheme being put to Members for discussion.

Recommendations:

Cabinet is requested to make the following recommendations to full Council:

1. Agree and adopt the new Harrow Localised Council Tax Support scheme (Appendix H).
2. Agree and adopt the parameter configuration set out in Scheme 1 for the two year period April 2013 to March 2015 as recommended by officers, which fully manages the funding gap.
3. Agree that the scheme will remain in perpetuity after the two year period, with parameters updated as per the scheme rules, unless a policy decision is taken to replace or alter the scheme at annual review.
4. Agree to continue with the existing s13A policy on hardship agreed by Cabinet on the 3/8/2006 and now known as s13A(1)(c).

Reason: (For recommendation)

The Council has carried out a wide consultation to ensure that residents within Harrow were given the opportunity to give their view and help shape the new Council Tax Support Scheme. Feedback from the consultation has informed the recommendations to Cabinet and helped towards identifying the impacts of the changes.

Statutorily the scheme must be agreed by 31 January 2013 to enable the Council to make the required savings of approximately £3.8m for the year 2013/14 and £5.1m the following year 2014/15. If this deadline is not met and a local scheme agreed, the Council will be required to deliver the default Council Tax Support Scheme. This does not allow the authority to manage

the funding gap between the reduced devolved grant given to the Council and the Council Tax Support expected expenditure.

Section 2 – Report

Introduction

- 2.1 In April 2013, Council Tax Benefit will be abolished and help for individuals to pay their Council Tax will be localised. This was announced as part of the 2010 Spending Review, which also committed to reduce UK government expenditure on benefits overall. The review announced that it would localise support for Council Tax from 2013/14, but that it would also reduce expenditure by 10%. In March 2012 the Welfare Reform Bill received Royal Assent and contains provisions for the abolition of Council Tax Benefit (CTB). In October 2012 the Local Government Finance Act became law and includes the framework for localised Council Tax Reduction Schemes which will be known as the Council Tax Support (CTS) Scheme in Harrow.
- 2.2 Local Authorities will receive 90% of the current funding to deliver the new scheme. The funding gap will equate to more than 10% due to potential increase in caseload and Council Tax inflation. Therefore this reduction in funding means the Council must make savings of approximately £3.8m in the first year of operation, 2013/2014 and approximately £5.1m in the following year 2014/2015.
- 2.3 The Council has approximately 88,000 domestic households of which 17,438 are Council Tax Benefit claimants. The Government has concluded that claimants of pension credit age should be protected and the cut in funding should not apply to them. The Government has published draft regulations laying out a prescribed scheme for pensioners, which will ensure they get the same help with their Council Tax as they currently receive.
- 2.4 However, this means that working age claimants will bear the full reduction in grant to cover future Council Tax Support expenditure. Out of the existing 17,438 Council Tax Benefit claimants, 6,404 are pensioners, leaving 11,034 working age claimants to take the full brunt of the reduction in funding.
- 2.5 Local Authorities have been given autonomy to develop schemes that meet the needs of their local area. To enable this activity to be taken forward, the Government provided Local Authorities with a statutory framework that included the following:

- § Local Authorities must have their new schemes agreed by 31st January 2013
 - § Financial help with Council Tax will now be seen as a discount and not a benefit
 - § There will be no change to the amount of help claimants who are of pension credit age currently receive
 - § Councils can decide the rules for their new schemes, but should consider the impact on the most vulnerable when designing their schemes
 - § The new scheme should encourage people to work and should not act as a disincentive to working.
- 2.6 Further regulations and guidance have been provided to Local Authorities to support the development of the local schemes.
- 2.7 In line with the Council's vision, these changes are being taken forward in partnership with the community following a major consultation, involving residents, representative groups and other stakeholders. This ensured residents in Harrow were given the opportunity to shape the new localised CTS Scheme. The consultation followed the principles of openness and transparency, as agreed within Harrow's Consultation Code of Practice.
- 2.8 This report contains a summary of the findings from the consultation activity and puts recommendations to Councillors for the localised CTS scheme within Harrow to meet the resources made available from the Government.

3. Financial Context

Current Scheme background

- 3.1 Council Tax Benefit is an income-related benefit payable to households with low incomes, where they are liable to pay Council Tax on a property in which they are resident. In 2011/12, £19.827m was spent on CTB in Harrow, and as of November 2012, £20.2m has been estimated to be awarded for 2012/13. Currently 17,438 households receive the benefit.
- 3.2 The Department for Work and Pensions (DWP) currently subsidise all Local Authority spend on Council Tax Benefit (CTB) at a rate of 100%.

Funding & Localised Council Tax Support

- 3.3 In April 2013, Council Tax Benefit will be abolished and help for individuals to pay their Council Tax will be localised and administered through the CTS Scheme.
- 3.4 However the DWP, from 2013/14, will no longer subsidise expenditure and instead, Local Authorities will be given an un-ringfenced grant as part of Formula grant, to cover future CTS expenditure. The grant is based upon previous expenditure on Council Tax Benefits with a cut of 10% but uprated only by the same percentage as formula grant. This means that the Council needs to manage the funding gap by putting in place an appropriate local CTS scheme, which gives out CTS awards only to the level of the budget available. This means that working age claimants will bear the full reduction in grant to cover future CTS expenditure.
- 3.5 Below is a table of the likely funding for 2013/14 and the possible gap regarding CTS, if awards continued as under CTB. At this stage the actual grant has not yet been disclosed to the Council however the estimates used have been provided by the Department for Communities and Local Government (DCLG). The grant settlement is expected in late December 2012.

3.6 Likely Funding 2013/14

2012/13 Financial Year			
Current & expected CTB expenditure as @ 31-03-13	100%	£20,220,000	
Expected DWP Contribution	100%	£20,220,000	No GAP to manage
Expected GLA Grant		n/a	
2013/14 Financial Year			
Unmanaged Projected CTS expenditure		£21,387,502	Current expenditure updated by 2% CT inflation & 3.7% caseload/CTS expenditure increase
Expected Grant		£14,073,000	
Expected GLA Grant		£3,670,000	Estimated as per Funding Arrangements Consultation Papers and GLA supplied data
Less contingency		-£93,000	
Less grant proportion allocated to cover additional council tax recovery costs		-£150,000	
Grant Available to Cover Scheme Exp		£17,500,000	Maximum Awards under Harrow CTS scheme
Expected GAP		£3,887,502	£14.073m + £3.67m = £17.74m

*The above assumes 2% Council Tax increase.

Please note that any expenditure regarding CTS is shared 79.46% Harrow & 20.54% GLA.

3.7 The £14.073m estimated grant for Harrow's scheme is still an estimate, as advised in the consultation papers back in May 2012. If this is less than we have factored in, this will add to the funding gap.

3.8 The funding gap has been calculated as follows;

Using 2012/13 as baseline	2013/14	2014/15
Forecast CTB expenditure based on 2012/13 estimated spend baseline of £20,220,000 plus 2% council tax inflation plus 3.7% case load growth pa (re 2014/15 again CTax increase of 2% & 3.7% caseload increase)	£21,387,502	£22,622,416
Less CTB Grant using 2012/13 consultation estimates – Harrow £14,073,000 GLA £ 3,670,000 Less Contingency £ - 243,000	£17,500,000	£17,500,000
Forecast shortfall	£3,887,502	£5,122,416
Harrow Gap (@ 79.46%) Including pressure @ 5.7 % Year 1 and 5.7% Year 2	£3,089,009	£4,070,271

3.9 Following wide consultation, officers are now recommending the adoption and implementation of a local CTS scheme that allows Harrow to manage the financial gap. The detail of the consultation process and of the three schemes put forward for consideration are explained later in this report.

3.10 Two of the schemes, Scheme 1 and Scheme 2 manage the funding gap, but the impact will vary for different groups of claimants. Scheme 3 is based on the Local Authority accepting a transitional grant offered for one year only by Central Government. However implementing

Scheme 3 will not allow Harrow to manage the funding gap. The pros and cons of each are articulated later in this report.

3.11 The two schemes that manage the funding gap will cap expenditure so that it does not exceed £17.5m as this is the maximum amount covered by the grant. Schemes 1 and 2 have been designed to be two year schemes, with parameters decided in advance for each of the two years. If expenditure does not increase above the level of the grant the scheme is to stay in place and remain in place until such a time as a policy decision is made to further consult again on further proposed changes. In effect, the local scheme has been designed with a certain amount of future proofing built in; unless external factors demand a fundamental reconfiguration of the parameters, either to lower or increase expenditure. However, there are risks due to assumptions made and the following need to be taken into consideration.

- § Although CTB estimates have been calculated for this year, 2012/13, one complication is that the exact out-turn expenditure data will only be available at 31/3/2013.
- § The forecasts make the assumption that the current Council Tax Benefit will end and be replaced by the proposed CTS scheme, with funding reduced to the level of the estimated DCLG grant and factors in increases for both Council Tax (as set out in the Medium Term Financial Strategy (MTFS)) and for caseload increases (from our best estimates)
- § The forecasts do not take into account how the introduction of Universal Credit may affect the figures. No analysis has been completed on this since it is dependent on the future design of the replacement Universal Credit schemes which is out of our control.
- § The model calculates the proportion of people in receipt of CTB and then projects the proportions forward.
- § The model assumes no disproportionate increase in pensioner claimant numbers even though at 36.8%, pensioner claimants are well below the national average rate of 40.6%. Pensioners are defined as being those aged “above pension credit qualifying age”, this is a moving definition, as the changes to female state pension age continue to roll out.
- § Large increases in the benefit population may not always map through proportionately to CTS, particularly due to the inertia of benefit take-up. However as the benefit will in future be seen as a discount, this again may pose a risk if more claimants come forward. There is some national evidence to suggest that there is significant under claiming in particular groups due to the current system being a benefit, rather than a discount. Within Age UK’s response, in October 2011, to the Government’s consultation on the changes to Council Tax Benefit they state that ‘Council Tax Benefit is the least claimed entitlement provided for older people. Between 36 to 44 per cent of older people entitled to benefit do not receive it’¹

¹ Age UK’s response to the consultation Localising Support for council Tax in England October 2011

§ Council Tax Benefit expenditure is usually affected directly or indirectly, by virtually every change to policy on benefits and tax credits as well as the economic climate. It is impossible to forecast these changes - adding additional uncertainty to the estimates.

Transitional Support

3.12 To assist the transition process, the DCLG announced in October that an additional £100 million of funding would be made available to councils to help cushion the cuts in support to claimants. The additional grant was to be a one off transitional grant for one year only and dependent on councils setting their local scheme within prescribed parameters as set out by DCLG. Non adherence to these parameters negates an authority's right to claim the grant. Due to the late publication of this grant, the Council was unable to consult on its use or option 3 specifically.

3.13 Scheme 3 has been modelled in accordance with the transitional grant prescribed parameters and would allow the Council to claim £380k in transitional grant for year one. However, the financial implications are such that, although the scheme is being put forward as an option later in this report, officers recommendations are that it is rejected. Accepting the grant would mean putting in place a scheme that would only reduce Council Tax Support expenditure in 2013/14 by £1.69m, when the combined amount the Council needs to save (Harrow/GLA) is £3.88m. Taking the grant would therefore, result in the Council still having to cover a funding gap, which the one off grant of £380k for the Council and £98k for the GLA would not bridge in full.

3.14 Funding Alternatives considered

A further alternative considered was to absorb the costs of the scheme and fund the gap from revenue budget. The table below shows the required increases should the Council decide to meet the potential financial gap through Council Tax. These figures exclude the GLA proportion.

Year	CTS expenditure (net of GLA proportion)	Subsidy payment	Harrow funding gap
	£(m)	£(m)	£(m)
2013/14	**£17.07	14.07*	£3.00
2014/15	**£18.07	14.07*	£4.00

** with 3.7% case load increase and 2% council tax inflation for both years (2013/14 & 2014/15)

3.15 The funding gap of £3m (£3.88m less GLA share) equates to 3.2% rise in council tax which would take us above the "referendum threshold" or result in further cuts to services. As an alternative the Council could seek to find savings from other service budgets to meet the funding

gap. However, the Council already has significant savings to make due to the reduction in overall grant and other national and local pressures.

- 3.16 It was clear, very early on, that the only viable option was to fully passport the funding gap to the working age claimants. This was because Harrow is an Authority that receives less grant per capita, through the financial settlement, than its neighbouring authorities. Additionally Harrow is also having to manage a difficult funding gap as well as trying to increase its reserves which are currently low compared to the overall expenditure. Therefore the option of covering the gap would entail either an increase in Council Tax or cutting other service budgets which is not recommended as a viable option considering our financial position.

3.17 **Council Tax Technical Reforms**

The Greater London Authority (GLA), as part of the consultation, raised the issue of how Harrow intended to take advantage of the technical reforms to existing Council Tax discounts and exemptions, which provides greater flexibility in relation to discounts, exemptions and premiums for second and empty homes.

- 3.18 **SUBJECT TO NOVEMBER CABINET DECISION** Cabinet considered these reforms in November 2012 and it recommended that full Council change and abolish the exemptions, introduce 0% discounts and charge the maximum 150% on properties meeting the definition of long term empty and to charge Council Tax to mortgagees in possession as soon as secondary legislation so allows.

- 3.19 It is expected these changes will raise approximately £1.1m in additional Council Tax, with around £620k expected to be retained by Harrow (after GLA share and allowance for losses). However the recommendation was made based on the overall financial position of the Council and the need to raise additional revenue generally, not specifically to reduce the funding gap created by the abolition of Council Tax Benefit or because of the introduction of CTS with only 90% funding by Government.

- 3.20 The Government has confirmed that use of the new powers to reform existing discounts and exemptions could help alleviate the pressures on the new CTS by partly meeting the funding gap. However, this is not viable in Harrow, as the reforms of discounts and exemptions raises £1.1m while the funding gap left by the reforms to Council Tax Benefit is £3.9m.

- 3.21 **Hardship Relief and Policy re power under s13A(1)(c)**

The Local Government Finance Act 2012 (“the 2012 Act”) also made changes to section 13A of the Local Government Finance Act 1992 (“the 1992 Act”) (a power which was inserted by s76 of the Local Government Act 2003). Whilst the new revised s13A(1)(c) provides for the Local Authority to determine and implement a local Council Tax Reduction Scheme, which is the reason for this report, the 2012 Act also retained the power to remit Council Tax under s13A(1)(c), which is a restatement of the current law; this allows an authority to reduce a person’s Council Tax liability to a lower amount, or to nil.

- 3.22 Under s13A(1)(c), the Council could exercise this power in some instances (e.g. individual hardship, in cases where the taxpayer was not eligible for Council Tax Benefit, where the dwelling was not their sole or main residence), or it may determine classes of cases in which liability is to be reduced (i.e. the equivalent of the Council determining exempt dwellings classes, or reductions in circumstances other than those prescribed in regulations under section 13 of the 1992 Act). This has been done, for example, by some authorities creating an additional exempt class so victims of floods did not have pay Council Tax until the flood damage was repaired and the house made habitable.
- 3.23 On the 3/8/2006, Cabinet already elected that the Council would use s13A, now s13A(1)(c), only in exceptional circumstances and that any use of this power in future would be subject to a Cabinet decision. This was to ensure that the Council’s intentions in relation to s13A of the 1992 Act were explicit.

3.24 **Risks of adopting such a policy**

It is a prescribed requirement that the CTS sets out the procedure by which a person can apply for a reduction under s.13A(1)(c). It is therefore necessary for the Council to review its policy under s.13A(1)(c).

- 3.25 The cost of adopting a policy could potentially be open ended and increase the risk to the collection fund, which would have to bear any cost of reductions agreed to the Council Tax charged to those who might be awarded relief. Any potential loss would however, be shared roughly on a 80/20 ratio with preceptors. By deciding to adhere to the previous decision, in effect the Council determines that it does not think it is appropriate to offer any further reductions outside of the CTS scheme.
- 3.26 There is a risk that by adopting the use of s13A(1)(c) for hardship purposes, the Council would be agreeing a policy, with no detail on the amount of take up.
- 3.27 Whilst it is relevant that members review this area of discretion as part of considering the proposals in this report to introduce CTS, consideration must be given to the fact that budgets are set in advance and to allow people further reductions could potentially place the budget in jeopardy. Adoption of s13A(1)(c) would provide for additional

categories not specifically covered by the CTS, however it is difficult to set clear parameters as to the exceptional circumstances which could be covered. It is therefore difficult to analyse the financial impact of any change of policy.

3.28 It is also worth noting that Harrow is establishing a general “Welfare Assistance Scheme” to support residents suffering from financial hardship due to a variety of reasons including the wider impacts of Welfare Reform. This scheme will be funded from our un-ring fenced allocation of Social Fund grants, discretionary housing allowances and a sum specifically put aside for this purpose and will in effect provide an alternative to the s13A(1)(c) power for hardship purposes. The Scheme will provide support for those who are considered the most destitute in accordance with the policy and relevant criteria (the policy document coming to a future Cabinet for adoption).

3.29 **Recommended action regarding s13A(1)(c)**

It is therefore proposed that the Council retains its existing policy regarding s13A(1)(c). This report recommends that the Council continues with its policy that it will only consider exercising its statutory discretion in exceptional circumstances, for the reasons mentioned above as well as;

- § Use of the power would have an adverse financial impact on the Council, as it would reduce the income from Council Tax;
- § A wider entitlement to reduced liability would require considerable administration to assess requests; and
- § The benefits system exists to ensure that those on low incomes receive financial assistance with their Council Tax

3.30 If exceptional circumstances arise, the matter would be referred to Cabinet together with the financial implications of exercising the discretion, and Cabinet would be asked to determine whether that discretion should be exercised.

3.31 **Options Considered**

Due to the Councils financial position funding the gap from reserves, cuts in other services or increases in Council Tax were not considered as viable. This is because Harrow has low cash reserves, is already having to consider cuts to some services in order to manage the overall budget funding gap and increasing Council Tax is already scheduled within the MFTS to balance the budget in general. Funding could not therefore be sought from elsewhere within the Council.

3.32 Prior to the consultation, the Steering Group worked closely with the Council to understand the effects of the savings within the scheme that would have to be made to address the funding shortfall. It was agreed

that the consultation would focus on identifying the groups that would be most impacted by the changes, the impact of the changes and seeking views on the ways in which the changes could be made to meet the principles of the scheme design. The questions asked within the consultation followed the principles and are attached with the Consultation Booklet at Appendix A.

- 3.33 The consultation materials included examples of schemes and scenarios showing the impact of the changes on different groups of Council Tax Benefit claimants.
- 3.34 Further to the consultation proposed options were brought to the Steering Group for discussion and to ensure they reflected the feedback from the consultation. Following this meeting the options were modelled further to take account of feedback, changes in expenditure and the grant allocation, and the outcome of the EqIA. The proposed models are included within this report as Schemes 1 and 2.
- 3.35 A further model Scheme 3 is also shown which was designed in response to the announcement by DCLG that transitional funding would be available to individual billing authorities should they introduce a scheme based on specific prescribed parameters. Details of this are set out both in the reports sections 'Transitional Support' and in the scheme itself, Scheme 3. This funding is too low to make the implementation of Scheme 3 a viable option although it is presented in this report for consideration by Members.
- 3.36 Recommendations for the localised Council Tax Support Scheme are included within the body of this report.

4. Welfare Reforms

- 4.1 The Welfare Reform Act 2012 became law in March 2012 and abolished Council Tax Benefit and introduced localised support. This Act makes substantial changes across the Benefits system including the following:
- § Introduction of Universal Credit
 - § Introduction of Personal Independent Payments
 - § Changes to Employment and Support Allowance
 - § Benefits cap
 - § Changes to the Social Fund
 - § Localisation of Council Tax Benefits
 - § Size criteria
 - § Other changes to Housing Benefit
- 4.2 The localisation of Council Tax Benefits cannot be taken forward in isolation of all the above changes and therefore sits as a workstream reporting to the Welfare Reform Project Board.

5. Current Scheme background

- 5.1 Council Tax Benefit is a means tested benefit payable to residents on low incomes where they are liable to pay Council Tax on the property they live in. Council Tax Benefit is administered by the Local Authority on behalf of the Department of Work and Pensions (DWP).
- 5.2 The maximum level of CTB payable is equal to the “eligible Council Tax”. This is essentially the Benefit Claimant’s Council Tax liability (after any discounts, e.g. for single occupancy, have been applied).
- 5.3 People receiving “passported benefits” (Income Support, income-based Jobseeker’s Allowance, income-based Employment and Support Allowance, or the Guarantee Credit element of Pension Credit) are automatically entitled to the full level of CTB. For other claimants, the amount of CTB payable depends upon income. There is a taper of 20% for any income above an “applicable amount”. Income rules are aligned with, or marginally more generous than, those in the “passported benefits”. The structure of personal allowances and premiums making up the “applicable amount” is also aligned with these benefits. Deductions may also be made for any non-dependants because they are expected to contribute towards the Council Tax. An amount is deducted for each non-dependant aged at least 18, based on their gross weekly income, though there are some exceptions to this. The Council Tax payer is responsible for the collection of the contribution from the non-dependants and subsequently to use that money to pay for the residual Council Tax due.
- 5.4 If a person meets the criteria to claim Council Tax Benefit their contribution is paid directly into the Council Tax account and therefore no money is paid directly to the resident.

6. Approach to designing a scheme

- 6.1 At an early stage, it was recognised that the changes to Council Tax Benefits could have an impact on residents living in Harrow. To understand these impacts and ensure residents were given the opportunity to shape the new scheme a partnership driven structure was developed to take the development of the new scheme forward. In February 2012, at the beginning of the process, a multi-agency Steering Group was developed.
- 6.2 The Steering Group has a thirty strong membership, which includes local Councillors, representatives from Precepting Authorities, local voluntary organisations such as Harrow Mencap, MIND in Harrow, Harrow Carers, Age UK, CAB, Harrow Association for people with Disabilities (HAD), Jobcentre Plus, Harrow Equalities Centre, Landlords Association, Harrow Association of Somalie Associations (HASVO), Unions and Harrow Council services. The purpose of the Steering

Group is to ensure the consultation process for the localisation of Council Tax Reduction is effective, inclusive and transparent and to help the Council understand the impacts of any changes.

6.3 The Steering Group have worked closely with the Council in all the following activity to support the development of the scheme:

- § Understanding the make-up of the borough and the existing caseload;
- § Modelling to understand where the savings could be made and what groups of people may be affected;
- § Development of the principles for Harrow's local Council Tax Support Scheme as follows:
 - The scheme design will be developed within the statutory framework
 - The scheme will be developed to meet the resources made available from the Government
 - The scheme will provide support to the most vulnerable groups in Harrow within the funding available
 - The scheme will encourage people into work and will not provide any disincentives to work

§ Development and delivery of the Communications and Consultation Plan, which included a fourteen week consultation held from 11th June 2012 to 21st September 2012.

6.4 The Steering Group has been involved in understanding the feedback collected throughout the consultation and shaping the changes that are being put to Councillors for recommendation within this report.

6.5 We would also like to publically thank all of the participating Voluntary Organisations for their participation and support throughout this process. They have given endless hours of input to ensure the consultation was inclusive and brought to their clients whose feedback was invaluable in shaping the final scheme design.

7. Consultation Duties

7.1 The 2012 Act had not received Royal Assent throughout most of the development of the CTS. The 2012 Act received Royal Assent on 1 November 2012. However, the corresponding Bill confirmed at Schedule 4 the requirements for preparation of the scheme. This included the following:

- a) Consult any major precepting authority which has power to issue a precept to it;
- b) Publish a draft scheme in such manner as it thinks fit; and

c) Consult such other persons as it considers are likely to have an interest in the operations of the scheme.

7.2 Subsection (2) of paragraph 3 of this Schedule confirmed that the fact these requirements were not in force when any of the above steps were taken is to be disregarded in determining whether there had been compliance with the Schedule. This means that the fact that consultation pre-dated the Act receiving Royal Assent does not prevent such consultation meeting the statutory duty.

8. **The Communications and Consultation Strategy**

8.1 The Communications and Consultation Strategy has been developed in partnership with the Communications team and the Steering Group. This approach has ensured that the Council complies with its duties in relation to consultation and also validated that all elements of the plan were inclusive, easy to understand, raise awareness of the changes and gave people the opportunity to have their say.

8.2 **Awareness Campaign**

The Awareness campaign is continuing to ensure this very complex issue is communicated in plain English, so that all residents will understand the key issues and potential impact, as well as having the opportunity to have their say.

8.3 The campaign utilised the visual identity (branding) which has been developed and used for Council Tax communications, which ensures the residents are able to identify that the changes relate to Council Tax services. The campaign has included a range of activity, raising awareness of the changes and the consultation which has included adverts, editorials, briefings, posters, targeted letters and interactive web pages on Harrow Council's website.

8.4 The Awareness Campaign will continue post consultation to make sure residents are aware of the decision making process, how their views have shaped the Council Tax Support Scheme, why the changes have been made and what the changes will mean for individual claimants.

8.5 **Consultation Plan**

The consultation strategy was developed to ensure the consultation was inclusive giving the opportunity for all residents within the borough to give their views on the design of the new scheme. The consultation focussed on identifying whether and why any groups of people within Harrow would be adversely affected by the changes and to gain feedback on the principles that could be used to make the savings within the design of the new scheme.

8.6 The principles on which the consultation was based were developed in partnership with the Steering Group and authorised via an urgent

special report of the Portfolio Holder for Finance dated 28th May, 2012, ref 001/12.

8.7 The consultation included both quantitative and qualitative activity. The quantitative activity included a telephone survey, postal survey carried out with the Residents Panel and the responses received from the survey included within the Consultation booklet and replies on the web. This feedback helped the Council to get a response from a representative sample of the community as well as providing quality assurance for the qualitative element of the consultation. The qualitative activity included face to face activity in the form of Roadshows, 'Go to' days, events, discussion groups and workshops. This activity helped us to explain the proposals in detail to people who may not respond to consultations in other formats and to get in depth feedback that will provide support on identifying groups in the community that will be most affected by the changes and gives an opportunity to raise awareness.

8.8 All of the consultation materials were designed in partnership with the Steering Group and an 'easy read' version of the Consultation Booklet was developed by Harrow Mencap.

8.9 **Consultation Activity**

A formal consultation was carried out with the Precepting Authorities as required in statute. Formal feedback was received from the GLA and a summary is included within the Consultation Feedback Section of this report.

8.10 The public consultation was carried out from 11th June 2012 to 21st September 2012. The Steering Group played a key role in shaping the consultation approach and activity and participated and delivered workshops and other events which helped ensure the consultation reached as many of the residents as possible. Because of their support and their ideas Harrow had a particular high response rate to the consultation compared to other authorities. The Steering Group met throughout the consultation and continued to identify gaps and help develop additional strategies to reach more residents.

8.11 The following activity was held

Consultation Activity	Response rate
Telephone interviews	1010 Residents 310 Council Tax Benefit recipients
Written survey to Harrow Council's Residents Panel	616 responses (55%)
Dedicated consultation web pages	4086 hits on cover page 152 surveys completed on line
Consultation booklet and survey distributed widely with opportunity for comment through	346 forms returned 52 telephone responses 16 emails

Consultation Activity	Response rate
freepost/telephone/email and web	
Face to face activity includes Roadshows/'Go to' days/events/community group meetings/workshops and discussion groups	71 different types of face to face activity held – over 4000 people spoken to
Twitter	1658 followers
Facebook	250 followers and updates reach 350 users

8.12 Consultation Feedback

The feedback to the proposals for change was collected and shared with the Steering Group. The Steering Group discussed the feedback, impacts of the changes and proposed local Council Tax Schemes. The full reports from the Telephone Survey and Residents Panel Survey are attached at [Appendix B and C](#) respectively and a summary of the face to face activity and web/hard copy survey is attached at [Appendix D](#) in power point format.

8.13 A summary of the feedback is included below:

The groups of people that were identified through the consultation feedback as most likely to be highly impacted by the changes and the reasons why are as follows:

Groups identified as highly impacted by the changes	Reasons given why the groups are affected:
Household that includes somebody who has a disability/people with a disability	<ul style="list-style-type: none"> § Disproportionately affected by the Welfare Reform Act due to multiple impacts § More likely to be disadvantaged in being able to access jobs due to disability/employer prejudice/accessibility/access to work schemes
Lone parents	<ul style="list-style-type: none"> § May not have other support available/no other income to rely on § Costs associated with bringing up children § Limited employment opportunities
Large families	<ul style="list-style-type: none"> § Disproportionately affected by the Welfare Reform Act due to multiple impacts § Not necessarily under occupying, therefore cannot move to smaller/cheaper accommodation
Carers	<ul style="list-style-type: none"> § Save the Government thousands and earn nothing § Unlikely to be able to access full time work in order to better their outcomes § If the Second Adult Rebate is withdrawn they might have to pay 25% extra costs

8.14 The common themes that arose throughout the consultation in relation to the proposals for change were as follows:

8.15 **People didn't want the following to be taken forward:**

- Work incentives to be taken away in relation to support when people start work
- Disability Living Allowance to be included as income
- Capital threshold to be lowered below £16,000

8.15.1 **People had mixed views about the following proposals for change:**

- Limiting the amount of benefit somebody can receive dependant on the value of their house
- Extra benefit being given for people who increase the number of hours they work
- Expecting those who could work to pay more towards their Council Tax than those who can't work
- Using Child Benefit as income
- Ending Second Adult Rebate

8.15.2 **People agreed with the following proposals:**

- Increasing the contributions from other adults in the household
- Developing a Hardship Fund

Response: *The Council has listened to the outcome of the consultation and incorporated feedback into the development of the schemes.*

8.15.3 General comments from the consultation have been brought together and developed into themes and an overall summary of these themes are:

- § Savings should be made from elsewhere, either nationally by making savings from banks, corporate businesses paying their tax, and higher tax payers or locally, by finding the savings from other services

Response: *Unfortunately the Council is unable to influence the national picture. However in relation to the local picture and as stated earlier in this report, the Council has some difficult financial decisions to make to meet the reduction in funding in other areas. The Council has therefore made a decision to recover the shortfall in funding from the Council Tax Support Scheme rather than cut services further.*

8.15.4 Many people raised concern that in the current climate they are unable to access job opportunities and work programmes

Response: *The Council currently runs employment programmes under the Xcite brand. This includes construction training, a graduate*

placement scheme, a programme for people wishing to become self-employed as Market Traders and work clubs for all residents. Xcite has organised a number of Job Fairs with local employers providing opportunities for local recruitment. However funding for all but construction training is due to end in March 2013. Between April and September 2012 Xcite has supported 90 people back into work.

The Council work closely with Jobcentre Plus who also provide work programmes.

- 8.15.5 There were concerns raised regarding the health impacts for people affected by these changes i.e. stress due to low income

Response: *It has been recognised that there could be impacts on health as a result of these changes. The Council is working closely with NHS Harrow to minimise these impacts. A Health Impact Assessment has been developed and is attached to this report.*

- 8.15.6 Issues relating to the economy which included the high prices currently being charged in supermarkets and petrol stations v low incomes people are currently earning

Response: *As stated earlier in this report the Council is considering establishing a general "Welfare Assistance Scheme" to support residents suffering from financial hardship due to a variety of reasons including the wider impacts of Welfare Reform. This scheme will be funded from our un-ring fenced allocation of Social Fund grants, discretionary housing allowances and a sum specifically put aside for this purpose and will in effect provide an alternative to the s13A(1)(c) power for hardship purposes. The Scheme will provide support for those who are considered the most destitute in accordance with the policy and relevant criteria (the policy document coming to a future Cabinet for adoption).*

- 8.15.7 During the consultation activity many ideas were put forward to help the Council ensure the consultation was inclusive which the Council took on board where possible. There were also many positive comments relating to the consultation

Response: *These comments have been recorded and will be taken into account when conducting future consultation activities.*

- 8.15.8 **Issues regarding fraud were raised in relation to all services.**

Response: *The Council has a Corporate Anti-Fraud Team (CAFT) who are working to reduce/eliminate fraud throughout the Council.*

- 8.16 Formal feedback from the consultation was also received from the Greater London Authority, Harrow Association of Disabled People (HAD) and Harrow Mencap.

8.17 Greater London Authority

The full response from the Greater London Authority is attached at Appendix E. The response included the following points:

- § GLA complimented Harrow on the extensive consultation which it has undertaken;
- § Concern raised regarding awareness of working age claimants and therefore risk to collection rates;
- § Local Authorities are asked to consider, before finalising their local schemes, the challenges which they will face in collecting relatively small sums of money from claimants on low incomes;
- § Local Authorities are asked to consider how the technical reforms to Council Tax are taken advantage of to reduce the impact of the funding shortfall
- § Key priority for the scheme is to ensure that it does not disincentivise people in work or moving into work and therefore should consider whether proposals put forward in the consultation could potentially disincentivise working claimants.

8.17.1 **Response:** *The concern about collection rates is dealt with in the Risk Management Section of this report. The Council has considered the use of technical reform of Council Tax and this is dealt with earlier in this report and below.*

8.17.2 *The GLA, as part of the consultation, raised the issue of how Harrow intended to take advantage of the technical reforms to council tax set out in clauses 9 – 13 of the Local Government Finance Bill, now clauses 11 to 13 of the Local Government Finance Act 2012, which provides greater flexibility in relation to discounts, exemptions and premiums for second and empty homes.*

8.17.3 *In this respect Harrow has elected to abolish exemptions, introduce zero % discounts and to charge the maximum 150% on properties meeting the definition of long term empty and to charge Council Tax to mortgagees in possession as soon as secondary legislation so allows.*

8.17.4 *It is expected these changes will raise approximately £620k in additional Council Tax for Harrow. However the decision taken at Cabinet on the 22/11/2012 to effect the above, was taken based on the overall financial position of the Council and the need to raise additional revenue generally, not specifically to reduce the funding gap created by the abolition of Council Tax Benefit or because of the introduction of CTS with only 90% funding by Government. However investing this additional money in services generally will also support the vulnerable albeit in a different way.*

8.17.5 *We have continued to ensure work incentives exist within the scheme.*

8.18 Harrow Association of Disabled People (HAD)

The full response from HAD is attached at Appendix F. The response included the following points:

- § Concerns that disabled people will be disproportionately affected by having to pay more Council Tax because of the cumulative effect of other financial decisions such as changes to work related benefits (with higher likelihood that disabled people will be unable to work through both illness and many existing barriers faced by disabled people accessing work), having to contribute to care costs, loss of concessionary travel and potential loss of Disability Living Allowance (DLA) through the new PIP scheme
- § There would be mixed views from disabled people about whether Child Benefit should be included as income however most people recognise it is additional income and therefore reasonable to treat it as such
- § DLA is specifically provided to cover the extra costs of the disability and should not be treated as income
- § In significant number of cases the Council would be no better off as the financial re-assessment would simply be moving the person's financial responsibility between paying for care costs and Council Tax
- § HAD's view is that disabled people need to be protected from losing Council Tax Benefit

8.18.1 Response: *the views from HAD has been considered in the Council's EqIA and mitigating measures have been considered. As a result of the feedback all proposed Schemes do not include DLA as income and Scheme 1 also reduces the liability cap for people with disabilities who meet the criteria. Whilst the response regarding Child Benefit was mixed throughout the consultation activity adverse impacts were identified for families with children. Therefore the proposed schemes continue to disregard Child Benefit as income.*

8.20 Harrow Mencap

Harrow Mencap's feedback was based on day to day contact with people with learning disabilities, their families and their carers and a focus group held on 5th September attended by individuals with a learning disability, families and carers. The Consultation Team attended the focus group on the 5th September and the feedback from this meeting has been incorporated in to the feedback from all face to face activity. The full response is attached at [Appendix G](#) and is summarised as follows:

- § Concerns raised that disabled people require support because they are more likely to live in poverty than other citizens and are amongst the most disadvantaged groups in the UK.
- § Disabled people have unequal access to education and employment and higher costs through having to pay for support for disability

- § Millions of disabled people also rely on financial and other support from the state to help meet basic needs and the extra living costs associated with a health condition/impairment
- § Disabled peoples finances are likely to reduce further because of cumulative impacts i.e. changes to Disability Living Allowance and Employment Support Allowance
- § Cumulative impacts of all the changes of the Welfare Reforms.
- § The group gave their overall opinion to the questions asked in the consultation and felt strongly about the following:
 - DLA should not be included as income when assessing a claimants income for Council Tax Benefit;
 - Charges should not be made to other adults living in the household as it would disproportionately affect disabled people their families and carers as disabled adults are likely to be living in the family home for longer due to the lack of appropriate housing and care support;
 - People getting extra help when starting work to avoid discentivising people starting work
- § The group stated that disabled people would be disproportionately affected and stated that two further groups should be protected
 - Employment Support Allowance (main phase) claimants; and
 - Carers

8.21 **Response:** *The responses from Harrow Mencap have been considered in the Council's EqIA and mitigating measures considered. As a result of the feedback all proposed Schemes do not include DLA as income and Scheme 1 also reduces the liability cap for people with disabilities. The Council's schemes also considered non-dependant deductions but unfortunately these could not remain at current levels as expenditure had to stay within the grant limits.*

8.22 The impacts raised throughout the consultation have been brought together and incorporated into the Equality Impact Assessment and subsequently the development of the proposals for the new scheme.

9. Local Council Tax Support Scheme Proposals

9.1 There are many different Council Tax rules that can affect the amount of Council Tax Support a claimant receives. These rules form the basis of the Council Tax Support scheme. Below are the main rules, in their current form, that are being changed in the local Council Tax Support scheme:

9.1.1 **Council Tax Liability Cap** – within the current scheme people on the lowest incomes are able to receive Council Tax Benefit calculated using 100% of their Council Tax liability

9.1.2 **Taper** – If a person has more money coming in than the minimum the law says they need to live on, it would mean for every £1 over the

minimum, they would be expected to pay 20p towards their Council Tax.

- 9.1.3 **Non-dependant deductions** – A non-dependant is someone who is over 18, normally lives in the liable persons home, is not their partner, or liable for the Council Tax and doesn't pay rent. The Council Tax payer's benefit assessment will consider whether the non-dependant is working and if they are working their gross weekly income. A sliding scale of deduction is then introduced, which is currently between a minimum of nil and a maximum of £9.90.
- 9.1.4 **Income from Capital** – Includes cash, money in current accounts, savings and all other accounts held with a bank, Building Society or the Post Office, premium bonds, National Savings Certificates, stocks and shares, property and any other savings or investments. For persons of working age currently for every £250.00, or part of £250, a person has in capital over £6000.00; £1 per week is added to their income figure.
- 9.1.5 **Second Adult Rebate** - This is awarded to customers who are the only person liable to pay Council Tax whose income or capital is above the level at which they would qualify for support but have other adults living with them, all of whom are on a low income.
- 9.1.6 **Minimum weekly payment** - This is the minimum amount of weekly benefit that can be awarded which is currently 1p.
- 9.1.7 **Backdating** – Currently claims can be backdated by 6 months if good cause is shown.
- 9.1.8 **Self-employed income** – Currently income from self-employment is calculated using the business' actual income and expenditure.
- 9.1.9 **Underlying entitlement** – Overpayments are currently calculated using the amount of benefit that would have been awarded if the authority had known the true facts at the time of calculation.
- 9.1.10 **Diminishing capital** – This currently applies where a recoverable overpayment has been created because capital is not being declared. It reflects the fact that the claimant's capital may have been used if less Council Tax Benefit had been awarded in the first place.
- 9.1.11 The policy document that provides the local framework for the CTS is based on changes to the above rules and is attached at [Appendix H](#).

9.2 **Proposed Schemes**

Three proposed schemes have been developed and are included within this report. Scheme 1 and Scheme 2 have been shaped by feedback from the consultation and meet the required level of savings. Scheme 3 does not make the required savings, however, meets the Government's criteria to be able to access transitional support grant.

9.3 As stated in the consultation feedback section of this report, feedback from the consultation activity highlighted people with disabilities as the group that would be most impacted by the changes and following this group, lone parents, families with children and carers. These groups of people have been brought together under the following headings to show how the scheme has been shaped by listening to the feedback. Having taken into consideration the Armed Forces Covenant War Pensioners and War Widows have also been added.

Group A – is a household where the customer, a partner or a dependant child is physically or mentally disabled and receives one of the following:

- ☐ Disability Living Allowance (any component)
- ☐ Employment Support Allowance (Support group)
- ☐ Incapacity Benefit
- ☐ Mobility Supplement
- ☐ Severe Disablement Allowance

People who are registered blind or registered partially sighted, people who live in a property which has been granted a disabled band deduction or anyone who receives War Disablement Pension or War Widows Pension

Group B – Lone parents/families with children/carers* who do not fall into Group A

*Carers that do not fall into Group A however fall into Group B are people who receive Carers Allowance for caring for someone other than their resident partner or resident dependent child.

Group C – Anybody that doesn't fall into Group A or B

9.4 Tables 1, 2 and 3 give an overview of the three proposed schemes showing, expenditure and savings, changes within the scheme, benefits and impacts over the two year period – Year 1 2013/14 and Year 2 2014/15.

TABLE 1			
Model Scheme 1 (2013/2014) 2% Council Tax increase 3.7% caseload increase		Model Scheme 1 (2014/15) 2% Council Tax increase in 2013/14 2% Council Tax increase in 2014/15 3.7% caseload increase	
Available DCLG Grant	£17,500,000.00	Proposed DCLG Grant	£17,500,000.00
Total expected spend through scheme	£17,480,669.31	Total expected spend	£17,493,976.97

Projected expenditure (unmanaged)	£21,372,540.00	Projected expenditure	£22,590,774.00
Expected saving via localised scheme	£3,891,870.69	Potential saving	£5,096,797.03
Band	Expected spend - Council Tax Band	Band	Expected spend – Council Tax Band
A	£134,981.12	A	£136,247.55
B	£1,307,274.72	B	£1,328,496.36
C	£5,479,012.42	C	£5,455,459.32
D	£5,946,883.38	D	£5,923,026.35
E	£3,535,881.73	E	£3,559,062.72
F	£831,646.33	F	£840,018.34
G	£237,832.33	G	£244,331.53
H	£7,157.28	H	£7,334.80
<ul style="list-style-type: none"> § 90% liability cap for Group A § 77.5% liability cap for Groups B and C § Doubled existing non-dependant deductions § Minimum non-dependant deductions for non-dependants receiving passported benefits and/or contribution based employment and support allowance § 30% taper § £2 minimum weekly Council Tax Support § Removed Second Adult Rebate § Removed income from capital 		<ul style="list-style-type: none"> § 86% liability cap for Group A § 70% liability cap for Groups B and C § Doubled existing non-dependant deductions § Minimum non-dependant deductions for non-dependants receiving passported benefits and/or contribution based employment and support allowance § 30% taper § £2 minimum weekly Council Tax Support § Removed Second Adult Rebate § Removed income from capital 	
Benefits of the Scheme			
<ul style="list-style-type: none"> - Council Tax Support assessed on 90% (year 1) and 86% (year 2), of the Council Tax liability for Group A instead of 77.5% (year 1) and 70% (year 2) for Groups B and C - Needs allowances will continue to be built into the scheme to take into account disability, age and household composition - For people who are working, the scheme continues to include earning disregards based on circumstances and additional hours disregards, as well as the 4 week benefit in place for 			

people returning to work

- The scheme will no longer take into account any income earned from capital
- Child Benefit and Child Maintenance will not be taken into account when an assessment of income is undertaken
- Disability Living Allowance will not be taken into account when assessment of income is undertaken
- There will continue to be no non-dependant deductions if the claimant is receiving care component of Disability Living Allowance
- There will continue to be a minimum deduction of £3.30 if the non-dependant is receiving Employment Support Allowance (ESA) contribution based
- There will continue to be no non-dependant deduction for non-dependants who are full time students

Impacts of the Scheme

- These proposals will impact all 10,882 working age claimants, as they will be required to pay more, or something, towards their Council Tax Bill in the future.
- 66% of Council Tax Benefit claimants currently receive 100% Council Tax Benefit and are on the lowest income. For the first time all these claimants will have to pay at least 22% of the full Council Tax charge, or 10% for people with disabilities and in Group A, in the first year 2013/14 and 30% and 14% for people with disabilities who fall in Group A in the second year 2014/15.
- Non- dependants who are not receiving a passported benefit or Employment Support Allowance (ESA) contribution based will have to contribute double their current amount towards the Council Tax bill for the household. The new amount payable is dependant on income and will range between £6.60 and £19.80 (currently £3.30 to £9.90).
- Non- dependants who are receiving a passported benefit or ESA contribution based will be required to make a minimum payment of £3.30, currently nil for those receiving a passported benefit and £3.30 for those receiving ESA contribution based.
- People who have more income than the law states they need to live on will have their weekly Council Tax Support reduced by 30p in the £1 rather than 20p in the £1 as currently takes place.
- Introducing a cap on the minimum amount of benefit a person can receive to £2 a week
- Removing Second Adult Rebate will affect 0.7% of current Council Tax Benefit claimants.

TABLE 2

Model Scheme 2 (2013/2014) 2% Council Tax increase 3.7% caseload increase (year on year)		Model Scheme 2 (2014/15) 2% Council Tax increase in 2013/14 2% Council Tax increase in 2014/15 3.7% caseload increase	
Available DCLG Grant	£17,500,000.10	Proposed DCLG Grant	£17,500,000.00
Total expected spend through scheme	£17,462,079.30	Total expected spend	£17,454,911.65
Projected expenditure (unmanaged)	£21,372,540.00	Projected expenditure	£22,590,774.00
Expected saving via localised scheme	£3,910,460.70	Potential saving	£5,135,862.35
Band	Expected spend - Council Tax Band	Band	Expected spend – Council Tax Band
A	£134,141.60	A	£135,058.01
B	£1,292,064.77	B	£1,307,532.76
C	£5,467,792.06	C	£5,436,430.27
D	£5,953,170.92	D	£5,924,535.79
E	£3,540,993.15	E	£3,564,079.21
F	£828,245.64	F	£834,749.51
G	£238,450.19	G	£245,107.22
H	£7,220.97	H	£7,418.89
§ 79.5% liability cap for all claimants (Groups A, B and C)		§ 72.5% liability cap for all claimants (Groups A, B and C)	
§ Doubled non-dependant deductions		§ Doubled non-dependant deductions	
§ Minimum non-dependant deductions for non-dependants receiving passported benefits and/or contribution based employment and support allowance		§ Minimum non-dependant deductions for non-dependants receiving passported benefits and/or contribution based employment and support allowance	
§ 30% taper		§ 30% taper	
§ £2 minimum weekly Council Tax Support		§ £2 minimum weekly Council Tax Support	
§ Removed Second Adult Rebate		§ Removed Second Adult Rebate	
§ Removed income from capital		§ Removed income from capital	
Benefits of the Scheme			
In relation to the proposals for change that were taken to the consultation:			
- Needs allowances will continue to be built into the scheme to take into account disability, age			

and household composition

- For people who are working, the Scheme continues to include earning disregards based on circumstances and additional hours disregards, as well as the 4 week benefit in place for people returning to work
- The scheme will no longer take into account any income earned from capital
- Child Benefit and Child Maintenance will not be taken into account when an assessment of income is undertaken
- Disability Living Allowance will not be taken into account when assessment of income is undertaken
- There will continue to be no non-dependant deductions if the claimant receives care component of Disability Living Allowance
- There will continue to be a minimum deduction of £3.30 if the non-dependant is receiving Employment Support Allowance (ESA) contribution based
- There will continue to be no non-dependant deduction for non-dependants who are full time students

Impacts of the Scheme

- These proposals will impact all 10,882 working age claimants as they will be required to pay more or something towards their Council Tax Bill in the future.
- 66% of Council Tax Benefit claimants currently receive 100% Council Tax Benefit and are on the lowest income. For the first time all of these claimants will have to pay at least 20.5% of their full Council Tax charge in the first year 2013/14 and 27.5% in the second year 2014/15.
- Non-dependants who are not receiving a passported benefit or Employment Support Allowance (ESA) contribution based will have to contribute double their current amount towards the Council Tax bill for the household. The amount payable is dependant on income and will range between £6.60 and £19.80 (currently £3.30 to £9.90).
- Non- dependants who are receiving a passported benefit or ESA contribution based will be required to make a minimum payment of £3.30, currently nil for those receiving a passported benefit and £3.30 for those receiving ESA contribution based.
- People who have more income than the law states they need to live on will have their weekly Council Tax Support reduced by 30p in the £1 rather than 20p in the £1 as currently takes place.
- Introducing a cap on the minimum amount of benefit a person can receive to £2 a week
- Removing Second Adult Rebate will affect 0.7% of current Council Tax Benefit claimants.

TABLE 3			
Model Scheme 3 (2013/2014) 2% Council Tax increase in 2013/14 3.7% caseload increase (year on year)		Model Scheme 3 (2014/15) 2% Council Tax increase in 2013/14 2% Council Tax increase in 2014/15 3.7% caseload increase	
Available DCLG Grant	£17,500,000.00	Proposed DCLG Grant	£17,500,000.00
Total expected spend through scheme	£19,696,400.96	Total expected spend	£20,819,087.55
Amount in excess of proposed DCLG Grant (overspend)	£2,196,400.96	Amount in excess of proposed DCLG Grant (overspend)	£3,319,087.55
Band	Expected spend - Council Tax Band	Band	Expected spend – Council Tax Band
A	£145,736.78	A	£153,754.41
B	£1,395,950.27	B	£1,473,192.37
C	£6,178,208.51	C	£6,527,778.70
D	£6,816,914.63	D	£7,209,477.12
E	£3,976,123.54	E	£4,204,012.12
F	£919,740.37	F	£972,102.09
G	£255,672.45	G	£270,247.03
H	£8,054.43	H	£8,523.73
§ 91.5% liability cap for Groups A, B and C		§ 91.5% liability cap for Groups A, B and C	
§ Non-dependant deductions increased by 15%		§ Non-dependant deductions increased by 15%	
§ No non-dependant deductions for non-dependants receiving passported benefits		§ No non-dependant deductions for non-dependants receiving passported benefits	
§ 25% taper		§ 25% taper	
§ £2 minimum weekly Council Tax Support		§ £2 minimum weekly Council Tax Support	
§ Removed Second Adult Rebate		§ Removed Second Adult Rebate	
§ Removed income from capital		§ Removed income from capital	
Benefits of the Scheme			
In relation to the proposals for change that were taken to the consultation:			
- Needs allowances will continue to be built into the scheme to take into account disability, age and household composition			

- For people who are working, the Scheme continues to include earning disregards based on circumstances and additional hours disregards, as well as the 4 week benefit in place for people returning to work
- The scheme will no longer take into account any income earned from capital
- Child Benefit and Child Maintenance will not be taken into account when an assessment of income is undertaken
- Disability Living Allowance will not be taken into account when assessment of income is undertaken
- There will continue to be no non-dependant deductions if the non-dependant is receiving a passported benefit.
- There will continue to be a minimum deduction of £3.30 if the non-dependant is receiving Employment Support Allowance (ESA) contribution based.
- There will continue to be no non-dependant deductions if the claimant receives care component of Disability Living Allowance
- There will continue to be no non-dependant deduction for non-dependants who are full time students

Impacts of the Scheme

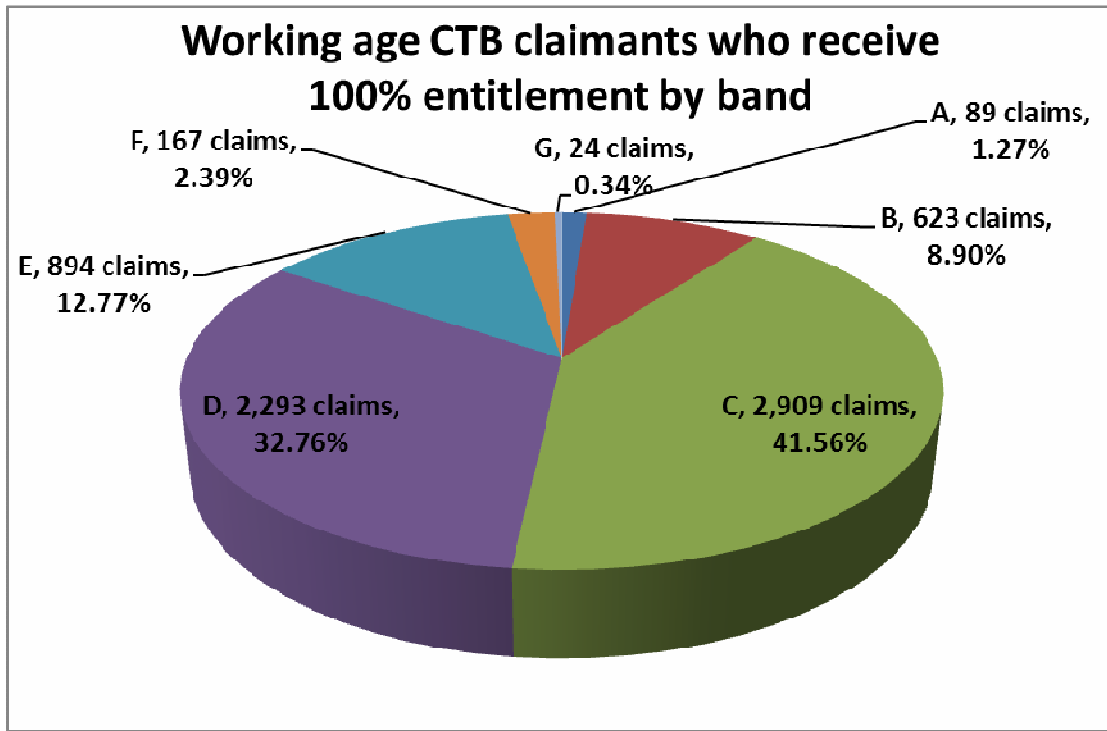
- These proposals will impact all 10,882 working age claimants as they will be required to pay more or something towards their Council Tax Bill in the future.
- 66% of Council Tax Benefit claimants currently receive 100% Council Tax Benefit and are on the lowest income. All of whom will have to pay at least 8.5% of their full Council Tax charge in the first year 2013/14 and 8.5% in the second year 2014/15.
- Non- dependants who are not receiving a passported benefit or Employment Support Allowance (ESA) contribution based will have to contribute 15% more towards the Council Tax bill for the household.
- People who have more income than the law states they need to live on will have their weekly Council Tax Support reduced by 25p in the £1 rather than 20p in the £1 as currently takes place.
- Introducing a cap on the minimum amount of benefit a person can receive to £2 a week
- Removing Second Adult Rebate will affect 0.7% of current Council Tax Benefit claimants.

9.5 Recommended Scheme

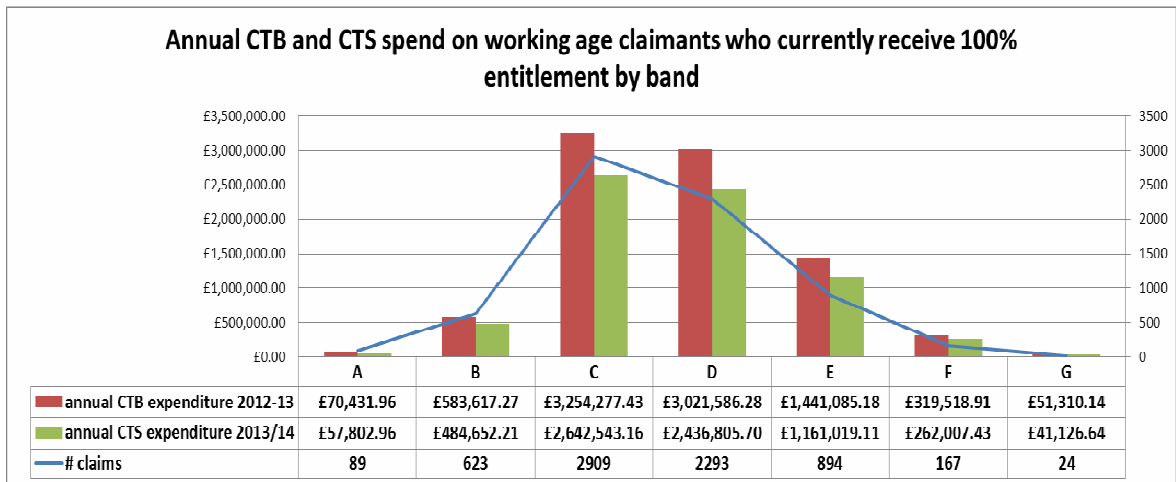
Officers are recommending that Members agree to Scheme 1 being implemented as the Council Tax Support Scheme for Harrow. This scheme reflects the outcome of the consultation to the greatest extent and can be implemented within the resources made available by the Government for Council Tax Support.

- 9.6 The majority of respondents to the consultation highlighted people with disabilities as the most impacted by the changes. Within this scheme, this group (Group A who meet the criteria) will have a lower increase than all other groups. This scheme also continues to disregard DLA (and in future Personal Independent payments PIPs) and retains disability premiums, therefore offers further support to people with disabilities who fall within the required category.
- 9.7 This scheme also provides support to other groups identified as highly impacted by the changes i.e. lone parents, large families and carers, by continuing to disregard Child Benefit and Child Maintenance when assessing for income. For example the scheme continues to include higher needs allowances for families with children and people receiving carers allowance.
- 9.8 The recommended scheme, whilst not supporting all carers, will however ensure that all those carers who fall into Category A by virtue of being the carer of a partner or dependent child who lives with them and for whom they receive Carers Allowance will benefit from the lower liability cap in this scheme.
- 9.9 Specific impacts of the recommended scheme

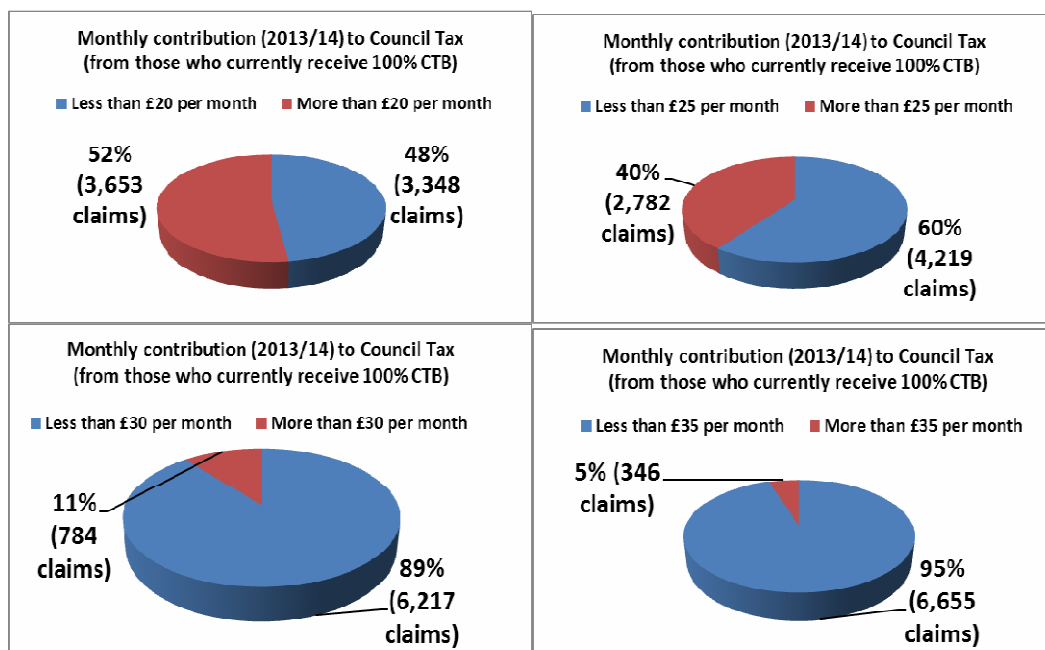
It is worth mentioning that on current working age claimants who are receiving 100% Council Tax Benefit in the financial year 2012/13 will be impacted by an average of £5.03 per week or £21.79 per month financially. The following illustrations detail the numbers of working age claimants and the approximate financial amount they will be affected by with effect from 1st April, 2013.



9.10 The diagram below shows the total number of claimants per Council Tax band and the expenditure that is expected in 2013/14 per band.



9.11 The following diagrams apportion the claimants within range of losses therefore illustrating the monetary impact on households.



10. Legal Implications

Section 33 of the Welfare Reform Act 2012 abolishes Council Tax Benefit and any replacement scheme is excluded from the scope of the Universal Credit system set up by Section 1 of that Act. The Local Government Finance Act 2012 (“the 2012 Act”) amends the Local Government Finance Act 1992 (“the 1992 Act”) to make provision for the localisation of Council Tax Support.

10.1 Council Tax Reduction Scheme

The 2012 Act amends the 1992 Act by adding a new section 13A to state that Council Tax will be reduced to the extent set out in an authority’s Council Tax reduction scheme and to such further extent as the authority sees fit (new s13A(1)(c) replicating the existing provision for authorities to adopt specified additional classes). Local authorities must make a Council Tax Reduction scheme setting out the reductions which are to apply in its area by persons or persons in classes consisting of persons whom the authority considers to be in financial need. The scheme must be agreed no later than 31 January 2013, to take effect for the financial year commencing 1 April 2013. The 2012 Act amends the 1992 Act to make approval of the scheme a function of full Council. Failure to adopt a scheme by 31 January 2013 will result in the default scheme taking effect.

- 10.2 Schedule 4 of the 2012 Act adds a new Schedule 1 to the 1992 Act providing requirements for the scheme. This includes the following requirements:
- The scheme must state the classes of person who are entitled to a reduction, by reference to income or capital of the liable person or other household members, the number of non dependants and whether the person has made an application;
 - The scheme must set out the reductions to the classes of person and different reductions can apply to different classes;
 - The reduction can be a percentage discount, set discounted amount, set maximum Council Tax liability or whole amount of Council Tax (thereby reducing liability to nil).
 - The scheme must specify the application procedure, including an appeal procedure and application procedure to apply for any reduction under s.13A(1)(c).
 - The scheme must include any prescribed requirements set out in regulations
- 10.3 Draft prescribed requirements regulations have been published. The regulations require that pensioners as a class of person must be included in the scheme and prescribed persons who must be excluded, including those subject to immigration control. The regulations prescribe the eligibility, income and capital eligibility calculations, reductions and extended reductions for pensioners. In relation to all applicants, it sets out procedural requirements for an application and appeal, extended reductions for movers into an authority's area, requirements for information and evidence, amendment and withdrawal of applications and duty to notify change of circumstances.
- 10.4 In preparing the scheme, the Council was obligated to follow a statutory process set out in the 2012 Act. This required the authority to consult any major precepting authority, publish a draft scheme and consult such persons as it considers are likely to have an interest in the operation of the scheme. The Act confirms that compliance with any of these steps prior to enactment is acceptable. Any subsequent revisions or replacement schemes must go through similar consultation and publication requirements.
- 10.5 **Public law considerations**
- On 21 May 2012, DCLG published a guidance note setting out the key local authority duties affecting vulnerable people in relation to the decision to localise council tax support. This covered the public sector equality duty, which is set out elsewhere within this report, duty to mitigate the effects of child poverty, the armed forces covenant and the duty to prevent homelessness
- 10.6 The Child Poverty Act 2010 requires local authorities and other public bodies to co-operate, understand needs and develop and deliver a strategy for their local area. The joint strategic needs assessment 2011 identifies health needs for the community and covered

information on child poverty. The strategy is covered in the Harrow Children and Young People's Commissioning Plan 2011-2014 and the joint strategic needs assessment 2009-2013.

- 10.7 The Armed Forces Covenant seeks to redress the disadvantages that the armed forces community face in comparison with other citizens. Historically the Council Tax Benefit regulations required local authorities to disregard the first £10 per week of war pension and armed forces compensation scheme payments, when calculating income. In the local CTS scheme this will continue for pensioners but for other working age recipients of Armed Forces War Pensions, the full amount of the pension will be disregarded therefore benefitting this group of claimants. Should further legislation be issued allowing full disregard of the income for claimants of pensionable age, then it is Harrows intention to review the scheme at the earliest opportunity to also disregard this income for pensioners.
- 10.8 The Housing Act 1995 requires authorities to formulate homelessness strategies and to seek to prevent homelessness and secure sufficient accommodation and support in their areas. It is advisable to have good publicity to ensure that those in financial hardship are aware of the council tax reductions they are entitled to and encouraged to apply for these, so as to prevent homelessness due to non-payment of rent. The Council's housing department provide advice and assistance to those threatened with homelessness.
- 10.9 When making policy decisions, the Council must take into account of all relevant material, including financial resources, consultation responses and potential equality impacts in order to reach a decision. This report presents a number of options and the financial implications of these and makes a recommendation. However, this does not preclude Cabinet from recommending that another option is the most appropriate way forward.
- 10.10 There is a statutory duty to consult on the Council Tax support scheme. A summary of the details of the consultation responses are set out in the report and attached as an appendix. Case law has confirmed that when determining whether to change policy, the Council must be receptive to reasonable arguments against the proposals, however this does not simply involve a head count of those for and against the proposals. In the case of withdrawal of benefits, it will not be surprising if a number of respondents are against the proposal. The Council must take these views into account and must balance this with other relevant information to decide whether to recommend an option.

11. **Financial Implications**

- 11.1 This is a report of the Corporate Director of Resources and deals with financial matters throughout.

- 11.2 However it must be reiterated that considering the current budget position it is not a viable option for Harrow to fund the gap either in full or in part. The Government did not only cut funding for this benefit by 10% but it passed the risk of future caseload increases to billing authorities as well as any increase to the benefit due to future council tax increases; the unringed fenced grant, which replaced the council tax benefit subsidy, only being uprated by the same percentage as formula grant increases in future, not in line with council tax increases. Introducing the recommended scheme set out in the report removes risk from future expenditure as CTS costs will be capped by the local scheme.
- 11.3 Harrow has had to lower its tax base rate by 1% which in effect reduces the tax take from council tax. This was a direct consequence of the introduction of the local council tax support scheme as bad debt provisions of £1m were estimated to be additionally required due to expected non payment from the working age claimants. This amount assumes a 30% non-collection rate on the £3.8m being passported to claimants and close monitoring of this position will take place to ensure the correct provisions are made and to ensure an early review takes place should the estimate be incorrect.

12. **Performance Issues**

- 12.1 There may be in year collection performance issues as initial resistance to the changes manifests itself. To mitigate this, a 70% collection rate has been incorporated into the tax base with regards to the additional monies to be collected from working age claimants, rather than the 98.5% used for the rest of the Council Tax. This could be a risk to the budget if we collect less than the expected collection rate, as it could result in a deficit in the Council Tax collection fund which will be a first call on future budgets.
- 12.2 The levying of additional amounts of Council Tax on the borough's most financially deprived residents may also encourage behaviours that may result in additional contact with the Council, therefore creating additional pressures in both the Council Tax office and in Access Harrow. To a certain extent, this is being mitigated by the allocation of extra budget to the Council Tax service to ensure adequate increased staffing is present to deal with the additional contacts. Claimants may also seek to find ways of avoiding payment of any additional charge. As such, additional recovery action may need to be undertaken to ensure monies are actually paid where due. However the Council is also developing a collection and debt strategy, which will incorporate a vulnerability check, to ensure those in genuine financial difficulties who "cannot pay" can be dealt with in a different way to the "won't pay"; although we have to accept this will be a costlier way of dealing with Council Tax debtors if in effect the council has bespoke processes outside the efficient and automated procedures that currently exist.

13. Environmental Impact

13.1 There are no direct environmental impacts.

14. Risk Management Implications

14.1 Collecting monies from claimants, who have previously received 100% support, will be difficult which may pose a risk to Council Tax collection. Harrow has factored in a 70% collection rate for the £3.9m being passported to these claimants which leaves 30% or approximately £1m as a contingency for bad debt. It is hoped, that increasing the bad debt estimates on this specific amount to 30% instead of having a flat bad debt provision built into collection of 1.5%, (as Harrow has for the rest of the Council Tax income), that this will minimise the risk to both Harrow and GLA budgets.

14.2 There is also a wider corporate risk that robust enforcement of Council Tax may conflict with the wider corporate collection priorities if Departments compete in an unco-ordinated way to collect money from residents. Considering the size of Harrow's housing stock and the implications for the HRA account, we will need to ensure that intelligent collection of monies occurs, that Departments share information and that debts are prioritised as per our overarching Debt Recovery Strategy. This will mean that our processes for collection of income going forward will need to change to cater for the new pressures on our residents.

14.3 With regards to Adult Social Care Contribution collection it will also be necessary for processes to be co-ordinated and for the relevant Departments to share vulnerability information in order that appropriate collection processes are deployed, therefore minimizing distress and risk.

14.4 We are also mindful of the wider Welfare Reform impacts that may be affecting our claimants and reducing their household income. This may affect social cohesion, widen the gap between the poor and the rich and cause potential friction within the community. The Welfare Reform Project Group aims to mitigate some of the impacts through several workstreams specifically set up to look at different areas i.e. debt management, child poverty and housing affordability and options etc.

14.5 There is also a risk that should be economy worsen and greater number of claimants apply for support beyond the 3.7% factored into the expenditure growth, that we will overspend on council tax support and risk a deficit within the collection fund. This could also be true if pensioner numbers claiming also increase considering that this category of claimant is below the national average in Harrow, as alluded to earlier in this report.

15. Equalities implications

- 15.1 A full detailed EqIA has been carried out in relation to the changes to Council Tax Benefit. The EqIA was opened in February 2012 and has been updated on a monthly basis at meetings of a multi-agency Sub Group.
- 15.2 When making this decision, Cabinet should have due regard to the Public Sector Equality Duty. The Council completed an equality impact assessment and a summary of results is shown below.
- 15.3 Section 149 of the Equalities Act 2010 created the Public Sector Equality Duty. Section 149 states:-
- (1) A public authority must, in the exercise of its functions, have due regard to the need to:
 - (a) eliminate discrimination, harassment, victimisation and any other conduct that is prohibited by or under this Act;
 - (b) advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not share it;
 - (c) foster good relations between persons who share a relevant protected characteristic and persons who do not share it.
- 15.4 When making policy decisions, the Council must take account of the equality duty and in particular any potential impact on protected groups.
- 15.5 The Steering Group was key to the compilation of the EqIA. A sub group of the Steering Group was created to specifically look at impacts and the group met on regular throughout the consultation in order to update and evolve the outcomes as they became known. The impacts were analysed and discussed with the full Steering Group and the EqIA mitigations action plan was updated to take into account the known impacts when developing the scheme.
- 15.6 The EqIA is attached at Appendix I and the results of the impacts on the protected characteristics are summarised in table 4 below:

Table 4	
Protected Characteristic	Impacted group
Age	<ul style="list-style-type: none"> § All working age claimants will be required to contribute towards their Council Tax Bill § 7,001 working age claimants currently receive 100% Council Tax Benefit – all will be required to contribute towards their Council Tax Bill § Working age large families will be adversely impacted due to the cumulative impact of Welfare Reforms

	<ul style="list-style-type: none"> § Working age lone parents will be adversely impacted as they have a limited ability to be able to access work and they also could have a lack of support. § Children could be adversely impacted due to increased poverty levels § Young people leaving care who are moving into their own accommodation § Non-dependants would be expected to contribute more towards the households Council Tax bill
Disability	<ul style="list-style-type: none"> § People with disabilities due to cumulative impacts of Welfare Reforms and difficulties in accessing employment § Carers because likely to have extra outgoings and less likely to be able to access full time employment
Race	<ul style="list-style-type: none"> § Large families may be of ethnic origin and therefore may be affected by the changes
Gender	<ul style="list-style-type: none"> § Lone parents are more likely to be women and for those claiming Council Tax Benefit 96% are female lone parents.
<p>No specific adverse affect has been identified for the following groups:</p> <ul style="list-style-type: none"> § Pregnancy and maternity § Gender reassignment § Religion or belief § Sexual orientation 	

15.7 Table 5 describes the cumulative impacts of the changes

Table 5	
Cumulative Impact	People affected
Removal of £15 excess payment to tenants who rented a property below the LHA rate	Potentially could affect anybody renting and receiving Council Tax Support – approximately 9% of Council Tax Benefit claimants were affected by this change
Increase in the deduction for non-dependants	This change has already taken place and affects 17.2% of Council Tax Benefit claimants who have one or more non-dependants living in a household
Under 35s restriction to a room in a shared house	Affects people in self contained accommodation – 1.5% of Council Tax Benefit claimants affected
Capping the Local Authority Housing Allowance to the rate of a 4 bed house	Solely affect larger families with 3 or more children – 6% of Council Tax Benefit claimants
Overall benefit cap	Greatest affect on families with 3 or more children – 6% of Council Tax Benefit claimants
Introduction of the Contributions Policy	People of working age receiving care services through Community Health and Wellbeing – approximately 1.5% of Adult Social Care

	<p>users receiving CTB and making a contribution towards their care. These changes could affect access to care if care users are unable to make a contribution because of lack of money</p>
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15.8 As a result of the outcomes of the EqIA the recommended scheme includes a lower liability cap and continues to disregard DLA for people with disabilities who meet the required criteria. Those carers who fall into Group A by virtue of being the carer of a partner or dependent child who lives with them and for whom they receive Carers Allowance will also benefit from the lower liability cap in this scheme. There will continue to be additional needs allowances for people with disabilities and carers.

15.9 Large families and lone parents were also highlighted as impacted by the changes and therefore the scheme will continue to disregard Child Benefit when assessing income. In addition there will continue to be additional needs allowances for families with children.

16. Mitigations

16.1 Throughout this report mitigating actions and strategies are mentioned in relation to the impacts of the changes.

17 Corporate Priorities

17.1 The report addresses the Council's corporate priorities as the change in policy will ensure we are managing the funding gap created by the changes in legislation. Although it can be argued that we are cutting monetary awards from our most financially deprived residents, the reality is that should Harrow not introduce a localised scheme that restricts expenditure, then the outcome would be a further cut in council income which would need to be found by cutting other services.

17.2 By ensuring we manage the funding gap we will not indirectly cause further funding reductions to other key services where further cuts in service would create more unpalatable and potentially noncompliant outcomes with legal and financial implications.

17.3 The local scheme still supports and protects people who are most in need and as such reflects the aims of our corporate priorities.

Section 3 - Statutory Officer Clearance

Name: Julie Alderson Chief Financial Officer

Date: 30 November 2012

Name: Sarah Wilson on behalf of the
Monitoring Officer

Date: 29 November 2012

Section 4 – Performance Officer Clearance

Name: Liz Defries on behalf of the
Divisional Director
Strategic
Commissioning

Date: 15 November 2012

Section 5 – Environmental Impact Officer Clearance

Name: John Edwards Divisional Director
(Environmental
Services)

Date: 15 November 2012

Section 6 - Contact Details and Background Papers

Contact:

Fern Silverio (Divisional Director – Collections & Housing Benefits),
Tel: 020-8736-6818 / email: fern.silverio@harrow.gov.uk

Background Papers:

Local Government Finance Act 2012
<http://www.legislation.gov.uk/ukpga/2012/17/enacted>

Council Tax Reduction Schemes (Prescribed Requirements) Regulations
2012 http://www.legislation.gov.uk/uksi/2012/2885/pdfs/uksi_20122885_en.pdf

Localising support for Council Tax: A statement of intent:
https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/6091/2146581.pdf

Call-In Waived by the Chairman of Overview and Scrutiny Committee	NOT APPLICABLE <i>[Call-in does not apply as the decision is reserved to Council]</i>
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have your say

**council tax
benefit
is changing**



Council Tax Benefit is changing: have your say



I, as the portfolio holder for finance, am committed to providing support to our most vulnerable residents and to involve all of the Harrow community in decision making.

The Government is planning to hand over the running of Council Tax Benefit to local councils and has cut the money we will receive for it. This means we will need to save £3.5 million in the first year alone. In the future it is very likely that everyone on Council Tax Benefit will have to pay something towards their Council Tax bill, apart from pensioners as there will be no change to the amount they currently receive.

I would like to stress that existing Council Tax discounts and exemptions such as the 25% single person's discount and those who are severely mentally impaired and live on their own have not changed, and therefore are not part of the consultation.

When setting the rules for Harrow, I'm committed to ensuring we lessen the impact on the most vulnerable residents and I need your help to do this. Please have a good read of this booklet, it will provide you with all the information you need about the current situation and our proposed ideas as well as details of how you can get involved.

During this consultation we will be talking to residents and working with the voluntary sector to identify the most vulnerable people and understand the impact these changes will have.

No decisions have been made about the new scheme and your views and ideas will be a major part of any we make. This is a real opportunity for you to shape the decisions made by the council. I urge you to complete the accompanying questionnaire, tell us your views and send it back to us via Freepost.

If you've got any questions or queries or would like an easy read version of this document visit www.harrow.gov.uk/ctbconsultation, call 020 8416 8266 or email ctbconsultation@harrow.gov.uk.

Cllr Sachin Shah
Portfolio Holder for Finance

Why are we consulting?

The Government is planning to abolish Council Tax Benefit and has asked councils across the country to develop their own schemes to replace it.

However, when the Government hands over the funding for the scheme, it will be reduced, meaning we will have to save approximately £3.5 million to be able to fund the new scheme next year and approximately £4.8 million for the following year. Further savings will be required over the next few years to fund the scheme.

These are already challenging times for local government finance. Despite this we are committed to ensuring all our residents have the opportunity to have their say on changes to services. Therefore, we will consult with you from Monday, 11 June to Friday, 21 September 2012 to get your views on what the new Council Tax Support scheme should look like.

What is Council Tax?

Council Tax is a local tax set by the Council based on the valuation band of your property. Your home is placed in one of eight valuation bands based on its value at 1st April 1991. The Council is responsible for collecting Council Tax and this money funds about 20% of local public services, including refuse collection, social services, environmental health and education. Some of the money collected is passed to the Greater London Authority to help fund police, fire and public transport services.

Existing Council Tax discounts and exemptions, such as the 25% single person's discount and the exemption for people who are severely mentally impaired and live on their own have not changed and are not part of this consultation. A full list of Council Tax Discounts and Exemptions is available on the website at www.harrow.gov.uk/ctbconsultation or by telephoning 020 8416 8266.



What is Council Tax Benefit?

Some people receive Council Tax Benefit; it helps those people on a low or no income to pay their Council Tax. At present the Government gives the Council all of the money we need to fund Council Tax Benefit.

The Government sets the rules regarding who can claim Council Tax Benefit. If somebody meets the criteria they will receive a contribution towards their Council Tax bill. This contribution is paid directly into their Council Tax account – no money is paid directly to the resident.

In Harrow last year (2011-2012) £19.82 million was spent on Council Tax Benefit. Over the past five years, Council Tax Benefits have risen each year because more people are claiming.

What are the changes to Council Tax Benefit?

Under planned welfare reform, from next April, Council Tax Benefit will be abolished and instead all Councils must develop a Council Tax Support scheme. The Government will be giving us less money to provide this new scheme. The requirements for the scheme are set out in the Local Government Finance Bill, which is currently going through the Parliamentary process. If this planned legislation is passed, the Council will be expected to have a scheme in place by 31st January 2013.

The Government has outlined the changes the new scheme should include:

- **There will be no change to the amount of help pensioners currently receive.** People who have reached the age for state pension credit will be assessed under a national scheme which will be decided by the Government. The national scheme is likely to be very similar to the current one.
- The impact on the most vulnerable should be considered when councils design their new schemes.
- The new scheme should encourage people to work and in particular should not act as a disincentive to working.

The new scheme will be designed to meet the needs of the local area and Local Authorities are allowed to decide the rules for their own Council Tax Support scheme. As a result there could be a risk that boroughs have very different schemes in place and so people could have varying experiences depending on where they live. We are working closely with our neighbouring councils to try and ensure, where possible, we have similar rules.

We want your views

Due to the tight timescales and the Council's commitment to a full and detailed consultation process, we are consulting before the legislation has been passed. We are seeking your views based on the current draft legislation, however there may be some changes, including a change to the start date of the scheme. If the legislation changes we will keep you informed and will still take account of your views on any future schemes.

Approximately £3.5 million savings need to be made for the year from April 2013 to March 2014 in order to run the new Council Tax Support scheme. Due to the level of savings we need to make it is likely that everybody under pension age who currently receives Council Tax Benefit will have to pay something towards their Council Tax bill.

Further savings will need to be made in the next few years and therefore we will be using your feedback to shape what the Council Tax Support scheme is going to look like for the next two years. This will mean that the scheme we put in place will have the flexibility to alter the amount of benefit awarded for the following year 1st April 2014 to 31st March 2015. This will ensure the gap in funding is managed for two years starting from 1st April, 2013.

If we wish to make changes in the third year of the scheme starting 1st April, 2015 we will carry out a consultation to ensure your feedback helps us to shape any changes to the scheme.

It is anticipated that everybody who receives Council Tax Benefit, except pensioners, will be affected by the changes because they will have to pay something towards their Council Tax. However, some may be affected more than others. The groups listed below have been identified by the Council as likely to be affected:

- Families with children
- Lone parents
- Carers
- Full-time and part-time workers
- People with a disability
- Single people and childless couples

We are committed to ensuring we provide support to our most vulnerable residents and want to ask your views on which groups you feel will be affected more than others, if everyone currently on benefit has to pay something towards their Council Tax. We will then take this information and use it to create a scheme which helps to reduce the effect on those groups who are identified as being most affected by the changes.

Helping you to understand what effect the changes might have

There are many different Council Tax Benefit rules that can effect the amount of support a person may receive and the majority of them affect different groups of people.

We have described below the main rules that could be changed, either on their own or in combination, to make the savings of approximately £3.5 million in the first year of the scheme and further savings in future years.

1. Introducing a maximum limit to the amount of Council Tax Benefit that can be paid

Currently we are able to give people on the lowest incomes help to pay all of their Council Tax. This could change so that people can only get help to pay part of their Council Tax, no matter what their circumstances are. This rule could be applied across all benefit claimants which would mean everybody would have to pay at least 10%-35% of their Council Tax bill. This rule could make the required savings of £3.5 million if used on its own in the first year and £4.8 million in the second year.

2. Changing the rate at which Council Tax Benefit is withdrawn where a person has more income than the law says they need to live on

At present someone can receive help to pay for all of their Council Tax. The

amount they get will depend on how much money they have coming in. If they have more money coming in than the minimum the law says they need to live on it would mean for every extra £1, they are expected to pay 20p per week towards their Council Tax.

This could change so people will pay more than 20p for every extra £1 they have in income. This rule could make savings of £260,000 and therefore would have to be used alongside other rules in a new scheme.

3. Removing extra benefit for people who work longer hours

Sometimes when a person is working and getting help to pay their Council Tax we are able to ignore some of their earnings and therefore give them more Council Tax Benefit if they meet certain criteria. This is usually for people who work full-time, or work part-time and have a disability or are a single parent.

We could stop giving this extra help to make some savings. This rule could make savings of £365,000 and therefore would have to be used alongside other rules in a new scheme.

4. Including Child Benefit as an income

Currently Child Benefit is payable for each child in a household regardless of the parents/carers income. In the present scheme Child Benefit is not taken into account as income.

This could change so that Child Benefit is included in the assessment of Council Tax Support. This rule could make savings of £800,000 and therefore would have to be used alongside other rules in a new scheme.

5. Increasing contributions from other adult members of the household

Council Tax Benefit is assessed on the needs of the claimant, partner and dependant children. Other adults within the household are expected to contribute towards the Council Tax Bill depending on their income. This could change so that these adults contribute more towards the Council Tax bill. This rule could make savings of £250,000 and therefore would have to be used alongside other rules in a new scheme.

6. Changing the amount of savings a person can have before benefits are given

In the current scheme, a person is not entitled to Council Tax Benefit when their savings are more than £16,000. Any savings their partner may have are also taken into account.

This might change so that the savings limit is less than £16,000. This rule could make savings of £165,000 and therefore would have to be used alongside other rules in a new scheme.

7. Capping the Council Tax Support to a Band D or E property

In the current scheme, a person could get 100% Council Tax Benefit no matter how large their house is.

This could change so that a person's Council Tax Benefit is limited to the level that would be given for a smaller house. This rule could make savings of £665,000 and therefore would have to be used alongside other rules in a new scheme.

8. Removing Second Adult Rebate

At the moment if you can afford to pay your Council Tax but live with someone on a low income you may be able to receive help with your Council Tax.

This might change so that we no longer offer this discount. This rule could make savings of £28,000 and therefore would have to be used alongside other rules in a new scheme.

Based on the above rules, we have developed some model schemes to help you to understand the impact different combinations of the rules could have on different groups of people. All 4 models achieve the £3.5 million savings.

Model scheme 1: The following rule is used in this model:

- Introduce a maximum limit of 75% to the amount of Council Tax Support a person could get. (rule 1 above)

Model scheme 2: The following rules are used in this model:

- Introduce a maximum limit of 80% to the amount of Council Tax Support a person could get. (rule 1 above)
- Increasing the amount to 25p in every £1 at which Council Tax Benefit is withdrawn where a person has more income than the law says they need to live on (rule 2 above)
- Remove extra benefit for people who work longer hours. (rule 3 above)
- Change the savings limit to £6,000. This means that anyone with savings of more than £6,000 will not be eligible for Council Tax Support. (rule 6 above)

Model scheme 3: The following rules are used in this model:

- Introduce a maximum limit of 75% to the amount of Council Tax Support a person could get. (rule 1 above)
- Increase by 50% the contributions from other adult members of the household. (rule 5 above)
- Change the savings limit to £10,000. This means that anyone with savings of more than £10,000 will not be eligible for Council Tax Support. (rule 6 above)
- Allowing those who work to keep £10 a week more of what they earn.

Model scheme 4: The following rules are used in this model:

- Introduce a maximum limit of 80% to the amount of Council Tax Support a person could get. (rule 1 above)
- Include child benefit as an income (rule 4 above)

You will find more detailed information about the rules, models and the draft scheme on the website at www.harrow.gov.uk/ctbconsultation or by calling 020 8416 8266.

We have also developed a series of scenarios to help you understand what effect the changes might have on the different groups of people using these models. It is worth noting that when groups are highlighted as being more in need than others this in turn will have an effect on the remaining groups as they will have to pay more to cover the savings. We want your help to shape our scheme and therefore may change the models we have discussed in this booklet as a result of your feedback.

These scenarios are based on real life situations. Some of these people may be affected by other changes to welfare benefits. There is more information available on the web at www.harrow.gov.uk/ctbconsultation

SCENARIO 1

Mr and Mrs V do not have any children and Mr V is disabled.

They have an income of £276.86 per week including Disability Living Allowance. Mrs V works 21 hours per week.

Mr and Mrs V live in a council house and whilst Housing Benefit pays most of the rent they have to find £3 per week towards it.

Their weekly Council Tax charge is £25.46 and they currently receive £24.56 Council Tax Benefit which means they have to pay £0.90 per week which equals **£3.91 per month**.

What the changes could mean for Mr and Mrs V using Model 1

If Mr and Mrs V's circumstances remained the same they would receive £19.57 Council Tax Benefit every week meaning they have to pay

£28.34 per month

What the changes could mean for Mr and Mrs V using Model 2

If their circumstances remained the same Mr and Mrs V could receive £20.87 Council Tax Benefit every week meaning they have to pay

£22.68 per month

What the changes could mean for Mr and Mrs V using Model 3

If Mr and Mrs V's circumstances remained the same they would receive £19.57 Council Tax Benefit every week meaning they have to pay

£28.34 per month

What the changes could mean for Mr and Mrs V using Model 4

If Mr and Mrs V's circumstances remained the same they would receive £20.87 Council Tax Benefit every week meaning they have to pay

£22.68 per month



SCENARIO 2

Ms W is a lone parent with two children under 10.

Ms W is self-employed and receives Working Tax Credit and Child Tax Credit. Her weekly income is £307.61.

Ms W lives in a 2 bedroom flat and whilst Housing Benefit pays most of the rent she has to find £20 per week towards it.

The weekly Council Tax charge is £25.46 and she currently receives £20.54 Council Tax Benefit which means she has to pay £4.92 per week which equals **£21.38 per month.**

What the changes could mean for Ms W using Model 1

If Ms W's circumstances remained the same she would receive £16.27 Council Tax Benefit every week meaning she has to pay

£42.68 per month

What the changes could mean for Ms W using Model 2

If Ms W's circumstances remained the same she would receive £14.12 Council Tax Benefit every week meaning she has to pay

£52.04 per month

What the changes could mean for Ms W using Model 3

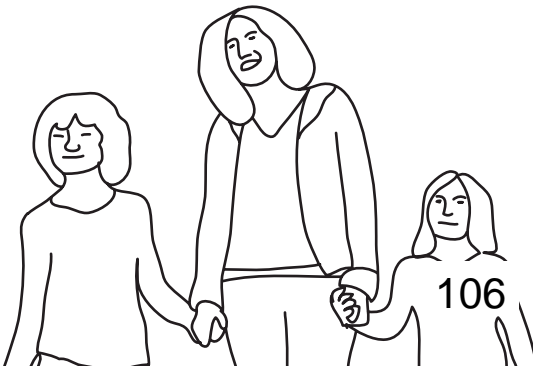
If Ms W's circumstances remained the same she would receive £14.62 Council Tax Benefit every week meaning she has to pay

£49.85 per month

What the changes could mean for Ms W using Model 4

If Ms W's circumstances remained the same she would receive £11.49 Council Tax Benefit every week meaning she has to pay

£63.46 per month



SCENARIO 3

Mr and Mrs S have four children aged under the age of 12.

Mr and Mrs S are both disabled and thus have not been able to work for many years. The family have been living on Income Support.

The couple rent a 3 bedroom house and whilst they receive Housing Benefit they have to pay £5.77 per week towards their rent.

Their weekly Council Tax charge is £35.00 and they currently receive £35.00 Council Tax Benefit which means they will not have to pay any Council Tax.

What the changes could mean for Mr and Mrs S using Model 1

If Mr and Mrs S's circumstances remained the same they would receive £26.91 Council Tax Benefit every week meaning they have to pay

£38.97 per month

What the changes could mean for Mr and Mrs S using Model 2

If Mr and Mrs S's circumstances remained the same they would receive £28.70 Council Tax Benefit every week meaning they have to pay

£31.18 per month

What the changes could mean for Mr and Mrs S using Model 3

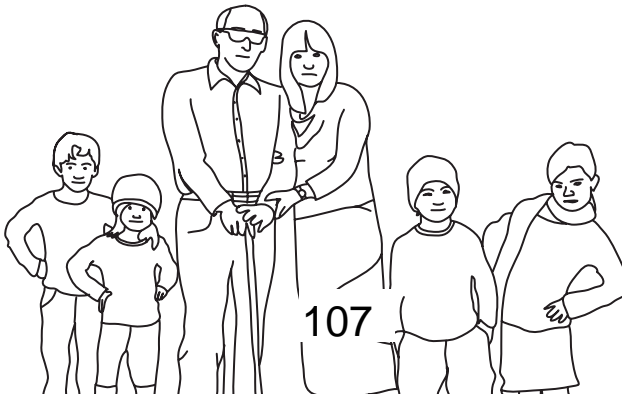
If Mr and Mrs S's circumstances remained the same they would receive £26.91 Council Tax Benefit every week meaning they have to pay

£38.97 per month

What the changes could mean for Mr and Mrs S using Model 4

If Mr and Mrs S's circumstances remained the same they would receive £28.70 Council Tax Benefit every week meaning they have to pay

£31.18 per month



SCENARIO 4

Mr and Mrs N have two children under the age of 10.

Mr N works 35 hours a week. They have an income of £339.11 per week.

The couple rent a 3 bedroom house and whilst they receive Housing Benefit they have to pay £35.74 per week towards their rent.

Their weekly Council Tax charge is £28.64 and they currently receive £24.74 Council Tax Benefit per week which means they have to pay £3.90 per week which equals **£16.95 per month**.

What the changes could mean for Mr and Mrs N using Model 1

If Mr and Mrs N's circumstances remained the same they would receive £20.81 Council Tax Benefit every week meaning they have to pay

£37.12 per month

What the changes could mean for Mr and Mrs N using Model 2

If Mr and Mrs N's circumstances remained the same they would receive £17.70 Council Tax Benefit every week meaning they have to pay

£50.63 per month

What the changes could mean for Mr and Mrs N using Model 3

If Mr and Mrs N's circumstances remained the same they would receive £22.02 Council Tax Benefit every week meaning they have to pay

£31.89 per month

What the changes could mean for Mr and Mrs N using Model 4

If Mr and Mrs N's circumstances remained the same they would receive £15.54 Council Tax Benefit every week meaning they have to pay

£60.03 per month



SCENARIO 5

Mr A is a single man and recently lost his job.

Mr A receives Contribution-based Job Seekers Allowance and has savings of £9,500.

Mr A lives in a 1 bedroom flat and whilst he receives Housing Benefit he has to pay £9.10 per week towards his rent.

His weekly Council Tax charge is £16.71 and he currently receives £13.91 Council Tax Benefit every week which means he has to pay £2.80 per week which equals **£12.17 per month.**

What the changes could mean for Mr A using Model 1

If Mr A's circumstances remained the same he would receive £10.78 Council Tax Benefit every week meaning he has to pay

£27.56 per month

What the changes could mean for Mr A using Model 2

If Mr A's circumstances remained the same he would receive nil Council Tax Benefit meaning **he has to pay his council tax in full.**

What the changes could mean for Mr A using Model 3

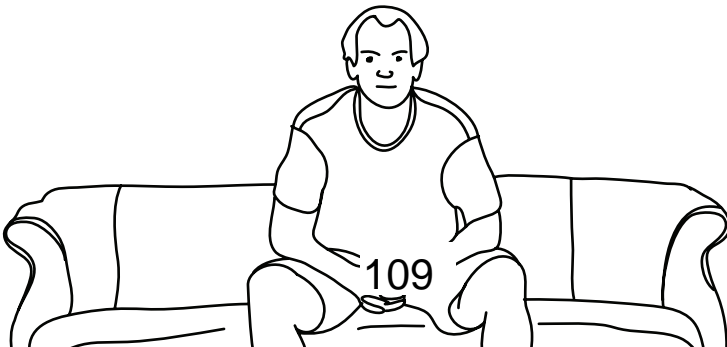
If Mr A's circumstances remained the same he would receive £12.84 Council Tax Benefit every week meaning he has to pay

£18.60 per month

What the changes could mean for Mr A using Model 4

If Mr A's circumstances remained the same he would receive £11.64 Council Tax Benefit every week meaning he has to pay

£23.84 per month



We have also brought together a table that brings the four models together and shows how different groups would be impacted by the different schemes.

The amount of monthly Council Tax payment shown is an average across the categories. For example, under the current scheme column, the averages would include families currently paying no Council Tax.

The average amounts also range across the different Council Tax Band properties.

		Current scheme	Model Scheme 1	Model Scheme 2	Model Scheme 3	Model Scheme 4
Category	Number of households affected	Current average monthly Council Tax payment	Proposed average monthly Council Tax payment	Proposed average monthly Council Tax payment	Proposed average monthly Council Tax payment	Proposed average monthly Council Tax payment
Smaller Families (1-2 children)	4817	£14.62	£39.91	£41.29	£39.11	£41.18
Larger Families (3+ children)	2292	£6.91	£36.40	£34.16	£36.15	£38.55
Lone Parents	3591	£8.83	£33.40	£32.14	£33.12	£32.84
Carers	141	£19.84	£47.27	£49.49	£47.38	£52.37
Full time and part time workers	4334	£23.36	£48.29	£52.92	£45.98	£54.33
People with a disability	1510	£4.11	£29.91	£26.49	£30.76	£25.25
Single people and couples without children	3584	£10.77	£34.29	£32.05	£35.12	£29.58

If you would like more information about the draft scheme and what the financial impact might be on the above groups of people please visit www.harrow.gov.uk/ctbconsultation, call 020 8416 8266 or email ctbconsultation@harrow.gov.uk.

You can also come and see us in person at one of our roadshows. See page 15 for details of where we are going to be.

How you can give your views?

We will be talking to you from Monday, 11 June through to Friday, 21 September, 2012.

There are lots of ways you can give us your views.

Questionnaires - You can start by filling in the questionnaire which came with this booklet.

Roadshows and 'Go to' Days - Please come along and talk to us, we'll be around the borough at the following times –

- Thursday 5th July, 10.00am - 4.00pm - Town Centre, outside the St George's Centre, St Ann's Road
- Saturday 14th July, 11.00am - 5.00pm - Roxeth Show, Roxeth Recreation Ground, Pitcairn's Path, Eastcote Road, South Harrow, HA2 8LG
- Thursday 19th July 10.00am – midday - Chandos Children's Centre, 74- 78 Chandos Crescent, Edgware, HA8 6HL
- Saturday 28th July, 12 noon - 4.00pm - Town Centre, outside the St George's Centre, St Ann's Road
- Tuesday 7th August, 12 noon - 3.00pm - Wealdstone Library/Red Brick Café, The Wealdstone Centre, 38/40 High Street, Wealdstone, HA3 7AE
- Saturday 11th August, 12 noon - 4.00pm - Town Centre, outside the St George's Centre, St Ann's Road
- Saturday 18th August, 12 noon - 4.00pm - Rayners Lane, outside Rayners Lane Station
- Friday 7th September, 10.00am - 1.00pm - Access Harrow, Civic Centre, Station Road, HA1 2XY

Discussion Groups - We will be talking to people most affected by the changes.

Workshops/Meetings - We will be working with Voluntary Groups in the area to ensure users and carers of their services are given the opportunity to have their say.

Online - Visit www.harrow.gov.uk/ctbconsultation where you'll find all the information about the consultation, you can also complete the questionnaire online as well.

Telephone Survey - We will be talking to a sample of Council Tax payers, Council Tax Benefit claimants and residents over the telephone to find out their views.

Postal Survey - We will be carrying out a postal survey with our Residents Panel.

Contact Details

You can contact us with your views on the options for the new Council Tax Support Scheme in the following way:

Web: www.harrow.gov.uk/ctbconsultation

Telephone: 020 8416 8266 - Please note there will be an answer phone on this telephone. Please leave your contact number and we will call you back.

Freepost: London Borough of Harrow,
Freepost,
P.O Box 730,
Civic Centre,
Harrow, Middlesex HA1 2DU.

Email: CTBconsultation@harrow.gov.uk

Facebook: <http://www.facebook.com/lbharrow>

Twitter: www.twitter.com/harrow_council

How the decisions will be made

Once the consultation is complete the feedback will be collated, anonymised and presented to our partners who are working with us to ensure the consultation is transparent and inclusive. They will then help us to ensure your feedback shapes the recommendations for the new scheme.

A report will then be developed which will be presented at the Council's Cabinet meeting in November where the final decision on what the scheme is going to look like will be made.

We will write a report about the views we have collected and how they have shaped the changes, which will be available for you to read should you wish to. We will also let you know how your views have shaped the new scheme and will write to you personally if you are going to be affected.



We want you to help shape our scheme. Therefore please complete the following questionnaire and return it to us by Freepost to London Borough of Harrow, Freepost, P.O Box 730, Civic Centre, Harrow, Middlesex HA1 2DU.

Questionnaires must be returned no later than Friday, 21 September.

With the understanding that pensioners' Council Tax Benefit will remain the same but people who are of working age and in receipt of Council Tax Benefit will all be asked to pay more toward their Council Tax bill, please answer the following questions.

If you are unsure of any of the terms used in the survey, please see the glossary on the back page of this questionnaire.

1. Should people who receive Council Tax Benefit who are in properties with a higher Council Tax charge be asked to pay more?

Yes No Don't know

2. Should people receiving Council Tax Benefit be given extra benefit for a limited period to help pay their Council Tax when they start work?

Yes No Don't know

3. Should people who are working receive more Council Tax Benefit to encourage them to increase the number of hours they work?

Yes No Don't know

4. Should people who can't work be given more Council Tax Benefit than those who could work but are unemployed?

Yes No Don't know

5a. Should income such as Child Benefit be included as part of someone's income when they claim Council Tax Benefit?

Yes No Don't know

5b. Should income such as Disability Living Allowance be included as part of someone's income when they claim Council Tax Benefit?

Yes No Don't know

6. Should other adults living in a household where the council tax payer (and their partner) claims Council Tax Benefit, be asked to pay more toward the Council Tax bill than they do now?

Yes No Don't know

7. Second Adult Rebate is awarded to people who are not entitled to Council Tax Benefit based on their own income, but receive a rebate of up to 25% of their bill because they have other adults living with them who are on a low income. Should people who receive this rebate be asked to pay more?

Yes No Don't know

8. Should people with savings of less than £16,000 be asked to use these savings to pay their Council Tax?

Yes No Don't know

9. Do you think there are any groups of people in the community who would be affected more than others if everyone currently on benefit has to pay something towards their Council Tax?

Yes (if yes go to question B) No Don't know

B. Who are these groups?

.....

C. Why do you think these groups would be affected more?

.....

.....

10. The Council has also identified a few groups that may be affected by these changes. These are listed below. Please could you tell me whether you think these will have a high impact, a medium impact or a low impact on each of those groups as a result of the changes to Council Tax Benefits?

Families with children High Med Low Don't know

Lone parents High Med Low Don't know

Carers High Med Low Don't know

Part time and full time workers High Med Low Don't know

People who are disabled High Med Low Don't know

Single People and couples without children High Med Low Don't know

B. Why do you think the groups you have identified as high are affected more than other groups?

.....

11. Should the Council create a Hardship Fund to support people suffering genuine hardship because of the changes to Council Tax Benefit?

Yes No Don't know

12. Have you got any general comments that you wish to make about these changes?

.....

.....

About you

Does your name appear on the Council Tax Bill for your household?

Yes No Don't know

Does your household receive Council Tax Benefit?

Yes No Don't know

Do you or your household receive any other benefits?

Yes No Don't know

If yes please state which benefit

**Would you say that any of the following describe your household?
Tick all that apply**

- A family with one or two dependent children
- A family with three or more children
- A lone parent household
- A carer
- A household with full and/or part time workers
- A household that includes someone who is disabled
- A single person household or a couple without children
- None of them
- Don't know

Are you a service personnel or ex service personnel?

- Yes No

Are you a War Widow?

- Yes No

Monitoring Information

Harrow Council is required by law, Equality Act 2010, to collate equality information. The collated information will not only help the Council demonstrate compliance with the law but also assist the Council to assess the impact of policies, services and decisions on all the Protected Characteristics covered by the Act and ensure our policies and services are fair and accessible. The information will also enable us to monitor our progress with regards to addressing inequality and allow our employees and service users see how we are performing on equality.

Should you wish to supply the information it will be kept confidential and separate from your consultation response and only be used for statistical analysis.

Your religion and belief (please tick appropriate box)

- No religion Agnostic Baha'i Buddhism Christianity
 Hinduism Humanist Islam Jainism Judaism
 Rastafarian Sikhism Zoroastrian Prefer not to say
 Other (please specify)

Your sexual orientation

- Bisexual Gay man Gay woman / Lesbian
 Heterosexual Prefer not to say Other (please specify)

Your ethnic group

These are based on the 2011 Census categories but include categories to reflect the communities of Harrow and are listed alphabetically below. Please choose ONE section from A to E then tick or write in appropriate box to indicate your ethnic background

A. Asian or Asian British

- Afghan Bangladeshi Indian Pakistani Sinhalese
 Sri Lankan Tamil Any other Asian background, please write in
.....

B. Black, Black British

- African Caribbean Somali
Any other Black background, please write in

C. Other Ethnic Group

- Arab Chinese Iranian Iraqi Kurdish
 Lebanese Any other ethnic group, please write in
.....

D. Mixed

- White & Black African White & Black Caribbean White and Asian
 Any other Mixed background, please write in

E. White

- Albanian British English Gypsy/Roma Traveller
 Irish Irish Traveller Polish Romanian Scottish
 Serbian Welsh Any other White background, please write in
 Prefer not to say

Your marital status:

- Civil Partnership Married Prefer not to say

Pregnancy and Maternity: Have you been pregnant and / or on maternity leave in the past two years?

- Yes No Prefer not to say

Caring Responsibilities

A Carer is someone who spends a significant proportion of their time providing unpaid support to a family member, partner or friend, who is ill, disabled or has mental health or substance misuse problems.

Do you regularly provide unpaid support caring for someone?

- Yes No

Glossary of terms:

- **Carers – For the purpose of Council Tax Benefit** a person who has the responsibility of caring for someone else who, because of long term illness, disability or old age, is not able to care for him or herself. Carers are usually entitled to Carer's Allowance.
- **Disabled – For the purpose of Council Tax Benefit** a person is disabled or long term sick where they qualify for a 'Disability premium' when their Council Tax Benefit is calculated. Usually, they would receive Disability Living Allowance.
- **Full-time and part-time workers – For the purpose of Council Tax Benefit** a full-time worker typically works 35 hours or more per week, whereas a part-time worker will work less hours. There is no specific number of hours which distinguishes full-time from part-time work.
- **GLA - Greater London Authority** – also known as a preceptor who receives a portion of the Council Tax collected to fund services such as the police, fire and rescue.
- **Council Tax** – Local tax set based on the property valuation. Used to fund public services.
- **Council Tax Benefit** – Helps someone on a low or no income pay their Council Tax
- **Pensioner** – someone who has reached the age for state pension credit.
- **Working age** – a person who is above 18 and has not reached the age for state pension credit.

Please call 020 8416 8266 for a large print version of this document, or a summary of this document in your language.

- Albanian** Nëqoftëse gjuha Angleze nuk është gjuha juaj e parë, dhe keni nevojë për përkthimin e informatave të përmbajtura në këtë dokumentë, ju lutemi kontaktoni numërin dhënë.
- Arabic** اذا كانت الانجليزية ليست لغتك الاولى وتحتاج لترجمة معلومات هذه الوثيقة، الرجاء الاتصال على رقم
- Bengali** যদি ইংরেজি আপনার মাতৃভাষা না হয় এবং আপনি যদি এই প্রচারপত্রের তথ্যগুলোর অনুবাদ পেতে চান তাহলে যে টেলিফোন নম্বর দেওয়া আছে সেখানে দয়া করে যোগাযোগ করুন।
- Chinese** 如果你主要說用的語言不是英語而需要將這份文件的內容翻譯成中文，請打註明的電話號碼提出這個要求。
- Farsi** اگر انگلیسی زبان اول شما نیست و شما نیاز به ترجمه اطلاعات موجود در این مدرک را دارید، لطفاً با شماره داده شده تماس بگیرید.
- Gujarati** જો ઈંગ્લિશ તમારી પ્રથમ ભાષા ન હોય અને આ દસ્તાવેજમાં રહેલ માહિતીનો તરજૂમો (ટ્રાન્સલેશન) તમને જોઈતો હોય તો કૃપા કરી જણાવેલ નંબર ઉપર ફોન કરો.
- Hindi** यदि आपको अंग्रेजी समझ नहीं आती और आपको इस दस्तावेज़ में दी गई जानकारी का अनुवाद हिन्दी में चाहिए तो कृपया दिए गए नंबर पर फोन करें।
- Panjabi** ਜੇ ਤੁਹਾਨੂੰ ਅੰਗਰੇਜ਼ੀ ਸਮਝ ਨਹੀਂ ਆਉਂਦੀ ਤੇ ਤੁਹਾਨੂੰ ਇਸ ਦਸਤਾਵੇਜ਼ ਵਿਚ ਦਿੱਤੀ ਗਈ ਜਾਣਕਾਰੀ ਦਾ ਤਰਜਮਾ ਪੰਜਾਬੀ ਵਿਚ ਚਾਹੀਦਾ ਹੈ ਤਾਂ ਕਿਰਪਾ ਕਰਕੇ ਦਿੱਤੇ ਗਏ ਨੰਬਰ ਤੇ ਫੋਨ ਕਰੋ।
- Somali** Haddii Ingiriisku uusan ahayn afkaaga koowaad aadna u baahan tahay turjumidda xog ku jirta dokumentigan fadlan la xiriir lambarka lagu siiyey.
- Tamil** ஆங்கிலம் உங்கள் தாய்மொழியாக இல்லாதிருந்து இப்பத்திரத்திலிருக்கும் தகவலின் மொழிபெயர்ப்பு உங்களுக்கு தேவைப்பட்டால் தயவுசெய்து தரப்பட்ட தொலைபேசி எண்ணில் தொடர்பு கொள்ளவும்.
- Urdu** اگر انگریزی آپ کی مادری زبان نہیں ہے اور آپ کو اس دستاویز میں دی گئی معلومات کا اردو ترجمہ درکار ہے، تو براہ کرم دیے گئے نمبر پر رابطہ کریں۔



Research Report



Consultation on the localisation of Council Tax support

Prepared for: Harrow Council



Consultation on the localisation of Council Tax support

Prepared for: Harrow Council

Prepared by: Lys Coleman, Account Director

September 2012



Produced by BMG Research

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www.bmgresearch.co.uk

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Market Research Society Company Partner

British Quality Foundation Member

The provision of Market Research Services in accordance with ISO 20252:2006

The provision of Market Research Services in accordance with ISO 9001:2008

Investors in People Standard - Certificate No. WMQC 0614

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1 Executive summary

1.1 Introduction

This report summarises the results from the quantitative element of Harrow Council's consultation with residents on the localisation of Council Tax support.

The quantitative survey sought to gather the views of Harrow residents with regard to which, and to what extent, different groups in the population might be affected by changes to the way in which Council Tax Benefit (CTB) is calculated. It also asked residents for their views on whether the Council should create a Hardship Fund to support people suffering hardship as a result of changes to Council Tax Benefit.

The survey included a wide range of demographic and household information to allow the results of the consultation to be considered by key groups, and to ensure that the views of all types of residents are taken into account.

Interviews were undertaken via Computer Aided Telephone Interview (CATI), using a mix of Random Digit Dialling (RDD), and lifestyle contacts sourced from a commercial list provider, and fieldwork was conducted during the course of June and July 2012. A total of 1,010 interviews were completed with Harrow residents, including 315 with current recipients of Council Tax Benefit.

The data have been weighted such that the total sample is representative of the population of Harrow in terms of age, sex, ethnicity and ward, using the latest ONS mid-year population estimates. Within this Council Tax Benefit recipients have been weighted such that they represent 20% of the total sample (their prevalence in the population) although they accounted for approximately 30% of the total number of interviews conducted. This means that the total sample data can be said to be representative of Harrow in terms of the prevalence of Council Tax Benefit recipients, whilst also allowing for robust analysis of the results within this specific group.

1.2 Key findings

1.2.1 Overview

Two thirds (66%) of all respondents felt that there would be groups of people in the community who would be affected more than others if everyone currently on benefit had to pay something towards their Council Tax.

On a spontaneous basis the groups consistently identified as being most likely to feel an impact of the changes were:

- Households with disabled people;
- Those on low income;
- The unemployed;
- Lone parent households.

On a prompted basis, the groups consistently identified as being most likely to feel a high impact of the changes were:

- Those who are registered disabled;
- Lone parents;
- Carers;
- Families with children.

Overall, three in five (63%) of all respondents believed that the Council should create a Hardship Fund, one in seven (14%) felt the Council should not do so, and one in twenty (6%) were unsure. A further one in five (17%) said it depended on a range of factors, largely focussing on the certainty that those who benefitted from the Fund would be genuinely deserving cases.

The table overleaf provides an overview of the key results by household type. The darkest red shading represents the groups identified by the highest proportion of each household type, the lighter red shading represents the groups identified by the second highest proportion of each household type, and the lightest red shading represents the groups identified by the third and fourth highest proportions of each household type. Similarly, the darkest green shading represents the groups identified by the lowest proportion of each household type, and so on.

Figure 1: Summary of results by household type

Column percentages	Respondent household type								
	TOTAL SAMPLE	Registered disabled	Lone parent	Carer	One or two dependent children	Three or more children	Full and/or part time workers	Single person household	Couple without children
Believe there are groups who will be affected more than others	66%	67%	80%	85%	65%	65%	71%	62%	66%
Groups identified as feeling more of an impact spontaneously									
A household that includes someone registered disabled	28%	35%	41%	25%	27%	13%	28%	31%	33%
Those on low income	20%	13%	18%	17%	22%	22%	18%	22%	26%
Unemployed	20%	27%	19%	30%	23%	13%	22%	12%	20%
A lone parent household	14%	9%	40%	15%	12%	20%	15%	10%	11%
Elderly / retired / pensioners	11%	9%	5%	4%	9%	23%	12%	10%	10%
Those on benefits / allowances	8%	5%	3%	3%	6%	14%	13%	9%	9%
Proportion feeling there will be a high impact on a prompted basis									
People who are registered disabled	63%	76%	71%	79%	60%	71%	69%	64%	70%
Lone parents	54%	57%	70%	67%	55%	65%	54%	48%	53%
Carers	49%	55%	56%	66%	48%	55%	48%	50%	48%
Families with children	40%	42%	40%	40%	39%	55%	39%	40%	33%
Part time workers	25%	29%	28%	18%	27%	32%	27%	28%	13%
Single people	21%	24%	31%	25%	21%	25%	20%	24%	13%
Full time workers	14%	13%	7%	7%	14%	18%	15%	15%	11%
Couples without children	9%	6%	7%	5%	6%	12%	10%	10%	9%
Believe there should be a Hardship Fund	63%	59%	80%	46%	61%	71%	62%	70%	52%
Unweighted bases	(1,010)	(58)	(52)	(27)*	(194)	(54)	(244)	(109)	(67)

1.2.2 Who do residents spontaneously think would be most affected

Having been read a brief description of the proposed changes, two thirds (66%) of all respondents felt that there would groups of people in the community who would be affected more than others if everyone currently on benefit had to pay something towards their Council Tax.

Among this group, on an unprompted basis, three in ten (28%) mentioned households with disabled people, a fifth (20%) those on low income or the unemployed, one in seven (14%) lone parent households, one in ten the elderly (11%) or those on benefits/allowances (8%), and one in twenty families (5%) and young people (4%).

When asked why they thought these groups would be affected more, reasons focused on the financial implications, with a third (32%) mentioning limited household income.

Respondents were asked to assign their household to one of a number of groupings that Harrow Council have identified as being more or less likely to feel an impact of any changes to Council Tax Benefit. These were:

- A family with one or two dependent children;
- A family with three or more children;
- A lone parent household;
- A carer;
- A household with full and/or part time workers;
- A household that includes someone who is registered disabled;
- A single person household;
- A couple without children¹.

There were differences with regard to the proportion of these groups who felt that there are groups of people in the community who would be affected more than others if everyone currently on benefit had to pay something towards their Council Tax (carers (85%) were more likely than other groups to believe this is the case, as were lone parents to an extent (80%), while single person households were least likely to believe this would be the case (62%)).

However, while the actual proportions of each of these household types who mentioned the different groups varied, in almost all instances the four groups identified as being affected most were:

- Households that include someone who is registered disabled;
- Low income households;
- The unemployed;
- Lone parent households.

The exception to this was among respondents who classed themselves as families with three or more children, where the four groups identified as being affected most were:

- The elderly/retired/pensioners;
- Low income households;

¹ It should be noted that respondents were able to choose more than one category.

- Lone parent households;
- Those on benefits/allowances.

Similarly, when the results are analysed by respondents on different types of benefit, in almost every instance the four groups mentioned most commonly were the same regardless of the type of benefit received, and they were also the same amongst those not in receipt of each of the benefits.

The only exceptions to this were as follows:

- Those in receipt of Jobseeker Allowance were somewhat more likely to mention those on benefits (14%) and families (13%) than they were to mention those on low income (12%);
- Those in receipt of Pension Credit were somewhat more likely to mention the elderly (14%) than lone parent households (8%).

When the results are analysed by demographics, reflecting the findings above, there were few significant differences in the specific groups of people who were thought to be more affected than others by changes to Council Tax Benefit, and again the four groups mentioned most commonly were the same as those outlined above in almost all instances regardless of sex, age, ethnicity, disability, marital status, religion, economic activity, presence of children, size of household and tenure.

The only exception to this was that a number of demographic groups were a little more likely to mention the elderly than lone parent households.

1.2.3 Who do residents think would be most affected when prompted

Respondents were informed that the Council have also identified a few groups that may be affected by these changes, and were asked whether they think there will be a high impact, a medium impact or a low impact on each of these groups as a result of the changes to Council Tax Benefit. The groups identified by the Council were:

- Families with children;
- Lone parents;
- Carers;
- Full and part time workers;
- People who are registered disabled;
- Single people;
- Couples without children.

At a total sample level those registered as disabled were regarded as being likely to feel the greatest impact of such changes (64% high impact, 20% medium impact), followed by lone parents (54% high impact, 27% medium impact), carers (50% high impact, 31% medium impact) and families with children (40% high impact, 39% medium impact).

While three quarters (75%) of all respondents believed that there would be a high or medium impact on part time workers, within this the majority (50%) believed there would be a medium rather than a high impact on this group.

Single people (21% high impact, 35% medium impact), full time workers (14% high impact, 25% medium impact) and couples without children (9% high impact, 27% medium impact) were regarded as less likely to feel the impact of the changes.

The results were very consistent regardless of household type, indicating that while the ranking of the various household types varied to a small extent, the four groups mentioned most commonly across the various household types were:

- Those who are registered disabled;
- Lone parents;
- Carers;
- Families with children.

Similarly, the groups identified as being least likely to feel a high impact of the changes were highly consistent regardless of the respondent's household type, with the following three groups mentioned least often:

- Couples without children;
- Full time workers;
- Single people.

The only exceptions to this were that respondents in lone parent households were slightly less likely to mention part time workers than single people (28% compared to 31%).

Similarly among recipients and non-recipients of various benefits, while there were differences in degree, for every sub-group the same four groups were highlighted as feeling the greatest impact of the changes.

This was also the case when results were considered by different demographic groups, where in each instance the four groups identified as being likely to feel the greatest impact of the changes were as outlined above.

When asked why they thought there would be a high impact for certain groups, the most commonly mentioned themes were as follows:

People who are registered disabled:

- Limited employment options (31%);
- Highly reliant on benefits (28%);
- Limited/low household income (21%).

Lone parents

- Limited/low household income (44%);
- Have more outgoings/expenses (34%);
- Highly reliant on benefits (12%);
- Alone/without support (12%).

Carers:

- Limited/low household income 32%);
- Limited employment options (31%);
- Have more outgoings/expenses (14%).

Families with children:

- Have more outgoings/expenses (45%);

- Limited/low household income (14%);
- General high cost of living (12%).

Part time workers:

- Limited/low household income (65%);
- Difficulty in paying increase (11%);
- Highly reliant on benefits (6%);
- Have more outgoings/expenses (6%).

Single people:

- Limited/low household income (36%);
- Alone/without support (12%);
- Depends on the personal circumstances in each case (10%).

Full time workers:

- Will pay more (including tax) (21%);
- Limited/low household income (17%);
- Taxpayers are left supporting those on benefits (12%);

Couples without children:

- Limited/low household income (12%);
- Difficulty in paying increase (12%);
- Depends on the personal circumstances in each case (8%).

1.2.4 Views on creation of a Hardship Fund

Respondents were asked whether they think the Council should set up a Hardship Fund to support people suffering genuine hardship through the changes to Council Tax Benefit.

Overall, three in five (63%) of all respondents believed that the Council should create a Hardship Fund, one in seven (14%) felt the Council should not do so, and one in twenty (6%) were unsure. A further one in five (17%) said it depended on a range of factors, largely focussing on the certainty that those who benefitted from the Fund would be genuinely deserving cases.

While the sections above highlight how consistent the views of different groups of respondents were with regard to the groups perceived as being likely to feel a high impact as a result of the changes, views were more diverse with regard to the creation of a Hardship Fund: while four in five (80%) of lone parents felt that a Hardship Fund should be created, this fell to less than half of carers (46%).

Recipients of Council Tax Benefit (72%), Housing Benefit (78%), and Working Tax Credit (76%) were more likely than non-recipients to feel the Council should create a Hardship Fund (60%, 61% and 61% respectively), although there were no significant differences between those who pay Council Tax and those who do not.

1.2.5 General comments

At the end of the survey, prior to answering demographic questions, respondents were asked if they had any general comments to make about the changes. Close to half (47%) mentioned something, and these comments were very disparate.

The following outlines the themes that came through at this question that were mentioned by 10 respondents or more, indicating the actual number of respondents who expressed the particular sentiment.

- Only those in genuine need should receive money from the Fund (57 respondents);
- Those who work shouldn't be able to claim benefits (23 respondents);
- The system is currently being abused (21 respondents);
- The cuts/changes are necessary (20 respondents);
- Vulnerable groups are being affected (19 respondents);
- It should be means tested (16 respondents);
- Each case needs to be individually assessed (15 respondents);
- The system is unfair (14 respondents);
- They should focus on helping/supporting people (12 respondents);
- Taxpayers will have to pay for it (12 respondents);
- Should look at other areas for cut backs (12 respondents);
- Council Tax should be reduced/is too high (11 respondents);
- They should look carefully at expenditure/reduce wastage (11 respondents).

2 Introduction

2.1 Background to the survey

The Welfare Reform Act was introduced to Parliament in February 2011 and given Royal Assent on 8th March 2012. Council Tax Benefit (CTB) has been abolished within this Act and Local Authorities have been given the responsibility to develop a local Council Tax Support Scheme.

CTB provides means-tested help to people on a low income who have to pay Council Tax. For working age people there is a limit on savings of £16,000. If people claim means-tested out-of-work benefits (Income Support, Jobseeker's Allowance and Employment and Support Allowance) they generally receive full assistance, so that they do not pay Council Tax at all. If people are in work or have other income they can still receive CTB but are likely to get less than the full amount, so that their Council Tax bill will be reduced but not eliminated.

For pensioners who claim Pension Credit there is no limit on the amount of savings they may have and still receive CTB. Pensioners with higher incomes can also qualify, even if they do not get Pension Credit. Around 60% of pensioners are entitled to CTB, though many fail to claim.

Current expenditure on CTB is around £4.8 billion nationally, and approximately £19.82 million in Harrow. The following outlines a number of key aspects of CTB on a national basis as at December 2011:

- Nationally over 5.8 million people claim CTB, more than any other means-tested benefit;
- Almost half of CTB claimants (2.7 million) are pensioners;
- 66% of Council Tax Benefit recipients were also in receipt of Income Support, income-based Jobseeker's Allowance, income-based Employment and Support Allowance or Pension Credit (Guarantee Credit);
- A quarter of CTB claimants (1.6 million) have dependent children;
- A tenth of CTB claimants (0.7 million) are low earners;
- On average CTB is worth £816 a year (£15.69 per week);
- Many people do not claim the CTB they are entitled to: around 2.5 million people are missing out on benefits worth £2 billion a year.

The government's consultation paper² makes the following proposals:

- Help with Council Tax will be a local authority responsibility and will not become part of Universal Credit;
- The amount provided to local authorities for the new system will be 10% less than current spending on CTB;
- Support for pensioners will not be affected by this cut in spending and will remain at existing levels with existing rules;

² A consultation paper was launched by the Department for Communities and Local Government on 2nd August 2011. It is available at www.communities.gov.uk/publications/localgovernment/localisingcounciltaxconsult

- Local authorities will be free to establish whatever rules they choose for their schemes for working age people (and will administer the scheme for pensioners using national rules);
- Central government will provide a fixed amount of money to local authorities to operate their new schemes. Unlike current arrangements, this central government grant will not be ring-fenced and will not vary according to demand;
- New local schemes to provide help with paying Council Tax must be in place by April 2013.

Harrow Council is committed to ensuring that people living in Harrow are given the opportunity to have their say in proposed changes to the way services are delivered and wants to ensure involvement at the earliest stages in the design of the scheme. The Council is therefore holding a public consultation over the period June to August inclusive which comprises both qualitative consultation undertaken by Harrow Council in-house³, and quantitative consultation, including both a Residents Panel Survey carried out by Quantify Ltd and a Telephone Survey undertaken by BMG Research.

This report summarises the results of the Telephone Survey, one of the quantitative elements of the consultation.

2.2 Quantitative consultation

2.2.1 Survey coverage

The quantitative survey sought to gather the views of Harrow residents with regard to which, and to what extent, different groups in the population might be affected by changes to the way in which Council Tax Benefit (CTB) is calculated.

It also asked residents for their views on whether the Council should create a Hardship Fund to support people suffering hardship as a result of changes to Council Tax Benefit.

The survey included a wide range of demographic and household information to allow the results of the consultation to be considered by key groups, and to ensure that the views of all types of residents are taken into account. These included the following:

- Men and women;
- Different age groups (18 to 29, 30 to 44, 45 to 64, 65+);
- People from different ethnic backgrounds (Asian/Asian British, Black/Black British, White/White British, other ethnicity);
- People who are/are not currently in employment;
- Residents whose activities are/are not limited because of a health problem or disability;
- Size of household (number of adults and children);
- Those with different religious views (no religion, Christian, Hindu, Islam, other religions);
- People who are/are not married or in a Civil Partnership;
- (Ex) service personnel;
- War Widows;

³ The qualitative activity includes road shows; go to days and specific focus groups and workshop.

- Those with differing types of housing tenure (home owned outright or on mortgage, rented from Housing Association or private landlord, or another form of tenure);
- Council Tax payers and non-payers;
- Council Tax Benefit recipients and non-recipients;
- Recipients and non-recipients of other benefits or allowances (Incapacity Benefit/Employment and Support Allowance, Housing Benefit, Jobseeker's Allowance, Income Support, Pension Credit, Working Tax Credits, Child Tax Credits, Disability Living Allowance or Attendance Allowance).

Respondents were also asked to assign their household to one of a number of groupings that Harrow Council have identified as being more or less likely to feel an impact of any changes to Council Tax Benefit. These were:

- A family with one or two dependent children;
- A family with three or more children;
- A lone parent household;
- A carer;
- A household with full and/or part time workers;
- A household that includes someone who is registered disabled;
- A single person household;
- A couple without children.

Appendix 1 of this report provides a breakdown of the sample on these and other criteria, including the prevalence in the sample of women who have recently been pregnant or on maternity leave, of those whose gender has been reassigned since birth, and by sexual orientation.

A copy of the questionnaire can be found in Appendix 2 of this report.

2.2.2 Survey method and timing

Interviews were undertaken via Computer Aided Telephone Interview (CATI), using a mix of Random Digit Dialling (RDD), and lifestyle contacts sourced from a commercial list provider.

Fieldwork was conducted during the course of June and July 2012.

2.2.3 Sample size and composition

A total of 1,010 interviews were completed with Harrow residents, including 315 with current recipients of Council Tax Benefit.

Quotas were placed on the non-Council Tax Benefit recipient element of the sample in line with the latest available ONS mid-year estimates for Harrow on sex and age (2010 estimates) and for ethnicity (2009 estimates) to ensure that this element of the sample was as representative as possible of the universe under investigation.

Given that estimates are not available which describe the Council Tax Benefit recipient population in similar terms, no further quotas were placed on this element of the sample.

2.2.4 Weighting the data

The data have been weighted such that the total sample is representative of the population of Harrow in terms of age, sex, ethnicity and ward, using the latest ONS mid-year population estimates as described above.

Within this Council Tax Benefit recipients have been weighted such that they represent 20% of the total sample although they accounted for approximately 30% of the total number of interviews conducted. This means that the total sample data can be said to be representative of Harrow in terms of the prevalence of Council Tax Benefit recipients, whilst also allowing for robust analysis of the results within this specific group.

While all data shown in this report are weighted, sample bases shown are unweighted in order to indicate the level of robustness of the data.

Appendix 1 includes a breakdown of the sample on both an unweighted and a weighted basis.

2.2.5 Reporting

Where differences between sub-groups are noted in the text they are statistically significant at the 95% level of confidence.

3 Findings in detail

3.1 Who do residents spontaneously think would be most affected

3.1.1 Overall results

Before being asked their views on whether they think there are any groups of people in the community who would be affected more than others if everyone currently on benefit had to pay something towards their Council Tax, respondents were read the following outline of the proposed changes:

'Some people receive Council Tax Benefit to help pay their Council Tax.

'The Government is abolishing Council Tax Benefit from April 2013 and giving local councils the responsibility for new local schemes, but reducing the amount of funding it provides by 10%. This means Harrow will need to save £3.5 million to fund the new scheme next year.

'There will not be any changes for pensioners and the Government will continue to set the rules for this group, but there will be changes for everyone else.

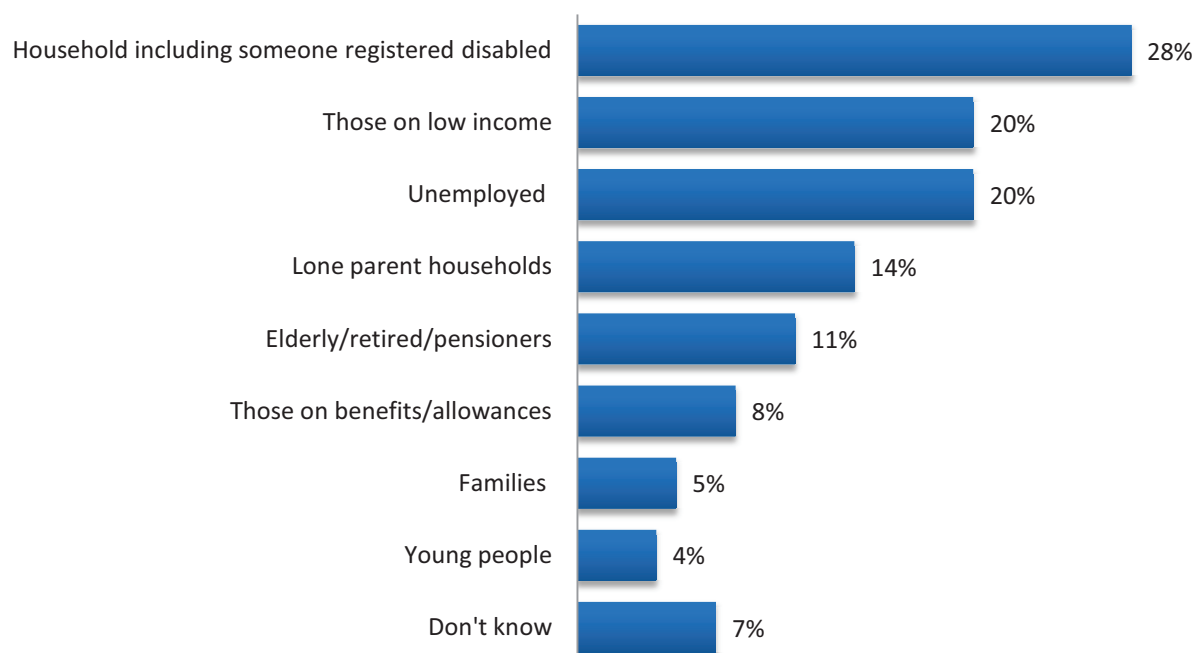
'The Council has started to look at the changes that need to be made to Council Tax Benefit to find the savings within the new scheme, but at the same time it wants to support the most vulnerable people. The Council would like your feedback to help them to do this.'

Having been read this overview, overall two thirds (66%) of all respondents believed there would be groups in the community who would be affected more than others if everyone currently on benefit had to pay something towards their council tax.

When this group were asked, on an unprompted basis, who they thought would be affected more than others, close to three in ten (28%) mentioned households with disabled people, a fifth (20%) those on low income or the unemployed, one in seven (14%) lone parent households, one in ten the elderly (11%) or those on benefits/allowances (8%), and one in twenty families (5%) and young people (4%).

Other groups, mentioned by 1% or 2% of this group of respondents, were larger families, carers, households with full or part-time workers, single person households, people who work/taxpayers, those who are sick or ill (not disabled), everyone, vulnerable groups, those with young children, immigrants/asylum seekers.

Figure 2: Groups felt to be affected more than others – unprompted (all respondents who feel there are groups in the community who would be affected more than others)



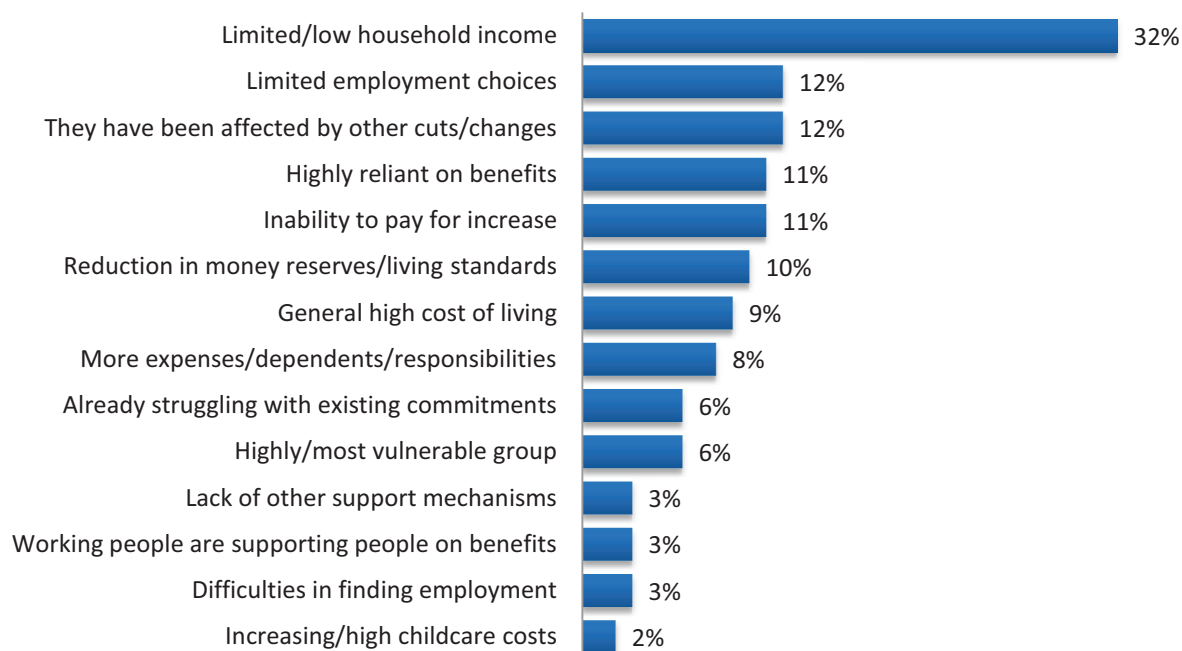
Unweighted base = 655

Where respondents were able to mention a specific group of people they were asked why they thought this/these group(s) would be more affected than others. Unsurprisingly, across all the groups identified, the responses focused on financial issues, with a third (32%) mentioning limited household income.

Other reasons mentioned by around one in ten of those who identified a specific group included:

- Limited employment choices (12%);
- They have been affected by other cuts/changes (12%);
- Highly reliant on benefits (11%);
- Inability to pay for increase (11%);
- Reduction in money reserves/living standards (10%);
- General high cost of living (9%);
- More expenses/dependents/responsibilities (8%).

Figure 3: Reasons for feeling certain groups would be affected more than others – unprompted (all respondent specifying a particular group)



Unweighted base = 601

The figure overleaf considers the results outlined above for each of the specific groups mentioned as being more affected by the changes, with shading used to highlight the three most commonly mentioned themes with regard to each of the groups.

It should be noted that respondents were able to mention more than one group as being more affected by the changes, so the responses provided as to why certain groups were identified may relate to a group other than the one indicated overleaf in a small minority of instances.

To summarise, the most commonly mentioned themes for each group identified were as follows:

Households with someone who is registered disabled:

- Limited employment options (32%);
- Limited/low household income (30%);
- Been affected by changes/cuts to other benefits (15%).

Those on low income:

- Limited/low household income (55%);
- Been affected by changes/cuts to other benefits (16%);
- Inability to pay for increase (13%);
- Reduction in money reserves/living standards (13%).

Unemployed:

- Limited/low household income (50%);
- Inability to pay for increase (25%);
- Highly reliant on benefits (16%).

Lone parent households:

- Limited/low household income (30%);
- More expenses/dependents/responsibilities (22%);
- Highly reliant on benefits (14%).

Elderly/retired/pensioners:

- Limited/low household income (30%);
- Highly reliant on benefits (18%);
- Been affected by changes/cuts to other benefits (14%).

Those on benefits:

- Limited/low household income (35%);
- Highly reliant on benefits (26%);
- Reduction in money reserves/living standards (15%).

Families:

- More expenses/dependents/responsibilities (33%);
- General high cost of living (26%);
- Limited/low household income (20%).

Young people:

- Difficulties in finding employment (37%);
- General high cost of living (21%);
- Limited/low household income (21%).

Figure 4: Reasons for feeling certain groups would be affected more than others – unprompted (all respondent specifying a particular group)

Column percentages	Groups felt to be more affected							
	Household with someone registered disabled	Those on low income	Unemployed	Lone parent households	Elderly/retired/pensioners	Those on benefits	Families	Young people
Limited / low household income	30%	55%	50%	30%	30%	35%	20%	21%
Limited employment options	32%	3%	7%	11%	10%	4%	5%	6%
Been affected by changes / cuts to other benefits	15%	16%	10%	12%	14%	9%	9%	12%
Highly reliant on benefits	11%	8%	16%	14%	18%	26%	6%	7%
Inability to pay for increase	14%	13%	25%	6%	7%	13%	11%	2%
Reduction in money reserves/living standards	6%	13%	9%	4%	1%	15%	5%	4%
General high cost of living	6%	8%	7%	9%	12%	8%	26%	21%
More expenses/dependents/responsibilities	3%	6%	4%	22%	5%	4%	33%	3%
Struggling already with existing commitments	5%	8%	5%	11%	6%	4%	8%	0%
Highly / most vulnerable group	9%	2%	4%	12%	13%	1%	12%	8%
Lack of other support mechanisms	2%	<0.5%	2%	8%	2%	2%	4%	6%
Difficulties in finding employment	3%	1%	2%	1%	0%	0%	0%	37%
Increasing / higher childcare costs	1%	1%	0%	9%	3%	1%	0%	3%
Unweighted base	(178)	(123)	(130)	(100)	(77)	(52)	(34)*	(27)*

* Caution: low base

3.1.2 Results by household classification

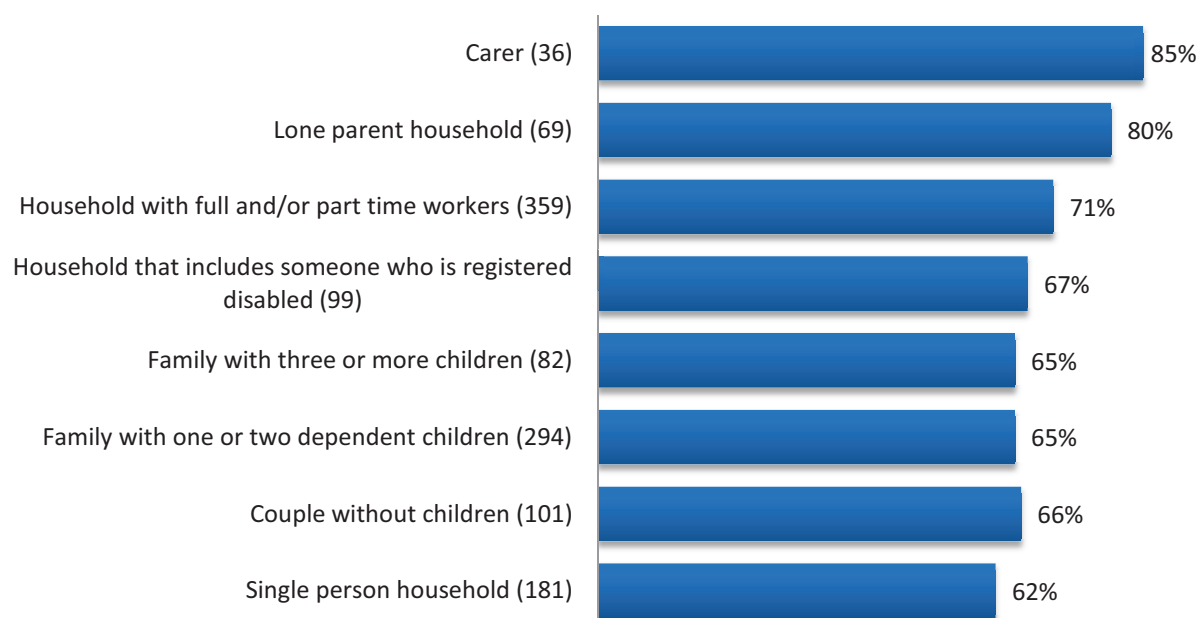
Respondents were asked to assign their household to one of a number of groupings that Harrow Council have identified as being more or less likely to feel an impact of any changes to Council Tax Benefit. These were:

- A family with one or two dependent children;
- A family with three or more children;
- A lone parent household;

- A carer;
- A household with full and/or part time workers;
- A household that includes someone who is registered disabled;
- A single person household;
- A couple without children⁴.

The figure overleaf shows how views varied by these groupings, and indicates that carers (85%) were more likely than other groups to believe there are groups of people in the community who would be affected more than others if everyone currently on benefit had to pay something towards their Council Tax, as were lone parents to an extent (80%), while single person households were least likely to believe this would be the case (62%).

Figure 5: Whether respondent believes there are groups of people who would be affected more than others (all respondents by household type)



Unweighted bases in parentheses

When asked, on an unprompted basis, who they thought would be affected more than others there were differences dependent on the household classification, and these are summarised below,:

- Lone parents were more likely than other groups to identify lone parents as people who would be more affected than others (40% compared to 14% overall);
- Families with three or more children were less likely than other groups to mention households that include someone who is registered disabled (13% compared to 28% overall), and more likely to mention the elderly (23% compared to 11% overall) and those on benefits (14% compared to 8% overall).

⁴ It should be noted that respondents were able to choose more than one category.

The full distribution of results by household classification is shown in the table overleaf, with the darkest shading representing the groups identified by the highest proportion of each household type, the lighter shading representing the groups identified by the second highest proportion of each household type, and the lightest shading representing the groups identified by the third and fourth highest proportions of each household type.

This highlights the fact that, while the ranking of the various household types may vary, with the exception of the two household types mentioned above, the four groups mentioned most commonly across the various household types were:

- Households that include someone who is registered disabled;
- Low income households;
- The unemployed;
- Lone parent households.

Figure 6: Groups felt to be affected more than others – unprompted (all respondents who feel there are groups in the community who would be affected more than others by household type)

Column percentages	Respondent household type							
	Registered disabled	Lone parent	Carer	One or two dependent children	Three or more children	Full and/or part time workers	Single person household	Couple without children
Groups identified as feeling a high impact								
A household that includes someone registered disabled	35%	41%	25%	27%	13%	28%	31%	33%
Those on low income	13%	18%	17%	22%	22%	18%	22%	26%
Unemployed	27%	19%	30%	23%	13%	22%	12%	20%
A lone parent household	9%	40%	15%	12%	20%	15%	10%	11%
Elderly / retired / pensioners	9%	5%	4%	9%	23%	12%	10%	10%
Those on benefits / allowances	5%	3%	3%	6%	14%	13%	9%	9%
Families	5%	9%	5%	7%	4%	5%	3%	3%
Young people	2%	2%	1%	4%	2%	6%	4%	5%
A carer	6%	2%	7%	3%	0%	2%	1%	2%
A household with full and / or part-time workers	3%	5%	6%	2%	0%	2%	2%	1%
A single person household	0%	5%	0%	2%	0%	1%	3%	5%
People who work / taxpayers	2%	0%	0%	4%	0%	1%	3%	1%
Everyone	0%	3%	0%	1%	4%	1%	6%	1%
Unweighted bases	(58)	(52)	(27)*	(194)	(54)	(244)	(109)	(67)

* caution: low base

3.1.3 Results by receipt of benefits

There was little variation in the extent to which respondents in receipt of various benefits believed there would be groups of people in the community who would be affected more than others if everyone currently on benefit has to pay something towards their council tax, with the following exceptions:

- Recipients of Housing Benefit were more likely than non-recipients to believe this is the case (73% compared to 65%);

- Recipients of Child Tax Credits were more likely than non-recipients to believe this is the case (78% compared to 64%);
- Recipients of Disability Living Allowance or Attendance Allowance were more likely than non-recipients to believe this is the case (74% compared to 65%);

There were no significant differences between those who pay Council Tax and those who do not, nor between those who receive Council Tax Benefit and those who do not.

The figure below summarises views in this respect among those in receipt of various benefits. It should be borne in mind that each respondent may fall into more than one of the groupings below.

Figure 7: Whether respondent believes there are groups of people who would be affected more than others (all respondents by receipt of benefits)



Unweighted bases in parentheses

In terms of the specific groups of people who were thought to be more affected than others by changes to Council Tax Benefit there were no significant differences between those who pay and those who do not pay Council Tax, nor between those in receipt, and those not in receipt, of Council Tax Benefit.

However there were some differences between recipients and non-recipients of other types of benefit, and these are summarised below:

- Disability Living Allowance/Attendance Allowance recipients were more likely than non-recipients to mention households that include someone who is disabled (41% compared to 25%);
- Housing Benefit recipients were more likely than non-recipients to mention lone parent households (22% compared to 13%);
- Jobseeker Allowance recipients were more likely than non-recipients to mention single person households (8% compared to 2%);

- Income Support recipients were more likely than non-recipients to mention carers (8% compared to 2%), and less likely to mention the elderly (2% compared to 12%);
- Working Tax Credit recipients were more likely than non-recipients to mention families with three or more children (5% compared to 1%), and households with full or part time workers (5% compared to 1%), and less likely to mention the elderly (4% compared to 12%);
- Child Tax Credit recipients were more likely than non-recipients to mention families with three or more children (4% compared to 1%), and less likely to mention the elderly (5% compared to 12%).

However, despite these differences, it should be noted that in almost every instance the four groups mentioned most commonly were the same regardless of the type of benefit received, and they were also the same amongst those not in receipt of each of the benefits. These were:

- Households that include someone who is registered disabled;
- Low income households;
- The unemployed;
- Lone parent households.

The only exceptions to this were as follows:

- Those in receipt of Jobseeker Allowance were somewhat more likely to mention those on benefits (14%) and families (13%) than they were to mention those on low income (12%);
- Those in receipt of Pension Credit were somewhat more likely to mention the elderly (14%) than lone parent households (8%).

3.1.4 Results by demographics

Women were more likely than men (70% compared to 62%) to believe there would be groups in the community who would be affected more than others if everyone currently on benefit had to pay something towards their council tax.

Those aged 65 or more were least likely to believe there would be groups in the community who would be affected more than others if everyone currently on benefit had to pay something towards their council tax, with little variation in this respect for younger age groups (57% compared to 68% of those aged up to 64).

Black/Black British respondents (84%) and those of Other ethnicity (80%) were much more likely than White/White British (64%) or Asian/Asian British (60%) respondents to believe this is the case.

Those living in properties rented from a Housing Association were more likely than those of other tenure to believe this is the case (76% compared to 65%).

In terms of the specific groups of people who were thought to be more affected than others by changes to Council Tax Benefit there were few significant differences by demographics, and again the four groups mentioned most commonly were the same in almost all instances regardless of sex, age, ethnicity, disability, marital status, religion, economic activity, presence of children, size of household and tenure. These were:

- Households that include someone who is registered disabled;
- Low income households;
- The unemployed;
- Lone parent households.

The only exception to this was that a number of demographic groups were a little more likely to mention the elderly than lone parent households.

3.2 Who do residents think would be most affected when prompted

3.2.1 Total sample results

Respondents were informed that the Council have also identified a few groups that may be affected by these changes, and were asked whether they think there will be a high impact, a medium impact or a low impact on each of these groups as a result of the changes to Council Tax Benefit. The groups identified by the Council were:

- Families with children;
- Lone parents;
- Carers⁵;
- Full⁶ and part time⁷ workers;
- People who are registered disabled⁸;
- Single people;
- Couples without children.

The figure below highlights that, at a total sample level, those registered as disabled are regarded as being likely to feel the greatest impact of such changes (64% high impact, 20% medium impact), followed by lone parents (54% high impact, 27% medium impact), carers (50% high impact, 31% medium impact) and families with children (40% high impact, 39% medium impact).

While three quarters (75%) of all respondents believed that there would be a high or medium impact on part time workers, within this the majority (50%) believed there would be a medium rather than a high impact on this group.

Single people (21% high impact, 35% medium impact), full time workers (14% high impact, 25% medium impact) and couples without children (9% high impact, 27% medium impact) were regarded as less likely to feel the impact of the changes.

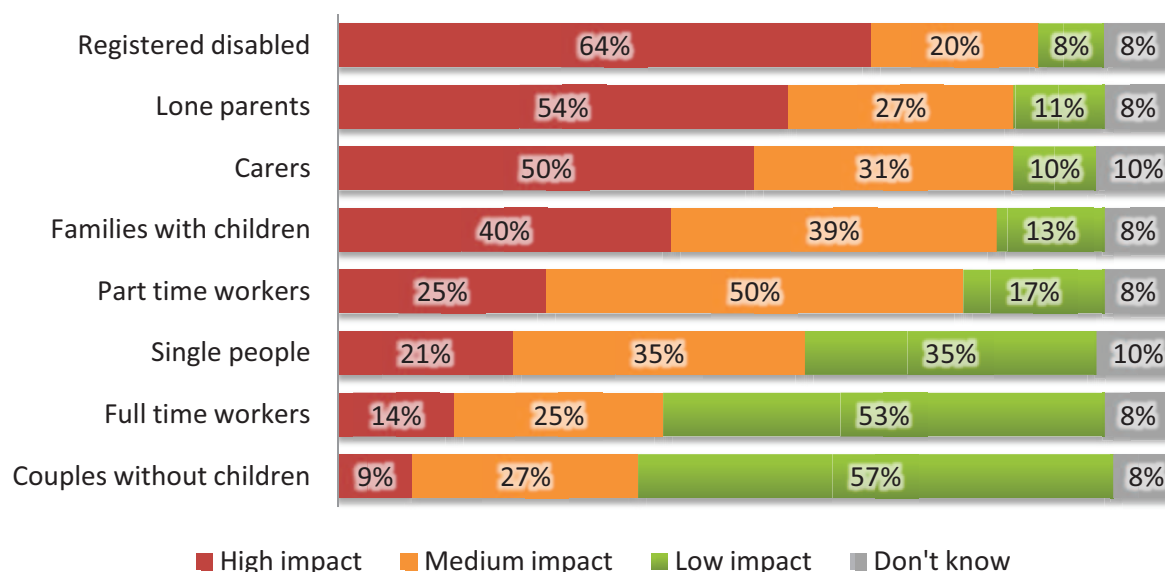
⁵ Where respondents indicated a need for clarification, they were informed that, for the purposes of CTB, a carer is someone who has the responsibility of caring for someone else who, because of long term illness, disability or old age, is not able to care for him or herself. Carers are usually entitled to Carer's Allowance.

⁶ Where respondents indicated a need for clarification, they were informed that, for the purposes of CTB, a full time worker is someone who works 35 hours or more a week

⁷ Where respondents indicated a need for clarification, they were informed that, for the purposes of CTB, a part time worker is someone who works less than 35 hours a week.

⁸ Where respondents indicated a need for clarification, they were informed that, for the purposes of CTB, people are regarded as having a disability if they qualify for a 'disability premium' when their CTB is calculated, and that they usually receive Disability Living Allowance.

Figure 8: Level of impact residents think changes will have on identified groups – prompted (all respondents)



Unweighted base = 1,010

3.2.2 Results by household classification

The table overleaf outlines how the proportion feeling there would be a high impact on the various groups identified varied by household classification. Again the dark red shading represents the groups mentioned by the highest proportion of each household type, the lighter red shading represents the groups identified by the second highest proportion of each household type, and the lightest red shading represents the groups identified by the third and fourth highest proportions of each household type.

Similarly, the darkest green shading represents the groups identified by the lowest proportion of each household type, the lighter green shading represents the groups identified by the second lowest proportion, and the lightest green shading represents the groups identified by the third lowest proportion.

This again highlights the consistency of the results regardless of household type, indicating that while the ranking of the various household types may vary to a small extent, the four groups mentioned most commonly across the various household types were:

- Those who are registered disabled;
- Lone parents;
- Carers;
- Families with children.

Similarly, the groups identified as being least likely to feel a high impact of the changes are highly consistent regardless of the respondent's household type, with the following three groups mentioned least often:

- Couples without children;
- Full time workers;
- Single people.

The only exceptions to this were that respondents in lone parent households were slightly less likely to mention part time workers than single people (28% compared to 31%).

Figure 9: Proportion who think there will be a high impact – prompted (all respondents by household type)

Column percentages	Respondent household type							
	Registered disabled	Lone parent	Carer	One or two dependent children	Three or more children	Full and/or part time workers	Single person household	Couple without children
Groups identified as feeling a high impact	Registered disabled	Lone parent	Carer	One or two dependent children	Three or more children	Full and/or part time workers	Single person household	Couple without children
People who are registered disabled	76%	71%	79%	60%	71%	69%	64%	70%
Lone parents	57%	70%	67%	55%	65%	54%	48%	53%
Carers	55%	56%	66%	48%	55%	48%	50%	48%
Families with children	42%	40%	40%	39%	55%	39%	40%	33%
Part time workers	29%	28%	18%	27%	32%	27%	28%	13%
Single people	24%	31%	25%	21%	25%	20%	24%	13%
Full time workers	13%	7%	7%	14%	18%	15%	15%	11%
Couples without children	6%	7%	5%	6%	12%	10%	10%	9%
Unweighted bases	(99)	(69)	(36)	(294)	(82)	(359)	(181)	(101)

3.2.3 Results by receipt of benefits

The table overleaf summarises the results by receipt/non-receipt of various benefits, and highlights the very high degree of consistency in response both between those who receive and those who do not receive the various benefits, and between those who receive different types of benefits.

The shading in the table indicates instances where a significantly higher proportion of recipients of a particular benefit than non-recipients felt there will be a high impact for a particular group, and these can be summarised as follows:

- Those in receipt of Council Tax Benefit were more likely than non-recipients to feel there would be a high impact on lone parents (63% compared to 50%), carers (59% compared to 48%), families with children (54% compared to 36%) and part time workers (32% compared to 23%);
- Housing Benefit recipients were more likely than non-recipients to feel there would be a high impact on families with children (57% compared to 37%) and single people (28% compared to 19%);
- Income Support recipients were more likely than non-recipients to feel there would be a high impact on families with children (73% compared to 37%) and single people (39% compared to 19%);
- Pension Credit recipients were more likely than non-recipients to feel there would be a high impact on single people (35% compared to 19%);
- Child Tax Credit recipients were more likely than non-recipients to feel there would be a high impact on lone parents (67% compared to 51%), families with children (57% compared to 36%), part time workers (32% compared to 23%) and single people (27% compared to 18%);
- Disability Living Allowance/Attendance Allowance recipients were more likely than non-recipients to feel there would be a high impact on carers (58% compared to 49%).

However, despite these differences in degree, for every sub-group, whether in receipt of benefits or not, the same four groups were highlighted as feeling the greatest impact of the changes:

- Those who are registered disabled;
- Lone parents;
- Carers;
- Families with children.

Figure 10: Proportion who think there will be a high impact – prompted (all respondents by receipt of benefits)

Receipt of benefits	Groups identified as feeling a high impact								
	People who are registered disabled	Lone parents	Carers	Families with children	Part time workers	Single people	Full time workers	Couples without children	Unweighted bases
CTB recipient	68%	63%	59%	54%	32%	23%	15%	10%	(315)
CTB non-recipient	63%	50%	48%	36%	23%	18%	13%	8%	(639)
IB/ESA recipient	70%	60%	47%	44%	23%	24%	15%	9%	(75)
IB/ESA non-recipient	63%	53%	50%	39%	25%	20%	14%	9%	(903)
HB recipient	66%	59%	55%	57%	29%	28%	15%	9%	(178)
HB non-recipient	63%	52%	49%	37%	24%	19%	14%	9%	(810)
JSA recipient	73%	62%	61%	53%	22%	39%	21%	7%	(48)
JSA non-recipient	63%	53%	49%	39%	24%	19%	14%	9%	(947)
IS recipient	72%	57%	56%	73%	20%	37%	15%	12%	(68)
IS non-recipient	63%	53%	49%	37%	24%	19%	14%	9%	(919)
PC recipient	55%	59%	51%	44%	31%	35%	16%	8%	(106)
PC non-recipient	64%	53%	50%	39%	24%	19%	14%	9%	(875)
WTC recipient	57%	63%	40%	42%	26%	19%	13%	6%	(89)
WTC non-recipient	64%	52%	51%	40%	25%	20%	14%	9%	(889)
CTC recipient	57%	67%	55%	57%	32%	27%	14%	10%	(171)
CTC non-recipient	63%	51%	49%	36%	23%	18%	14%	8%	(806)
DLA/AA recipient	69%	55%	58%	37%	25%	24%	15%	7%	(147)
DLA/AA non-recipient	63%	54%	49%	40%	25%	20%	14%	9%	(847)

3.2.4 Results by demographics

The table overleaf summarises the results by sex, age, ethnicity, religion, disability status and economic activity, with the shading indicating instances where a significantly higher proportion mentioned a particular group as being likely to feel a high impact as a result of the changes.

Again, while there were some differences in the degree of response, which are summarised below, in each instance the four groups identified as being likely to feel the greatest impact of the changes were:

- Those who are registered disabled;
- Lone parents;
- Carers;
- Families with children.

In terms of the various sub-groups, differences can be summarised as follows:

- Women were more likely to assign a high impact to most groups than men, except in relation to full time workers and couples without children;
- Those aged 65 or more were less likely than younger respondents to assign a high impact to lone parents;
- Those aged 45 to 64 were more likely than other age groups to assign a high impact to part time and full time workers;
- Those aged 18 to 29 were more likely than other age groups to assign a high impact to single people;
- Asian/Asian British respondents tended to be less likely to assign a high impact to most groups with the exception of full time workers and couples without children;
- Black/Black British respondents tended to be more likely to assign a high impact to most groups;
- There were few differences by religion, although those without a faith were more likely to assign a high impact to lone parents and carers. Christians and those of another faith were also more likely to assign a high impact to lone parents, Hindus to full time workers, and Muslims to families with children;
- There were very few differences with regard to disability status;
- Those not in employment tended to be more likely to assign a high impact to most groups with the exception of full and part time workers, and couples without children.

Figure 11: Proportion who think there will be a high impact – prompted (all respondents by demographics)

Row percentages	Groups identified as feeling a high impact								Unweighted bases
	People who are registered disabled	Lone parents	Carers	Families with children	Part time workers	Single people	Full time workers	Couples without children	
Sex									
Male	59%	49%	45%	34%	22%	17%	15%	10%	(404)
Female	69%	60%	55%	45%	28%	25%	13%	7%	(606)
Age									
18 to 29	66%	61%	45%	46%	26%	28%	14%	8%	(121)
30 to 44	60%	56%	50%	40%	22%	18%	11%	8%	(267)
45 to 64	66%	54%	54%	38%	30%	21%	18%	8%	(373)
65 or more	63%	44%	47%	35%	21%	18%	11%	12%	(240)
Ethnicity									
Asian/Asian British	59%	44%	42%	44%	20%	21%	19%	10%	(344)
Black/Black British	75%	72%	58%	59%	44%	36%	20%	13%	(79)
White/White British	62%	55%	51%	34%	21%	18%	10%	8%	(474)
Other ethnicity	84%	60%	57%	46%	44%	19%	12%	3%	(86)
Religion									
None	69%	69%	62%	24%	21%	21%	9%	9%	(103)
Christian	64%	54%	49%	41%	28%	19%	12%	9%	(485)
Hindu	59%	43%	44%	43%	21%	25%	22%	11%	(213)
Islam	64%	50%	39%	55%	27%	22%	18%	7%	(86)
Other	61%	56%	46%	37%	19%	21%	6%	3%	(79)
Disability									
None	64%	55%	50%	40%	24%	21%	14%	9%	(774)
Mobility	63%	42%	49%	36%	29%	18%	15%	5%	(140)
Other	62%	55%	49%	41%	22%	22%	12%	7%	(117)
Economic activity									
Employed	62%	53%	48%	36%	25%	20%	15%	10%	(527)
Not employed	73%	66%	58%	56%	24%	29%	14%	4%	(204)
Retired	60%	45%	47%	33%	24%	16%	11%	11%	(273)

The table below summarises the results by the number of adults and children in the household, and the tenure of the property. Again the shading indicates the few instances where a significantly higher proportion mentioned a particular group as being likely to feel a high impact as a result of the changes

Again, while there were some differences in the degree of response, in each instance the four groups identified as being likely to feel the greatest impact of the changes were:

- Those who are registered disabled;
- Lone parents;
- Carers;
- Families with children.

Figure 12: Proportion who think there will be a high impact – prompted (all respondents by household composition and tenure)

Demographics	Groups identified as feeling a high impact								
	People who are registered disabled	Lone parents	Carers	Families with children	Part time workers	Single people	Full time workers	Couples without children	
Row percentages									
Number in household									
One	66%	50%	52%	42%	29%	25%	14%	8%	(232)
Two	52%	54%	52%	39%	21%	16%	14%	9%	(387)
Three	69%	56%	50%	40%	29%	23%	14%	8%	(182)
Four or more	61%	55%	44%	38%	25%	24%	14%	8%	(194)
Number of children									
None	65%	54%	50%	38%	25%	20%	13%	9%	(705)
One	60%	58%	48%	44%	31%	22%	15%	8%	(132)
Two	57%	48%	53%	37%	24%	24%	15%	8%	(129)
Three or more	69%	63%	50%	57%	20%	23%	19%	6%	(42)
Tenure									
Owned/mortgage	64%	52%	49%	37%	22%	20%	13%	7%	(685)
Rent from HA	71%	62%	62%	45%	28%	24%	16%	10%	(115)
Rent privately	61%	52%	51%	47%	32%	21%	16%	10%	(100)
Other	58%	54%	37%	44%	32%	21%	10%	12%	(75)

3.3 Reasons for thinking there would be a high impact for certain groups

Respondents were asked why they thought there would be a high impact for certain groups, and the table overleaf details the findings to this, with shading used to highlight the three most commonly mentioned themes with regard to each of the groups. To summarise, the most commonly mentioned themes were as follows:

People who are registered disabled:

- Limited employment options (31%);
- Highly reliant on benefits (28%);
- Limited/low household income (21%).

Lone parents

- Limited/low household income (44%);
- Have more outgoings/expenses (34%);
- Highly reliant on benefits (12%);
- Alone/without support (12%).

Carers:

- Limited/low household income 32%);
- Limited employment options (31%);
- Have more outgoings/expenses (14%).

Families with children:

- Have more outgoings/expenses (45%);
- Limited/low household income (14%);
- General high cost of living (12%).

Part time workers:

- Limited/low household income (65%);
- Difficulty in paying increase (11%);
- Highly reliant on benefits (6%);
- Have more outgoings/expenses (6%).

Single people:

- Limited/low household income (36%);
- Alone/without support (12%);
- Depends on the personal circumstances in each case (10%).

Full time workers:

- Will pay more (including tax) (21%);
- Limited/low household income (17%);
- Taxpayers are left supporting those on benefits (12%);

Couples without children:

- Limited/low household income (12%);
- Difficulty in paying increase (12%);
- Depends on the personal circumstances in each case (8%).

Figure 13: Reasons for believing there would be a high impact – unprompted (all respondents where believe there would be a high impact)

Column percentages	Groups identified as feeling a high impact							
	People who are registered disabled	Lone parents	Carers	Families with children	Part time workers	Single people	Full time workers	Couples without children
Limited employment options	31%	11%	31%	1%	5%	1%	0%	1%
Highly reliant on benefits	28%	12%	13%	9%	6%	2%	1%	1%
Limited / low household income	21%	44%	32%	14%	65%	36%	17%	12%
Alone / without support	10%	12%	8%	4%	2%	12%	4%	4%
Have more outgoings / expenses	9%	34%	14%	45%	6%	4%	5%	2%
Struggling already with existing commitments	6%	11%	3%	8%	5%	3%	2%	1%
Difficultly in paying increase	4%	5%	3%	5%	11%	6%	6%	12%
Been affected by changes / cuts to other benefits	4%	2%	4%	7%	2%	5%	6%	1%
Highly / most vulnerable group	4%	1%	2%	1%	<0.5%	0%	0%	0%
Loss of disposable income	3%	7%	3%	11%	4%	2%	10%	6%
Depends on the personal circumstances of each case	3%	3%	1%	3%	3%	10%	2%	8%
General high cost of living	2%	5%	3%	12%	3%	8%	10%	7%
Poor economic situation for finding employment / no jobs about	2%	1%	1%	<0.5%	4%	4%	1%	0%
Will pay more (inc. Tax)	1%	<0.5%	0%	0%	2%	2%	21%	7%
Taxpayers are left supporting those on benefits	<0.5%	<0.5%	<0.5%	<0.5%	1%	0%	12%	2%
Not receiving any governmental help	<0.5%	<0.5%	0%	1%	1%	2%	11%	5%
Doing a difficult job	<0.5%	0%	7%	0%	<0.5%	0%	1%	0%
Provides a valued service to the community	<0.5%	0%	4%	0%	0%	0%	0%	0%
Increasing / higher childcare costs	0%	10%	0%	6%	<0.5%	0%	1%	0%
Other	15%	4%	10%	14%	13%	20%	8%	21%
Don't know	6%	3%	5%	4%	5%	13%	14%	23%
Unweighted base	(643)	(535)	(503)	(422)	(260)	(222)	(152)	(99)

3.4 Views on creation of a Hardship Fund

3.4.1 Total sample results

Respondents were asked whether they think the Council should set up a Hardship Fund to support people suffering genuine hardship through the changes to Council Tax Benefit.

Overall, three in five (63%) of all respondents believed that the Council should create a Hardship Fund, one in seven (14%) felt the Council should not do so, and one in twenty (6%) were unsure.

A further one in five (17%) said it depended on a range of factors, largely focussing on the certainty that those who benefitted from the Fund would be genuinely deserving cases. More specifically, among those who felt it depended, the following were mentioned spontaneously:

- The claimant having a genuine case (23%);
- The claimant being means tested (17%);
- The system not being misused/abused (9%);
- Dependent on the claimant's circumstances (8%);
- How 'hardship' is defined (8%);
- Cases being regulated/monitored correctly (5%);
- On where the funding is found (4%);
- On cases being taken on an individual basis (3%);
- Requirement for proof (2%);
- Being short term only (1%).

The following verbatim remarks provide a flavour of the response to this open question.

'Only if they find out if they are genuinely suffering.'

'If it was assessed properly to see who has genuine hardship.'

'How they define hardship.'

'It depends on the proof of the situation and if they are genuine – it must be filtered.'

'It should be examined individually. Some are high spenders and will still want maintain this living.'

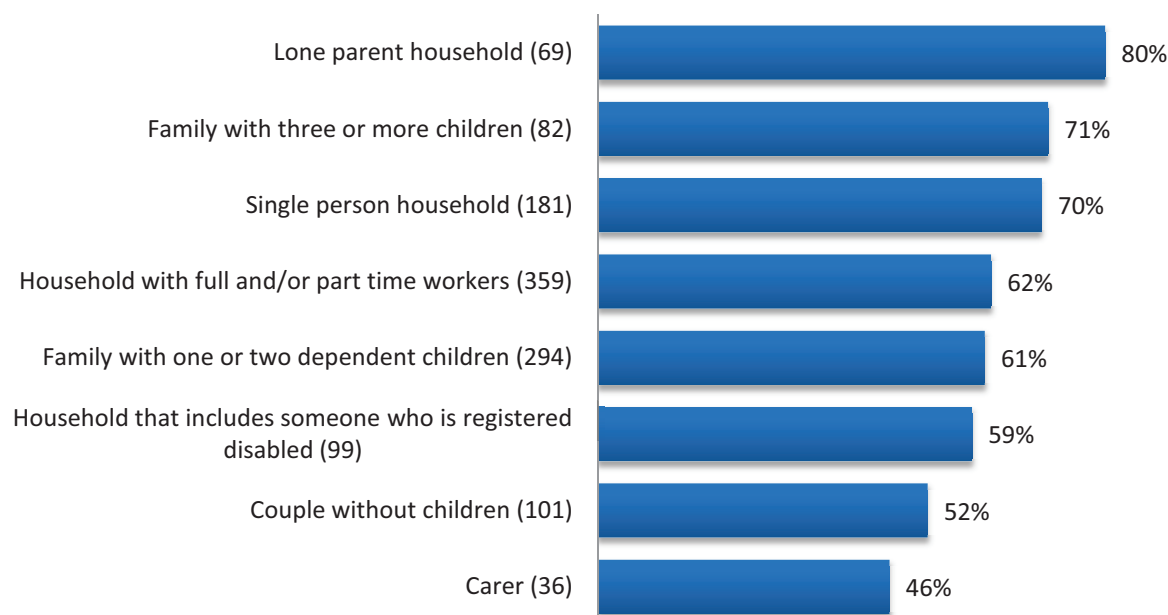
'Where the money is coming from to fund the hardship fund.'

3.4.2 Results by household classification

While the sections above highlight how consistent the views of different groups of respondents were with regard to the groups perceived as being likely to feel a high impact as a result of the changes, views were more diverse with regard to the creation of a Hardship Fund, as shown in the figure below.

While four in five (80%) of lone parents felt that a Hardship Fund should be created, this fell to less than half of carers (46%).

Figure 14: Proportion who believe the Council should create a Hardship Fund (all respondents by household type)



Unweighted bases in parentheses

3.4.3 Results by receipt of benefits

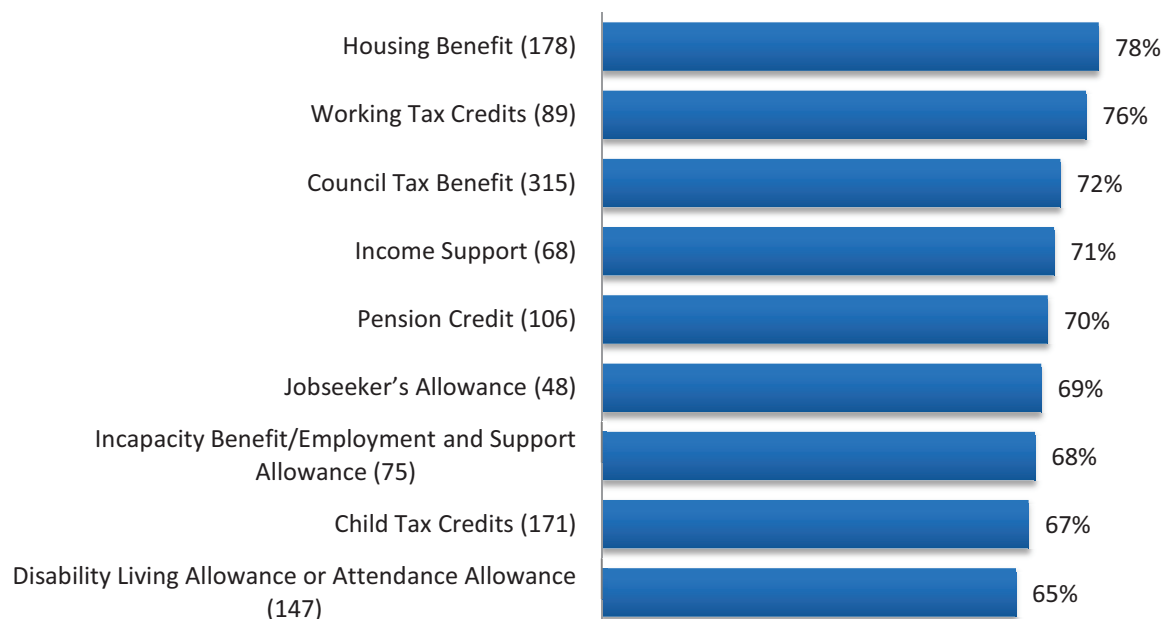
Recipients of the following benefits were more likely than non-recipients to feel the Council should create a Hardship Fund:

- Council Tax Benefit (72% compared to 60%);
- Housing Benefit (78% compared to 61%);
- Working Tax Credit (76% compared to 61%).

There were no significant differences between those who pay Council Tax and those who do not.

The figure below summarises views in this respect among those in receipt of various benefits, and demonstrates that there was less variation by type of benefit received than by type of household, with the proportion feeling the Council should create a Hardship Fund ranging from 78% of those receiving Housing Benefit, to 65% of those receiving Disability Living Allowance or Attendance Allowance.

Figure 15: Proportion who believe the Council should create a Hardship Fund (all respondents by receipt of benefits)



Unweighted bases in parentheses

3.5 General comments

At the end of the survey, prior to answering demographic questions, respondents were asked if they had any general comments to make about the changes. Close to half (47%) mentioned something, and these comments were very disparate.

The following outlines the themes that came through at this question that were mentioned by 10 respondents or more, indicating the actual number of respondents who expressed the particular sentiment, alongside verbatim comments that illustrate each of these themes.

Only those in genuine need should receive money from the Fund (57 respondents):

'I hope that the council will be fair and just, meaning that genuine cases are receiving what they deserve in terms of support.'

'Some people don't genuinely need the benefits, however there are people who do need the help and need to be given the funds. The government are cutting corners and just dealing with minor issues and disregarding the bigger picture.'

Those who work shouldn't be able to claim benefits (23 respondents):

'People who can work should work, and should not be able to claim any form of benefit.'

'If there is a genuine hardship, or genuinely need benefits, then they should be able to get benefits. People who can work should not be on benefits.'

'It would be a good incentive for the unemployed and younger people who can work but won't work to get a job and not live off people paying tax.'

The system is currently being abused (21 respondents):

'People are receiving benefits and they should not be.'

'People that really need it should be looked out for. Loads of people that don't need it take advantage and they need to be paying the money back.'

'People that don't deserve to get benefits are getting benefits. People that work the system get things they do not deserve.'

The cuts/changes are necessary (20 respondents):

'Changes are necessary because of the state of the economy.'

Vulnerable groups are being affected (19 respondents):

'It will impact vulnerable people in society who often can't work through no choice of their own.'

'Some of these really vulnerable people need more support not less, may not actually save money in the long run.'

It should be means tested (16 respondents):

'I think it is a good idea that everyone pays something towards council tax. It would bring in more money and it could be means tested so the more vulnerable pay less than others but it doesn't fall on just the working people.'

Each case needs to be individually assessed (15 respondents):

'It affects everyone but depends on each person's individual circumstances which need to be taken into account, so it is difficult to generalise to everyone.'

'Council Tax Benefit in general is not fair across the board – they need more individual assessment.'

The system is unfair (14 respondents):

'I think the government are being very short sighted and are being very unfair to groups of people who have very high costs and their money is being cut.'

'I believe it's unfair given the climate. The taxes should be distributed in a fairer way as we don't have a say in where our own taxes are going.'

They should focus on helping/supporting people (12 respondents):

'Council is too interested in making cuts and should focus more on helping people.'

'Government should look into who they are helping and who they are not helping.'

Taxpayers will have to pay for it (12 respondents):

'Some people genuinely need the help from the council whilst some spend too much at the cost of the tax payers. They should be individually assessed.'

'Hope the council don't put pressure on the tax payers to subsidise the dependent people that need support.'

Should look at other areas for cut backs (12 respondents):

'There are many things funds need to be used for within the community.'

'They make changes and make other people suffer, waste money on so many things but cut money where it is needed.'

Council Tax should be reduced/is too high (11 respondents):

'Council tax should be reduced. Moreover, people who can make a contribution to council tax should contribute as opposed to taking money from the government that they do not deserve.'

They should look carefully at expenditure/reduce wastage (11 respondents):

'I disagree with the cuts. If they are prepared to spend 430 million pounds on one project that will create some jobs, then they should look after the local residents more, people who have been living in Harrow for many years and paying genuine tax.'

'They make changes and make other people suffer, waste money on so many things but cut money where it is needed.'

4 Appendix 1: Unweighted and weighted sample profile

Figure 16: Unweighted and weighted profile of sample

	Unweigh- ted	Weigh- ted		Unweigh- ted	Weigh- ted
Sex			Ethnicity		
Male	40%	50%	Asian or Asian British	34%	25%
Female	60%	50%	Afghani	1%	<0.5%
Age			Chinese	0%	<0.5%
18 to 29	12%	18%	Pakistani	2%	1%
30 to 44	26%	31%	Bangladeshi	1%	<0.5%
45 to 59	28%	25%	Indian	24%	19%
60 to 64	9%	7%	Sri Lankan	5%	3%
65+	24%	18%	Other Asian	2%	1%
Employment status			Black or Black British	8%	8%
Full-time	31%	36%	African	2%	3%
Part-time	15%	14%	Somali	0%	<0.5%
Self-employed	6%	8%	Caribbean	4%	5%
On government scheme	0%	<0.5%	Other Black	1%	<0.5%
In full time education	4%	6%	Mixed background	2%	3%
Unemployed/ available for work	6%	7%	White and Black African	<0.5%	1%
Permanently sick / disabled	4%	3%	White and Asian	<0.5%	1%
Retired	27%	21%	White and Black Caribbean	<0.5%	2%
Looking after home / family	5%	4%	Other Mixed	0%	0%
Other	2%	1%	White or White British	51%	58%
Prefer not to say	1%	1%	Albanian	<0.5%	<0.5%
Disability status			Gypsy/Irish Traveller	0%	0%
No	77%	80%	Polish	1%	1%
Yes – hearing	2%	1%	Scottish	1%	1%
Yes – mobility	12%	12%	English	38%	48%
Yes – vision	2%	2%	Irish	5%	6%
Yes – a learning disability	0%	<0.5%	Romanian	1%	1%
Yes – mental ill health	2%	2%	Welsh	0%	<0.5%
Yes – other	9%	6%	Other White	5%	<0.5%
Refused	1%	1%	Other background	2%	3%
Council Tax			Arab	1%	<0.5%
Council Tax payer	73%	70%	Iranian	<0.5%	<0.5%
Not Council Tax payer	20%	23%	Other	1%	3%
Don't know	7%	7%	Refused	3%	3%
Total sample	(1,010)		Total sample	(1,010)	

Consultation on the localisation of Council Tax support

	Unweigh- ted	Weigh- ted		Unweigh- ted	Weigh- ted
Religion			Marital status		
None/atheist	10%	16%	Yes – married	54%	52%
Buddhism	1%	1%	Yes – Civil Partnership	2%	4%
Christianity	47%	49%	No	42%	43%
Hinduism	21%	16%	Refused	1%	1%
Islam	8%	7%	Military relationship		
Jainism	2%	2%	(Ex) Service personnel	8%	8%
Judaism	3%	4%	War Widow	1%	1%
Sikh	1%	<0.5%	Receipt of benefits		
Zoroastrian	0%	0%	Council Tax Benefit	31%	20%
Other	3%	1%	Incapacity Benefit/ESA	7%	6%
Refused	4%	4%	Housing Benefit	18%	13%
Tenure			Jobseeker's Allowance	5%	4%
Owned outright	31%	30%	Income Support	7%	5%
Owned with a mortgage/loan	37%	38%	Pension Credit	10%	8%
Rented from HA	11%	11%	Working Tax Credits	9%	8%
Rented from private landlord	10%	9%	Child Tax Credits	17%	15%
Rented from friend/relative	0%	1%	DLA or AA	15%	12%
Tied/linked to a job	0%	<0.5%	Sexual orientation		
Shared ownership	1%	1%	Bisexual	0%	1%
Rented from Council	6%	5%	Gay Woman / Lesbian	<0.5%	<0.5%
Refused	3%	5%	Gay Man	<0.5%	<0.5%
Household description			Heterosexual	89%	90%
Family with 1/2 children	30%	31%	Don't know	<0.5%	<0.5%
Family with 3+ children	9%	9%	Refused	9%	9%
Lone parent household	8%	6%	Number of adults 16+ in household		
Carer	4%	4%	One person	38%	19%
Full and/or part time workers	36%	39%	Two people	18%	38%
Registered disabled	10%	9%	Three people	13%	18%
Single person household	17%	14%	Four people	6%	15%
Couple without children	10%	10%	Five or more people	1%	7%
None of them	8%	7%	Refused	2%	2%
Don't know	1%	2%	Number of children in household		
Maternity status			None	70%	68%
Pregnant/on maternity leave during the past two years	6%	6%	One	13%	13%
Gender assignment			Two	13%	14%
Same as at birth	94%	95%	Three or more	4%	4%
Changed since birth	1%	1%	Refused	1%	1%
Refused	5%	4%			
Total sample	(1,010)		Total sample	(1,010)	

5 Appendix 2: The questionnaire

Pro 8833 (8 May 2012) – VERSION 1
Harrow Council: Council Tax Reduction Scheme Consultation

Good morning/afternoon, my name is [NAME] and I am from BMG Research, an independent research organisation. We are conducting a survey on behalf of Harrow Council, who would like to know what residents think about changes that are being brought in nationally by central government that will affect Council Tax Benefits in the future, and how best to support people through the changes.

The interview will take 10 to 15 minutes, depending on the answers you give.

IF NECESSARY: All your answers will be treated in the strictest confidence and individually named responses will not be passed back to Harrow Council, or to any other organisation, without your permission.

- **MRS:** Market Research Society on 0500 39 69 99
- **BMG Research:** Lys Coleman on 0121 333 6006

R Can I speak to xxxxxxxx?

Yes	1	CONTINUE
Appointment	2	RECORD APPOINTMENT
Refusal	3	THANK AND CLOSE

Q1	<p>ALL First, can I check whether your name appears on the Council Tax Bill for this household? (IF NECESSARY: We need to get the views of different people depending on whether they pay Council Tax or not.) CODE ONE ONLY Yes 1 No 2 Don't know 3</p>	<p>BASE: ALL SINGLE</p> <p>QUOTA</p>
Q2	<p>ALL As you may know, the government is making lots of changes to Welfare Benefits, and these include changing the way Council Tax Benefit is provided. (IF NECESSARY: I'll tell you more about the changes in a moment). Does your household receive Council Tax Benefit? (IF NECESSARY: This is when money is paid by the government towards your Council Tax Bill.) CODE ONE ONLY Yes 1 No 2 Don't know 3</p>	<p>BASE: ALL SINGLE</p> <p>QUOTA</p>

Consultation on the localisation of Council Tax support

<p>Q3</p>	<p>ALL And do you or your household receive the following benefits or allowances? READ OUT AND CODE ONE ONLY PER ROW</p> <table border="0"> <thead> <tr> <th></th> <th>Yes</th> <th>No</th> <th>DK</th> </tr> </thead> <tbody> <tr> <td>Incapacity Benefit/Employment and Support Allowance</td> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>Housing Benefit</td> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>Jobseeker's Allowance</td> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>Income Support</td> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>Pension Credit</td> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>Working Tax Credits</td> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>Child Tax Credits</td> <td>1</td> <td>2</td> <td>3</td> </tr> <tr> <td>Disability Living Allowance or Attendance Allowance</td> <td>1</td> <td>2</td> <td>3</td> </tr> </tbody> </table>		Yes	No	DK	Incapacity Benefit/Employment and Support Allowance	1	2	3	Housing Benefit	1	2	3	Jobseeker's Allowance	1	2	3	Income Support	1	2	3	Pension Credit	1	2	3	Working Tax Credits	1	2	3	Child Tax Credits	1	2	3	Disability Living Allowance or Attendance Allowance	1	2	3	<p>BASE: ALL SINGLE</p> <p>QUOTA</p>
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<p>READ OUT: Some people receive Council Tax Benefit to help pay their Council Tax.</p> <p>The Government is abolishing Council Tax Benefit from April 2013 and giving local councils the responsibility for new local schemes, but reducing the amount of funding it provides by 10%. This means Harrow will need to save £3.5 million to fund the new scheme next year.</p> <p>There will not be any changes for pensioners and the Government will continue to set the rules for this group, but there will be changes for everyone else.</p> <p>The Council has started to look at the changes that need to be made to Council Tax Benefit to find the savings within the new scheme, but at the same time it wants to support the most vulnerable people. The Council would like your feedback to help them to do this.</p>																																						
<p>Q5</p>	<p>ALL Do you think there are any groups of people in the community who would be affected more than others if everyone currently on benefit has to pay something towards their Council Tax? CODE ONE ONLY</p> <table border="0"> <tbody> <tr> <td>Yes</td> <td>1</td> </tr> <tr> <td>No</td> <td>2</td> </tr> <tr> <td>Don't know</td> <td>3</td> </tr> </tbody> </table>	Yes	1	No	2	Don't know	3	<p>BASE: ALL SINGLE</p>																														
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No	2																																					
Don't know	3																																					

Q6	<p>ALL WHO SAY YES AT Q5 Which groups do you think would be affected more than others? DO NOT PROMPT. PROBE FULLY AND RECORD VERBATIM</p> <div style="border: 1px solid black; height: 40px; width: 100%;"></div> <p>Don't know 98</p>	BASE: Q5/1 OPEN																																													
Q7	<p>ALL WHO MENTION A GROUP/GROUPS AT Q6 Why do you think this/these groups would be affected more than others? DO NOT PROMPT. PROBE FULLY AND RECORD VERBATIM</p>	BASE: Q6/1-95 OPEN																																													
Q8	<p>ALL The Council have also identified a few groups that may be affected by these changes. Please could you tell me whether you think there will be a high impact, a medium impact or a low impact on each of these groups as a result of the changes to Council Tax Benefit? ROTATE. READ OUT AND CODE ONE ONLY PER ROW</p> <table border="0" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 70%;"></th> <th style="text-align: center;">High</th> <th style="text-align: center;">Medium</th> <th style="text-align: center;">Low</th> <th style="text-align: center;">DK</th> </tr> </thead> <tbody> <tr> <td>Families with children</td> <td style="text-align: center;">1</td> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> <td style="text-align: center;">4</td> </tr> <tr> <td>Lone parents</td> <td style="text-align: center;">1</td> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> <td style="text-align: center;">4</td> </tr> <tr> <td>Carers ((IF NECESSARY: for the purposes of CTB, someone who has the responsibility of caring for someone else who, because of long term illness, disability or old age, is not able to care for him or herself. Carers are usually entitled to Carer's Allowance))</td> <td style="text-align: center;">1</td> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> <td style="text-align: center;">4</td> </tr> <tr> <td>Full time workers (IF NECESSARY: for the purposes of CTB, working 35 hours or more a week)</td> <td style="text-align: center;">1</td> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> <td style="text-align: center;">4</td> </tr> <tr> <td>Part time workers (IF NECESSARY: for the purposes of CTB, working less than 35 hours a week)</td> <td style="text-align: center;">1</td> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> <td style="text-align: center;">4</td> </tr> <tr> <td>People who are registered disabled (IF NECESSARY: for the purposes of CTB, where they qualify for a 'disability premium' when their CTB is calculated. Usually receive Disability Living Allowance)</td> <td style="text-align: center;">1</td> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> <td style="text-align: center;">4</td> </tr> <tr> <td>Single people</td> <td style="text-align: center;">1</td> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> <td style="text-align: center;">4</td> </tr> <tr> <td>Couples without children</td> <td style="text-align: center;">1</td> <td style="text-align: center;">2</td> <td style="text-align: center;">3</td> <td style="text-align: center;">4</td> </tr> </tbody> </table>		High	Medium	Low	DK	Families with children	1	2	3	4	Lone parents	1	2	3	4	Carers ((IF NECESSARY : for the purposes of CTB, someone who has the responsibility of caring for someone else who, because of long term illness, disability or old age, is not able to care for him or herself. Carers are usually entitled to Carer's Allowance))	1	2	3	4	Full time workers (IF NECESSARY : for the purposes of CTB, working 35 hours or more a week)	1	2	3	4	Part time workers (IF NECESSARY : for the purposes of CTB, working less than 35 hours a week)	1	2	3	4	People who are registered disabled (IF NECESSARY : for the purposes of CTB, where they qualify for a 'disability premium' when their CTB is calculated. Usually receive Disability Living Allowance)	1	2	3	4	Single people	1	2	3	4	Couples without children	1	2	3	4	BASE: ALL ROW SINGLES
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Q9	<p>REPEAT FOR EACH GROUP RATED HIGH AT Q8 Why do you think there would be a high impact for (READ OUT AS APPROPRIATE)? RECORD VERBATIM</p>	<p>BASE: Q8/1 FOR EACH OPEN</p>
Q10	<p>ALL Should the Council create a Hardship Fund to support people suffering genuine hardship through the changes to Council Tax Benefit? CODE ONE ONLY Yes 1 No 2 It depends (PLEASE SPECIFY) 95 Don't know 98</p>	<p>BASE: ALL SINGLE</p>
Q11	<p>ALL Have you got any general comments that you wish to make about these changes? DO NOT PROMPT. PROBE FULLY AND RECORD VERBATIM</p>	<p>BASE: ALL OPEN</p>
	<p>READ OUT: I'd now like to ask you a few final questions to help us to put your answers into context. We want to understand the views of different types of people across Harrow. All your answers are strictly confidential and you can refuse to answer any of the following questions.</p>	
Q12	<p>INTERVIEWER: RECORD RESPONDENT SEX Male 1 Female 2</p>	<p>BASE: ALL SINGLE</p>
Q13	<p>ASK ALL Can you tell me which of the following describes you. Are you ...? READ OUT, CODE ONE ONLY In full-time employment (30+ hours) 1 In part-time employment (up to 30 hours) 2 Self-employed full or part time 3 On a government scheme 4 In full time education at school, college or university 5 Unemployed and available for work 6 Permanently sick / disabled 7 Retired 8 Looking after home / family 9 Other 10 Prefer not to say 11 Other (WRITE IN) _____ 95 DO NOT READ OUT: Refused 98</p>	<p>BASE: ALL SINGLE</p>

Q14	ALL Including yourself, how many people over the age of sixteen are living in your home at the moment? WRITE IN. REFUSED = 999	BASE: ALL NUMERIC
Q15	ALL Would you say that any of the following describe your own household? READ OUT IF NECESSARY AND CODE ALL THAT APPLY A family with one or two dependent children 1 A family with three or more children 2 A lone parent household 3 A carer 4 A household with full and/or part time workers 5 A household that includes someone who is registered disabled 6 A single person household 7 A couple without children 8 None of them 9 Don't know 10	BASE: ALL MULTI
Q16	ALL WITH CHILDREN AT Q15 How many children under the age of sixteen are living in your home at the moment? WRITE IN. REFUSED = 999	BASE: Q15/1 TO 3 WRITE IN
Q17	ALL Are you a service personnel or ex service personnel? CODE ONE ONLY Yes 1 No 2	BASE: ALL SINGLE
Q18	ALL WOMEN Are you a War Widow? CODE ONE ONLY Yes 1 No 2	BASE: Q12/2 SINGLE
Q19	ALL Which of the following best describes how you occupy your property? READ OUT AND CODE ONE ONLY Owned outright 1 Owned with a mortgage or loan 2 Rented from a Housing Association 3 Rented from a private landlord or letting agency 4 Rented from a friend or relative 5 Tied/linked to a job 6 Shared ownership (part rented/part bought) 7 Other (WRITE IN) 95 DO NOT READ OUT: Refused 98	BASE: ALL SINGLE

Q20	<p>ALL</p> <p>Are your day-to-day activities limited because of a health problem or disability which has lasted or is expected to last at least 12 months?</p> <p>PROBE FOR DETAIL AS NECESSARY AND CODE ALL THAT APPLY</p> <p>No 1</p> <p>Yes – hearing 2</p> <p>Yes – mobility 3</p> <p>Yes – vision 4</p> <p>Yes – a learning disability 5</p> <p>Yes – mental ill health 6</p> <p>Yes – other (PLEASE SPECIFY) 95</p> <p>DO NOT READ OUT: Refused 98</p>	<p>BASE: ALL MULTI</p>
Q21	<p>ALL</p> <p>What is your ethnic origin?</p> <p>READ OUT IF NECESSARY AND CODE ONE ONLY</p> <p>Asian or Asian British</p> <p>Afghani 1</p> <p>Chinese 2</p> <p>Pakistani 3</p> <p>Bangladeshi 4</p> <p>Indian 5</p> <p>Sri Lankan 6</p> <p>Other Asian or Asian British background (SPECIFY) 7</p> <p>Black of Black British</p> <p>African 8</p> <p>Somali 9</p> <p>Caribbean 10</p> <p>Other Black background (SPECIFY) 11</p> <p>Mixed background</p> <p>White and Black African 12</p> <p>White and Asian 13</p> <p>White and Black Caribbean 14</p> <p>Other Mixed background (SPECIFY) 15</p> <p>White or White British</p> <p>Albanian 16</p> <p>Gypsy/Irish Traveller 17</p> <p>Polish 18</p> <p>Scottish 19</p> <p>English 20</p> <p>Irish 21</p> <p>Romanian 22</p> <p>Welsh 23</p> <p>Other White background (SPECIFY) 24</p> <p>Other background</p> <p>Arab 25</p> <p>Iranian 26</p> <p>Other (WRITE IN) _____ 95</p> <p>DO NOT READ OUT: Refused 98</p>	<p>BASE: ALL SINGLE</p>

Q22	<p>ALL What is your religion? READ OUT IF NECESSARY AND CODE ONE ONLY</p> <p>None/atheist 1 Buddhism 2 Christianity (all denominations) 3 Hinduism 4 Islam 5 Jainism 6 Judaism 7 Sikh 8 Zoroastrian 9 Other (SPECIFY) 95 DO NOT READ OUT: Refused 98</p>	BASE: ALL SINGLE
Q23	<p>ALL Are you married or in a Civil Partnership CODE ONE ONLY</p> <p>Yes – married 1 Yes – Civil Partnership 2 No 3 Refused 4</p>	BASE: ALL SINGLE
Q24	<p>ALL WOMEN AGED UNDER 55 Have you been pregnant and/or on maternity leave during the past two years? CODE ONE ONLY</p> <p>Yes 1 No 2 Refused 3</p>	BASE: Q12/2 AND Q4/1-4 SINGLE
Q25	<p>ALL Is your gender identity the same as the gender you were assigned at birth? CODE ONE ONLY</p> <p>Yes 1 No 2 Refused 3</p>	BASE: ALL SINGLE
Q26	<p>ALL What is your sexual orientation? CODE ONE ONLY</p> <p>Bisexual 1 Gay Woman / Lesbian 2 Gay Man 3 Heterosexual 4 Other (SPECIFY) 95 _____ 97 Refused 97</p>	BASE: ALL SINGLE

<p>Q27</p>	<p>ASK ALL What is your postcode? IF NECESSARY: Explain this will only be used to ensure we have spoken to people across the whole of Harrow. RECORD POSTCODE IN FULL.</p>	<p>BASE: ALL SINGLE.</p>										
	<table border="1"> <tr> <td data-bbox="371 472 451 521">Post code:</td> <td data-bbox="451 472 531 521"></td> <td data-bbox="531 472 611 521"></td> <td data-bbox="611 472 691 521"></td> <td data-bbox="691 472 770 521"></td> <td data-bbox="770 472 850 521"></td> <td data-bbox="850 472 930 521"></td> <td data-bbox="930 472 1010 521"></td> <td data-bbox="1010 472 1090 521"></td> <td data-bbox="1090 472 1166 521"></td> </tr> </table>	Post code:										
Post code:												
	<p>THANK AND CLOSE Thank you, those are all the questions I have. If you are concerned about whether BMG is a genuine market research agency, you can call the Market research Society on 0500 396 999 during office hours. IF NECESSARY: If you would like to find out more about Council Tax Benefit, and whether your household is entitled to receive it, please contact Harrow Council on 020 8901 2610, or visit their website (http://www.harrow.gov.uk/info/200028/council_tax)</p>	<p>BASE: ALL SINGLE</p>										



With more than 20 years' experience, BMG Research has established a strong reputation for delivering high quality research and consultancy.

BMG serves both the social public sector and the commercial private sector, providing market and customer insight which is vital in the development of plans, the support of campaigns and the evaluation of performance.

Innovation and development is very much at the heart of our business, and considerable attention is paid to the utilisation of the most recent technologies and information systems to ensure that market and customer intelligence is widely shared.

**Harrow Council
Council Tax Benefit Support Consultation
Residents' Panel Survey 2012**

Management Summary Report

27 September 2012

QUANTIFY! Ltd. 18 Rodway Road, Roehampton, London SW15 5DS

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Executive Summary

The Consultation

The Government is planning to abolish Council Tax Benefit and has asked councils across the country to develop their own schemes to replace it, though with reduced funding. This survey is part of the Council's consultation on its new scheme.

Administration

This report summarises the responses from a survey aimed at the Council's Residents' Panel, a group of over 1,000 residents who have agreed to respond to surveys from time to time. The survey used a postal self-completion questionnaire and the initial mailing was followed up with a reminder.

More detail is provided below about the [panel](#), the [questionnaire](#) and the [administration](#) of the survey.

Responses

The overall response is described below at [Response](#). The following tables show the personal circumstances reported by the people who responded (informants).

Council tax payment & Benefits	% of informants ticked Yes
Does your name appear on the Council Tax Bill for your household?	82%
Does your household receive Council Tax Benefit?	12%
Do you or your household receive any other benefits?	18%

Household description	% of informants selected the option*
A family with one or two dependent children	19%
A family with three or more children	4%
A lone parent household	4%
A carer	7%
A household with full and/or part-time workers	30%
A household that includes someone who is disabled	16%
A single person household or a couple without children	28%
None of them	18%
Don't know	1%

* multiple selections were invited

Groundrules

The first 9 questions asked for opinions on the rules the Council should set for the operation of its Council Tax Benefit scheme.

Highest level of agreement

% of responses ticked Yes	Suggestion
72%	Q6 Should other adults living in a household where the council tax payer (and their partner) claims Council Tax Benefit, be asked to pay more toward the Council Tax bill than they do now?
66%	Q1 Should people who receive Council Tax Benefit who are in properties with a higher Council Tax charge be asked to pay more?

Lowest level of agreement

% of responses ticked Yes	Suggestion
26%	Q8 Should people with savings of less than £16,000 be asked to use these savings to pay their Council Tax?
27%	Q3 Should people who are working receive more Council Tax Benefit to encourage them to increase the number of hours they work?

The responses to all the suggestions are shown at [Overall Results](#) below.

Impacts of changes

When asked which groups they think will be more affected than others, the groups most frequently mentioned were:

Group mentioned	Mentioned by	
	Number of people	% of responses
Disabled people	94	15%
Single parents	33	5%
Carers	22	4%
Elderly people	20	3%
Low paid workers	10	2%

The questionnaire listed some groups the Council had identified as likely to be affected. Informants were asked to rate them as High, Medium or Low impact. High impact ratings were as follows, highest level of agreement first.

Suggested group	Rated high impact by	
	People	% of responses
10e People who are disabled	286	46%
10c Carers	233	38%
10b Lone parents	224	36%
10a Families with children	157	25%
10f Single people and couples without children	62	10%
10d Part-time and full-time workers	58	9%

Why people think groups will be more affected

Informants were asked to say why they thought the groups they had rated “High” would be more affected. The reasons people gave most often were

- these groups’ perceived low incomes,
- their already stretched finances and
- their lack of opportunity to supplement their incomes.

Informants also point out that the groups identified may have costs to meet which others do not.

The reasons informants volunteered are set out in more detail at [9 B & C](#) and [Question 10 B – Reasons for ticking High](#) below.

Hardship fund

Just under 63% of informants agree that the Council should establish a fund to support those in genuine hardship because of the Council Tax Benefit (CTB) changes.

Comments on the hardship fund emphasise informants’ concern that those administering the fund should use all possible means to

- restrict payments to people in genuine hardship and to
- prevent any abuse of the fund.

Group differences

Compared with a typical panel survey, there are relatively few significant differences of opinion between groups in this survey. Where differences are detected, there are no surprises. Many people, though not all, acknowledge the need for benefits to change but most informants would naturally prefer not to lose out personally.

Introduction

The Consultation

The Government is planning to abolish Council Tax Benefit and has asked councils across the country to develop their own schemes to replace it.

However, when the Government hands over the funding for the scheme, it will be reduced, meaning the Council will have to save approximately £3.5 million to be able to fund the new scheme next year and approximately £4.8 million for the following year. Further savings will be required over the next few years to fund the scheme.

These are already challenging times for local government finance. Despite this the Council is committed to ensuring all its residents have the opportunity to have their say on changes to services.

Therefore, it has consulted with stakeholders from Monday, 11 June to Friday, 21 September 2012 to get views on what the new Council Tax Support scheme should look like. The consultation has been conducted through various media, including this survey using the Residents' Panel.

The Residents' Panel

The Residents' Panel is a group of people who live within the Borough's boundary and who have agreed to respond to surveys from time to time. Members have been selected with the aim of making the panel as nearly representative of the population of the borough as is reasonably possible. We aim to have fair representation on the panel by reference to

- The ward people live in
- Gender
- Ethnic origin
- Age groups

At the time of the survey, the panel had 1,110 members.

Survey Methodology

We mailed a paper questionnaire to all the members of the Council's Residents' Panel on 26 June 2012. The mailing included a copy of the questionnaire; an explanatory leaflet produced by the Council and a Business Reply envelope providing informants with a convenient and free means by which to return the completed questionnaire. The questionnaire stated a closing date of 20 July 2012.

On 17 July 2012 a reminder was mailed to panellists from whom no response had so far been received. This mailing provided a further copy of the questionnaire and another reply envelope but did not include another leaflet. The closing date was extended to 17 August 2012.

If a panel member had sent a late response which crossed in the post with the reminder, a duplicate response was possible. We have removed duplicate responses.

Significance

We have highlighted some differences between groups among those who responded to the survey. The differences we point out are all statistically significant.

Technical note: When we say that a difference is significant, we have assessed significance at the 95% [confidence level](#), after applying a [design factor](#) of 1.3. This means that if we treat the difference as if it were a real one, and not just an accident of sampling, we will be right 19 times out of 20.

Response

Response rate

616 responses were received from the 1,110 panel members. This represents a response rate of 55% which is typical of the response rates achieved in recent Harrow Residents' Panel surveys. Among surveys generally, this is a very good response rate because the group mailed were people who had previously agreed to respond to surveys from time to time.

Representativeness

The Residents' Panel was recruited to be as representative of the Borough's population as possible, consistent with reasonable cost. The responses we receive may not be as representative, though, because we can't control which members of the panel choose to respond to a particular survey. The following tables show the representation of various groups in the borough's population, the Residents' Panel and the responses to this survey.

Ethnicity		Population %	Panel %	Survey %
White	British	49.9%	56.0%	65.1%
	Other White	4.5%	5.7%	2.9%
Mixed	White and Black Caribbean	0.7%	0.9%	0.2%
	White and Black African	0.3%	0.4%	0.2%
	White and Asian	1.0%	0.5%	0.8%
	Other Mixed	0.9%	0.4%	0.5%
Asian	Indian	21.9%	18.0%	14.1%
	Pakistani	2.1%	2.3%	1.0%
	Bangladeshi	0.5%	0.1%	0.0%
	Other Asian	5.2%	4.8%	3.2%
Black	Black Caribbean	3.0%	2.3%	1.9%
	Black African	2.7%	1.8%	1.0%
	Other Black	0.5%	0.3%	0.2%
Other	Chinese	1.2%	0.5%	0.2%
	Other Ethnic Group	1.4%	1.1%	1.1%

Sex	Population %	Panel %	Survey %
Female	50.8%	46.4%	41.1%
Male	49.2%	53.6%	54.7%
Prefer not to say			5.7%

Age group	Population %	Panel %	Survey %
16-24	13.0%	1.1%	0.2%
25-34	16.9%	6.8%	2.6%
35-44	16.2%	11.7%	8.3%
45-54	14.1%	17.2%	13.6%
55-64	10.9%	19.7%	20.6%
65+	14.4%	39.7%	49.7%
Prefer not to say	0.0%	3.8%	5.0%

White people, older age groups and males are overrepresented in the survey response.

While it is not precisely representative, the survey response represents the views of those panel members who cared enough to respond.

Council Tax Benefit recipients

Only 6.1% of the panel has reported that their household receives Council Tax Benefit.

Overall Results

The body of the questionnaire is shown below, with the percentage of ticks for each option provided.

Please tick one box in each row

	Yes	No	Don't know
1 Should people who receive Council Tax Benefit who are in properties with a higher Council Tax charge be asked to pay more?	66%	22%	12%
2 Should people receiving Council Tax Benefit be given extra benefit for a limited period to help pay their Council Tax when they start work?	48%	43%	9%
3 Should people who are working receive more Council Tax Benefit to encourage them to increase the number of hours they work?	27%	60%	13%
4 Should people who can't work be given more Council Tax Benefit than those who could work but are unemployed?	54%	34%	13%
5a Should income such as Child Benefit be included as part of someone's income when they claim Council Tax Benefit?	66%	28%	6%
b Should income such as Disability Living Allowance be included as part of someone's income when they claim Council Tax Benefit?	46%	47%	7%
6 Should other adults living in a household where the council tax payer (and their partner) claims Council Tax Benefit, be asked to pay more toward the Council Tax bill than they do now?	72%	18%	10%
7 Second Adult Rebate is awarded to Council Tax payers who are not entitled to Council Tax Benefit based on their own income but receive a rebate of up to 25% of their bill because they have other adults on a low income living with them. Should people who receive this rebate be asked to pay more?	53%	27%	20%
8 Should people with savings of less than £16,000 be asked to use these savings to pay their Council Tax?	26%	66%	8%
9 Do you think there are any groups of people in the community who would be affected more than others if everyone currently on benefit has to pay something towards their Council Tax?	34%	23%	43%

B Who are these groups?

[See below, 9 B & C](#)

C Why do you think these groups would be affected more?

[See below, 9 B & C](#)

10 The Council has also identified a few groups that will be affected by these changes. These are listed below. Please could you tell me whether you think there will be a high impact, a medium impact or a low impact on each of these groups as a result of the changes to Council Tax Benefit?

Please tick one box in each row

	High	Medium	Low	Don't know
Families with children	25%	42%	15%	18%
Lone parents	36%	35%	12%	17%
Carers	38%	30%	11%	21%
Part-time and full-time workers	9%	37%	35%	19%
People who are disabled	46%	27%	10%	16%
Single people and couples without children	10%	23%	49%	18%

B Why do you think the groups you have identified as high are affected more than other groups?

[See below 10 & 10B](#)

Please tick one box

	Yes	No	Don't know
11 Should the Council create a Hardship Fund to support people suffering genuine hardship because of the changes to Council Tax Benefit?	63%	22%	15%

12 Have you got any general comments that you wish to make about these changes?

[See below General Comments](#)

About you

Please tick one box in each row

	Yes	No	Don't know
A Does your name appear on the Council Tax Bill for your household?	82%	13%	5%
B Does your household receive Council Tax Benefit?	12%	85%	3%
C Do you or your household receive any other benefits? If yes please state the benefits you are receiving:	18%	75%	7%

[See below Benefits received](#)

D Would you say that any of the following describe your household (Tick all that apply):

(Percentages of respondents who ticked the option, with multiple selections invited)

A family with one or two dependent children	19%	A household that includes someone who is disabled	16%
A family with three or more children	4%	A single person household or a couple without children	28%
A lone parent household	4%	None of them	18%
A carer	7%	Don't know	1%
A household with full and/or part-time workers	30%		

Please tick one box in each row

	Yes	No	No response
Are you a service personnel or ex service personnel?	8%	89%	3%
Are you a War Widow?	0%	95%	5%

9 B & C

Groups affected

Informants were invited to name groups which they felt would be affected more than others if everyone currently on benefit has to pay something towards their Council Tax. The table below shows groups suggested by more than one informant in descending order of the number of informants who suggested them.

Groups affected

Informants	% of responses	Group named as being more affected by the changes
94	15.3%	Disabled people
33	5.4%	Single parents
22	3.6%	Carers
20	3.2%	Elderly people
10	1.6%	Low paid workers
7	1.1%	Unemployed
6	1.0%	People with children
5	0.8%	Families with many children
5	0.8%	People dependent on benefits
4	0.6%	Working tax payers who will have to pay more
4	0.6%	Parents on low incomes
4	0.6%	People with mental health problems
4	0.6%	People with low, or no income
3	0.5%	Lone parents of young children
3	0.5%	Families in which earners are heavily outnumbered by non-earners (disabled, children, unemployed, retired)
3	0.5%	Asylum seekers
3	0.5%	People whose income doesn't cover necessary expenses
3	0.5%	People with genuine health problems
3	0.5%	People receiving means-tested benefits
3	0.5%	The most vulnerable
2	0.3%	People with no children
2	0.3%	People with school age children
2	0.3%	Larger families
2	0.3%	Families with several earners
2	0.3%	Long term Unemployed
2	0.3%	Mentally / physically disabled
2	0.3%	Disabled people living alone
2	0.3%	Blind people
2	0.3%	Long-term sick people
2	0.3%	Immigrants
2	0.3%	Women
2	0.3%	People not paying their fair share but getting more than their share of services

Reasons given

The reasons informants gave for suggesting that groups would be more affected are shown here in descending order of the number of informants who suggested them. This list summarises all the reasons given by more than one informant, whatever group or group had been identified.

Why will groups be affected? All groups

Informants	% of responses	Reason given
48	7.8%	Fixed low incomes which they can't supplement
32	5.2%	Already struggle to make ends meet
22	3.6%	No opportunity to boost income
14	2.3%	Because of their low income
11	1.8%	Low incomes and higher cost of living
8	1.3%	Because they have little say in matters
8	1.3%	Benefits cover only basic living expenses
8	1.3%	Their higher cost of living
7	1.1%	Hard hit whichever model you adopt
7	1.1%	Low incomes
7	1.1%	Your proposal shows it
6	1.0%	Limited opportunity to boost income
5	0.8%	Their life is difficult as it is
5	0.8%	They are less able to absorb the increase
4	0.6%	Because they already pay the tax without help
4	0.6%	Bigger increase in CT contribution than other groups
4	0.6%	Costs associated with bringing up children
4	0.6%	Heavy strain on those who can work
4	0.6%	Limited employment opportunities
4	0.6%	Their benefits will be treated as income
3	0.5%	Disproportionate numbers fall into the category
3	0.5%	Limited employment opportunities at good rate
3	0.5%	Low incomes and risk of debt and hardship
3	0.5%	No employment opportunity
3	0.5%	No savings
3	0.5%	The high cost of living
3	0.5%	Their needs are greater than others'
3	0.5%	They will have to pay something they don't pay now
3	0.5%	They would have to pay a contribution instead of depending on others
3	0.5%	They would have to pay a contribution whilst losing benefits
2	0.3%	Less disposable income
2	0.3%	Limited opportunity to supplement income
2	0.3%	Loss of income
2	0.3%	Need to spend more on heating than other groups
2	0.3%	Shortage of council funds
2	0.3%	The consultation document shows it
2	0.3%	Their high cost of living
2	0.3%	They can't supplement their income
2	0.3%	Would cause undue hardship

Reasons given related to group named

The reasons given vary according to the group informants named. The following tables show the reasons given by more than one informant for the five most frequently suggested groups.

Why will groups be affected? Disabled People (group suggested by 94 informants, 15.3%)

Informants	% of responses	Reason given
21	3.4%	Fixed low incomes which they can't supplement
12	1.9%	No opportunity to boost income
10	1.6%	Already struggle to make ends meet
6	1.0%	Benefits cover only basic living expenses
3	0.5%	Because of their low income
3	0.5%	Limited opportunity to boost income
3	0.5%	Low incomes
2	0.3%	Bigger increase in CT contribution than other groups
2	0.3%	Hard hit whichever model you adopt
2	0.3%	Limited employment opportunities
2	0.3%	Limited employment opportunities at good rate
2	0.3%	Low incomes and higher cost of living
2	0.3%	Their higher cost of living
2	0.3%	Their life is difficult as it is
2	0.3%	Your proposal shows it

Why will groups be affected? Single parents (group suggested by 33 informants, 5.4%)

Informants	% of responses	Reason given
7	1.1%	Already struggle to make ends meet
3	0.5%	Costs associated with bringing up children
3	0.5%	Fixed low incomes which they can't supplement
2	0.3%	Limited employment opportunities
2	0.3%	Low incomes and higher cost of living
2	0.3%	The consultation document shows it

Why will groups be affected? Carers (group suggested by 22 informants, 3.6%)

Informants	% of responses	Reason given
8	1.3%	No opportunity to boost income
5	0.8%	Already struggle to make ends meet
3	0.5%	Hard hit whichever model you adopt
2	0.3%	Fixed low incomes which they can't supplement
2	0.3%	Your proposal shows it

Why will groups be affected? Elderly people (group suggested by 20 informants, 3.2%)

Informants	% of responses	Reason given
16	2.6%	Fixed low incomes which they can't supplement
3	0.5%	Because of their low income
3	0.5%	Low incomes
3	0.5%	Low incomes and higher cost of living
2	0.3%	Already struggle to make ends meet
2	0.3%	Limited opportunity to boost income

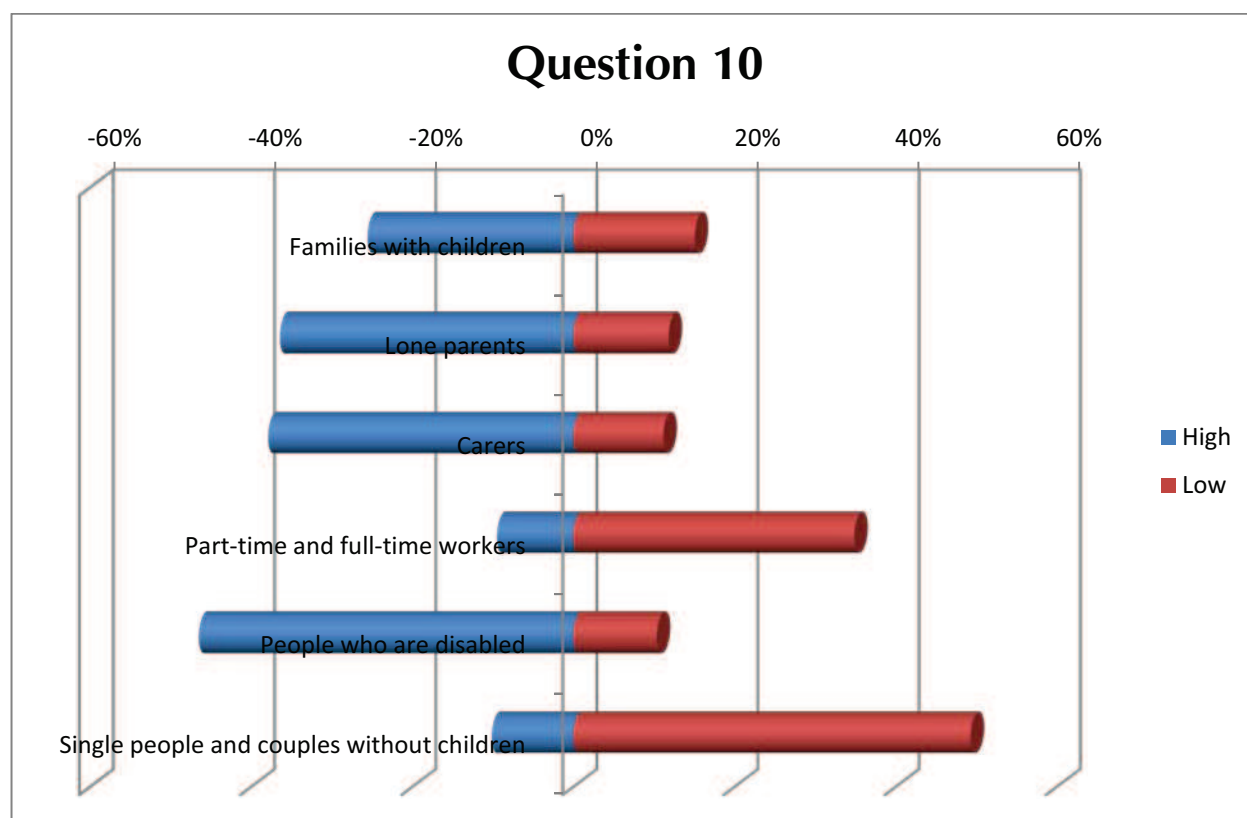
Why will groups be affected? Low paid workers (group suggested by 10 informants, 1.6%)

Informants	% of responses	Reason given
5	0.8%	They are less able to absorb the increase
2	0.3%	Less disposable income
2	0.3%	The high cost of living

10 & 10B

The questionnaire names six groups the Council has identified as being affected by the changes. Question 10 invites informants to rate each of the named groups as High, Medium or Low impact, or Don't know.

This chart shows the strength of opinion on each of the six groups. It shows the % of informants giving High and Low ratings (ignoring the Medium ones and the "Don't know"s).



All responses are shown in the table below.

Please could you tell me whether you think there will be a high impact, a medium impact or a low impact on each of these groups as a result of the changes to Council Tax Benefit?	High	Medium	Low	Don't know
Families with children	25%	42%	15%	18%
Lone parents	36%	35%	12%	17%
Carers	38%	30%	11%	21%
Part-time and full-time workers	9%	37%	35%	19%
People who are disabled	46%	27%	10%	16%
Single people and couples without children	10%	23%	49%	18%

People with disabilities, lone parents and carers are rated as subject to high impact, as they were in Q9B but the elderly and low paid workers which emerged from the unprompted question were not included in the list at Q10, so do not feature here.

Question 10 B – Reasons for ticking *High*

The reasons given here are more diverse but they focus on the same issues as those at Question 9C. Informants see the groups they identified as high impact groups as having

- low disposable incomes,
- special needs possibly leading to unpredictable costs,
- vulnerable dependants, and
- little or no opportunity to supplement their income.

The following table lists all the reasons given by more than one informant in descending order of the number of informants who suggested it, without reference to the group they had identified as high impact.

Reasons for ticking High impact; all groups

Informants	% of responses	Reason given
67	10.9%	Limited opportunity to supplement income
60	9.7%	Their higher cost of living
53	8.6%	Fixed low incomes which they can't supplement
45	7.3%	Low incomes
39	6.3%	Already struggle to make ends meet
34	5.5%	Limited opportunity for full-time well paid work
22	3.6%	Your proposal affects them more
19	3.1%	Because of the problems in the current economy
19	3.1%	They support others who cannot contribute
16	2.6%	Low incomes and little opportunity to supplement
15	2.4%	They get less support than other groups
13	2.1%	Low income group
13	2.1%	They depend on benefits
12	1.9%	Costs around children keep going up so always they need more
11	1.8%	They have nobody else to help them with money
10	1.6%	Impact on children should be avoided

Reasons for ticking High impact; all groups

Informants	% of responses	Reason given
10	1.6%	Need current level of CTB, not less
10	1.6%	No opportunity to boost income
10	1.6%	They may be faced with unexpected expenses
10	1.6%	They need help
10	1.6%	They will have most difficulty finding the extra
10	1.6%	Will lead to hardship
9	1.5%	Already have enough stress in their lives
9	1.5%	They can't afford more
8	1.3%	The high cost of living in London
7	1.1%	They will have their benefits cut
6	1.0%	Depends on individual circumstances
6	1.0%	Hard hit whichever model you adopt
6	1.0%	They have children to care for
6	1.0%	They have greater needs than others
5	0.8%	Low incomes and higher costs
5	0.8%	Low incomes but higher outgoings
5	0.8%	Their benefits will be treated as income
5	0.8%	They save the council money by their caring
5	0.8%	They will have higher costs and lower benefits
4	0.6%	Limited employment opportunities
4	0.6%	Low incomes and higher cost of living
4	0.6%	Their higher cost of living & limited opportunity to supplement income
4	0.6%	They will have to pay more
3	0.5%	Already subsidise those with children
3	0.5%	Because they already pay the tax to the limit of their resources
3	0.5%	More affected if not in work
3	0.5%	Should not be penalised for prudent saving earlier in life
3	0.5%	Their higher cost of living and reducing benefits
3	0.5%	They currently get more benefits than they will get in future
3	0.5%	They don't get other benefits
3	0.5%	They will probably be better off
3	0.5%	Your proposal shows a big increased contribution from them
2	0.3%	Benefits don't increase at a sufficient rate to cover extra CT
2	0.3%	Fixed low incomes which only cover basic needs
2	0.3%	Little savings
2	0.3%	Low income per head in household
2	0.3%	May not get respite
2	0.3%	More at risk
2	0.3%	People with children
2	0.3%	Their high childcare costs
2	0.3%	Their special circumstances

Reasons for ticking High impact; all groups

Informants	% of responses	Reason given
2	0.3%	They get less benefits than other groups
2	0.3%	They will be expected to pay more
2	0.3%	They will be unable to pay

Reasons by group

The following tables show the reasons given by more than one informant, according to the group informants rated as high impact.

Families with children

Reasons for ticking High impact; Families with children; rated High impact by 25%

Informants	% of responses	Reason given
39	6.3%	Their higher cost of living
29	4.7%	Already struggle to make ends meet
27	4.4%	Low incomes
20	3.2%	Your proposal affects them more
16	2.6%	Limited opportunity to supplement income
13	2.1%	Fixed low incomes which they can't supplement
11	1.8%	Because of the problems in the current economy
11	1.8%	They depend on benefits
10	1.6%	Impact on children should be avoided
10	1.6%	They may be faced with unexpected expenses
10	1.6%	They support others who cannot contribute
10	1.6%	Will lead to hardship
8	1.3%	Costs around children keep going up so always they need more
8	1.3%	The high cost of living in London
7	1.1%	Need current level of CTB, not less
7	1.1%	They can't afford more
7	1.1%	They will have their benefits cut
5	0.8%	Low incomes and higher costs
5	0.8%	Their benefits will be treated as income
5	0.8%	They have children to care for
5	0.8%	They need help
5	0.8%	They will have higher costs and lower benefits
4	0.6%	Hard hit whichever model you adopt
4	0.6%	Their higher cost of living & limited opportunity to supplement income
4	0.6%	They will have to pay more
3	0.5%	More affected if not in work
3	0.5%	Their higher cost of living and reducing benefits
3	0.5%	They currently get more benefits than they will get in future

Reasons for ticking High impact; Families with children; rated High impact by 25%

Informants	% of responses	Reason given
3	0.5%	They will probably be better off
2	0.3%	Limited employment opportunities
2	0.3%	Low incomes and little opportunity to supplement
2	0.3%	May not get respite
2	0.3%	No opportunity to boost income
2	0.3%	People with children
2	0.3%	Their high childcare costs
2	0.3%	They will have most difficulty finding the extra

Lone Parents

Reasons for ticking High impact; Lone Parents; rated High impact by 36%

Informants	% of responses	Reason given
44	7.1%	Limited opportunity to supplement income
37	6.0%	Low incomes
31	5.0%	Already struggle to make ends meet
31	5.0%	Their higher cost of living
25	4.1%	Fixed low incomes which they can't supplement
17	2.8%	Because of the problems in the current economy
17	2.8%	Limited opportunity for full-time well paid work
14	2.3%	They support others who cannot contribute
13	2.1%	They depend on benefits
12	1.9%	Your proposal affects them more
11	1.8%	They have nobody else to help them with money
10	1.6%	They may be faced with unexpected expenses
10	1.6%	Will lead to hardship
9	1.5%	Impact on children should be avoided
9	1.5%	Need current level of CTB, not less
9	1.5%	They can't afford more
9	1.5%	They will have most difficulty finding the extra
8	1.3%	Costs around children keep going up so always they need more
7	1.1%	Low incomes and little opportunity to supplement
7	1.1%	They will have their benefits cut
6	1.0%	Already have enough stress in their lives
6	1.0%	They get less support than other groups
6	1.0%	They have children to care for
6	1.0%	They need help
5	0.8%	Low income group
5	0.8%	Low incomes and higher costs
5	0.8%	The high cost of living in London

Reasons for ticking High impact; Lone Parents; rated High impact by 36%

Informants	% of responses	Reason given
5	0.8%	They have greater needs than others
5	0.8%	They will have higher costs and lower benefits
4	0.6%	Hard hit whichever model you adopt
4	0.6%	Low incomes but higher outgoings
4	0.6%	They will have to pay more
3	0.5%	More affected if not in work
3	0.5%	Their higher cost of living and reducing benefits
3	0.5%	They currently get more benefits than they will get in future
3	0.5%	Your proposal shows a big increased contribution from them
2	0.3%	Fixed low incomes which only cover basic needs
2	0.3%	Little savings
2	0.3%	Low income per head in household
2	0.3%	Low incomes and higher cost of living
2	0.3%	May not get respite
2	0.3%	Their high childcare costs
2	0.3%	Their higher cost of living & limited opportunity to supplement income
2	0.3%	They will be expected to pay more
2	0.3%	They will be unable to pay

Carers

Reasons for ticking High impact; Carers; rated High impact by 38%

Informants	% of responses	Reason given
42	6.8%	Fixed low incomes which they can't supplement
38	6.2%	Limited opportunity to supplement income
37	6.0%	Low incomes
36	5.8%	Already struggle to make ends meet
34	5.5%	Their higher cost of living
22	3.6%	Limited opportunity for full-time well paid work
15	2.4%	Because of the problems in the current economy
14	2.3%	They get less support than other groups
14	2.3%	They support others who cannot contribute
12	1.9%	Low incomes and little opportunity to supplement
12	1.9%	Your proposal affects them more
11	1.8%	Low income group
10	1.6%	Need current level of CTB, not less
10	1.6%	They depend on benefits
10	1.6%	Will lead to hardship
9	1.5%	No opportunity to boost income

Reasons for ticking High impact; Carers; rated High impact by 38%

Informants	% of responses	Reason given
9	1.5%	They need help
8	1.3%	They may be faced with unexpected expenses
6	1.0%	Already have enough stress in their lives
6	1.0%	Hard hit whichever model you adopt
5	0.8%	Impact on children should be avoided
5	0.8%	The high cost of living in London
5	0.8%	They save the council money by their caring
5	0.8%	They will have higher costs and lower benefits
5	0.8%	They will have most difficulty finding the extra
4	0.6%	Low incomes and higher cost of living
4	0.6%	They can't afford more
4	0.6%	They will have to pay more
3	0.5%	Already subsidise those with children
3	0.5%	Low incomes and higher costs
3	0.5%	More affected if not in work
3	0.5%	Should not be penalised for prudent saving earlier in life
3	0.5%	Their higher cost of living and reducing benefits
3	0.5%	They have greater needs than others
3	0.5%	They will have their benefits cut
3	0.5%	Your proposal shows a big increased contribution from them
2	0.3%	Benefits don't increase at a sufficient rate to cover extra CT
2	0.3%	Costs around children keep going up so always they need more
2	0.3%	Little savings
2	0.3%	Low incomes but higher outgoings
2	0.3%	May not get respite
2	0.3%	More at risk
2	0.3%	Their benefits will be treated as income
2	0.3%	Their higher cost of living & limited opportunity to supplement income
2	0.3%	They have nobody else to help them with money

Part-time and full-time workers

Reasons for ticking High impact; Part-time and full-time workers; rated High impact by 9%

Informants	% of responses	Reason given
10	1.6%	Will lead to hardship
9	1.5%	Low incomes
8	1.3%	Already struggle to make ends meet
8	1.3%	The high cost of living in London
6	1.0%	Need current level of CTB, not less

Reasons for ticking High impact; Part-time and full-time workers; rated High impact by 9%

Informants	% of responses	Reason given
5	0.8%	Because of the problems in the current economy
5	0.8%	They depend on benefits
5	0.8%	They may be faced with unexpected expenses
5	0.8%	They will have higher costs and lower benefits
4	0.6%	They support others who cannot contribute
3	0.5%	Because they already pay the tax to the limit of their resources
3	0.5%	They will probably be better off
2	0.3%	Low incomes and little opportunity to supplement

People who are disabled

Reasons for ticking High impact; People who are disabled; rated High impact by 46%

Informants	% of responses	Reason given
53	8.6%	Limited opportunity to supplement income
49	8.0%	Fixed low incomes which they can't supplement
39	6.3%	Their higher cost of living
38	6.2%	Low incomes
37	6.0%	Already struggle to make ends meet
25	4.1%	Limited opportunity for full-time well paid work
19	3.1%	Because of the problems in the current economy
16	2.6%	Your proposal affects them more
13	2.1%	Low income group
12	1.9%	They support others who cannot contribute
10	1.6%	Need current level of CTB, not less
10	1.6%	Will lead to hardship
9	1.5%	Already have enough stress in their lives
9	1.5%	Low incomes and little opportunity to supplement
9	1.5%	They can't afford more
9	1.5%	They need help
8	1.3%	No opportunity to boost income
8	1.3%	The high cost of living in London
8	1.3%	They depend on benefits
7	1.1%	They get less support than other groups
6	1.0%	Hard hit whichever model you adopt
6	1.0%	They have greater needs than others
5	0.8%	Low incomes and higher costs
5	0.8%	Low incomes but higher outgoings
5	0.8%	They have nobody else to help them with money
5	0.8%	They may be faced with unexpected expenses

Reasons for ticking High impact; People who are disabled; rated High impact by 46%

Informants	% of responses	Reason given
5	0.8%	They will have higher costs and lower benefits
5	0.8%	They will have most difficulty finding the extra
4	0.6%	Costs around children keep going up so always they need more
4	0.6%	Impact on children should be avoided
4	0.6%	Limited employment opportunities
4	0.6%	Low incomes and higher cost of living
4	0.6%	They will have their benefits cut
4	0.6%	They will have to pay more
3	0.5%	Already subsidise those with children
3	0.5%	Because they already pay the tax to the limit of their resources
3	0.5%	Should not be penalised for prudent saving earlier in life
3	0.5%	Their higher cost of living and reducing benefits
3	0.5%	They have children to care for
3	0.5%	They save the council money by their caring
3	0.5%	Your proposal shows a big increased contribution from them
2	0.3%	Fixed low incomes which only cover basic needs
2	0.3%	May not get respite
2	0.3%	Their benefits will be treated as income
2	0.3%	Their special circumstances
2	0.3%	They will be expected to pay more
2	0.3%	They will be unable to pay

Single people and couples without children

Reasons for ticking High impact; Single people and couples without children; rated High impact by 10%

Informants	% of responses	Reason given
11	1.8%	Their higher cost of living
7	1.1%	Limited opportunity to supplement income
6	1.0%	Low incomes and little opportunity to supplement
6	1.0%	Need current level of CTB, not less
5	0.8%	Already struggle to make ends meet
5	0.8%	Low incomes
4	0.6%	They get less support than other groups
4	0.6%	They will have their benefits cut
3	0.5%	Already subsidise those with children
3	0.5%	Because they already pay the tax to the limit of their resources
3	0.5%	Limited opportunity for full-time well paid work
3	0.5%	Should not be penalised for prudent saving earlier in life

Reasons for ticking High impact; Single people and couples without children; rated High impact by 10%

Informants	% of responses	Reason given
3	0.5%	They don't get other benefits
3	0.5%	They will probably be better off
2	0.3%	Low income per head in household
2	0.3%	Low incomes but higher outgoings
2	0.3%	More at risk
2	0.3%	People with children
2	0.3%	Their higher cost of living & limited opportunity to supplement income

General Comments

General comments made by more than one informant are summarised below.

General

Mentions	Comment
16	Everyone should pay something towards Council Tax
6	I don't know enough to comment
5	All benefits claims should be rigorously checked to cut out the abuse that currently happens
5	These deplorable changes are bound to affect poor people severely
3	A local Income Tax would be fairer
3	Benefits should be available only to people who have no choice about depending on them
3	CTB is a mess and this is a good opportunity to tidy up
3	The needy should be helped as much as possible
2	Child benefit should be capped at 2 children
2	Consumerism is excessive and we can all manage on less
2	CT is already very high
2	CTB should be a national scheme
2	Do not penalise the disabled, who will suffer if they have to pay more
2	Everyone finds it hard at the moment
2	Everyone finds it hard to pay more for services and people on benefits should not be exempt
2	Everyone must take their share of the belt-tightening
2	Find more income by introducing a new top band for CT
2	It is hard for a lay person to comment on this complicated problem
2	Keep the system simple
2	People should live within their means
2	The benefits-dependant culture is out of control
2	These changes must be made if necessary
2	You must support the tax payers

Groundrules for the new scheme

Means assessment

Mentions Comment

9	Claims must be rigorously checked
4	All incomes in a household should be taken into account
3	All benefits should be treated as income
3	Individual needs should be assessed
2	People should not have children if they can't afford to support them
2	Scheme must be fair and transparent

Non-contributors

Mentions Comment

2	Pay benefits only to people born in UK who have worked and contributed
---	--

Hardship fund

Mentions Comment

12	Claims on the hardship fund should be rigorously checked to prevent abuse
4	Important that hardship should be properly defined
3	Fund should be funded from the Government CT Relief grant

Hardship fund; No

Mentions Comment

4	A fund requires administrators, so need for support should be identified through the main scheme's rules
2	A hardship fund would only replace CT Benefit, so might as well continue paying the benefit

Need specifics

Mentions Comment

2	Can't comment until specific proposals have been put forward
---	--

Benefits received

Responses to the prompt *Do you or your household receive any other benefits? If yes please state the benefits you are receiving:*

Benefits received

Responses Benefit

22	Child benefit
22	Single person CT discount
21	State pension
16	Disability Living Allowance
12	Attendance allowance
12	Housing benefit
8	Working tax credit
7	Income Support
7	Pension credit
6	Child tax credit

Benefits received

Responses	Benefit
5	Carers allowance
4	Jobseekers allowance
3	Council Tax Benefit
3	Disability benefit
3	Freedom pass
2	CT reduction for spouse with DLA
2	Heating allowance
2	Incapacity Benefit
2	Mobility allowance
1	Carers assistance
1	Disability bus pass
1	Family tax credit
1	Free TV licence
1	Sick pay
1	Sickness benefit
1	Tax credit
1	Winter Fuel allowance

Other disability

Responses to the *Other (please specify)* prompt under Disability

Other disability

Responses	Disability
2	Chronic Obstructive Pulmonary Disease
1	Benign Paroxysmal Positional Vertigo
1	Cardiomyopathy
1	Depression
1	Diabetic
1	Diabetic Type II
1	Dyslexia
1	Gammy leg
1	Heart disease
1	Multiple sclerosis
1	Old age
1	Parkinsons dementia
1	Stroke

Other Sexual orientation

Responses to the *Other (please specify)* prompt under Your sexual orientation

Other sexual orientation

Responses	Sexual orientation
3	Normal
3	Normal male

Other sexual orientation

Responses	Sexual orientation
1	Female
1	Monogamous heterosexual
1	Normale
1	Retired single
1	Straight

Other Religion / belief

Responses to the *Other (please specify)* prompt under Your religion and belief

Other religion / belief

Responses	Religion
4	C of E
4	Catholic
4	Roman Catholic
3	Spiritualist
1	Atheist
1	Born again believer
1	Jedi Knight
1	Jon Baptist
1	Sceptical Science
1	Theist

Other Ethnic group

Responses to the *Other (please specify)* prompts under Your ethnic group

Other Ethnic group

Responses	Ethnicity
1	Anglo Saxon
1	Asian British
1	Australasian
1	East African Asian
1	English / Irish
1	Europe
1	German
1	Goan
1	Greek Cypriot
1	Indian African
1	Italian
1	Phillipines
1	Portuguese, Angolan, Indian
1	Sri Lankan Muslim
1	USA
1	White Anglo-Scottish
1	White Jewish

Comparisons between groups (subsets)

Exceptional groups

Monitoring Information

The questionnaire invited informants to provide monitoring information as required by the Equality Act 2010. The questions are shown below at [Monitoring Information invited in the questionnaire](#).

When these monitoring items are included in questionnaires about people's experience of Council services and we find a group whose response is less favourable than most that might indicate that the group concerned feels that it is discriminated against for some reason. If, say, male informants are less satisfied with a service than females, this may call for an investigation to check if there is any bias in the way the service is delivered.

This consultation is not about an existing service, however. It seeks opinions from residents to help the Council design its approach to its new duty to manage Council Tax Benefit. There are some differences between groups among the results of this survey. These differences seem to reflect the different points of view of the groups taking account of the likely effect on them of the changes.

How we compare

We summarise groups of informants by reference to the monitoring information and the personal circumstances questions. The smallest group we summarise is one with 3 informants in it. This both ensures informants' anonymity and removes from consideration groups which are too small to produce useful information.

Significant difference in group scores

When we report a group as providing a more or less favourable response, this does not indicate that the response was favourable or unfavourable in absolute terms, only more or less so than others.

No significant differences

Some of the monitoring groups have thrown up no significant differences.

Disability / none There are no significant differences between the Disabled and the Not disabled group.

Gender identity as at birth / No A few differences occur between the *Gender identity not the same as at birth* group and others. These differences probably relate to other aspects of the informants' circumstances more than to any change in their gender identity.

By Service / ex-service personnel No differences occur.

By Sex

Females are significantly more inclined to rate *Lone parents, Carers and People who are disabled* as High impact. No other gender differences emerge.

By Sexual orientation

Some informants are unsure of the meaning of the options they were invited to tick. *Other* sexual orientations reported include *Retired single* (1), *Female* (1), and seven people who wrote *Normal*, *Normale* or *Normal Male*. As some people were evidently unable to recognise and tick an appropriate box we may not be able to rely on some of the ticks in other boxes.

Bisexual informants were significantly less inclined than *Heterosexual* ones to agree with

- 7 *Should people who receive Second Adult Rebate be asked to pay more?*

They were also less inclined to rate *Lone parents* as *High impact*.

These differences probably owe as much to the domestic circumstances of the informants as to their sexuality.

By Age group

Item	More inclined to tick Yes	Less inclined to tick Yes
3 Should people who are working receive more Council Tax Benefit to encourage them to increase the number of hours they work?	35-44	65+
4 Should people who can't work be given more Council Tax Benefit than those who could work but are unemployed?	55-64, 65+	35-44
6 Should other adults living in a household where the council tax payer (and their partner) claims Council Tax Benefit, be asked to pay more toward the Council Tax bill than they do now?	65+	25-34
7 Second Adult Rebate is awarded to Council Tax payers who are not entitled to Council Tax Benefit based on their own income but receive a rebate of up to 25% of their bill because they have other adults on a low income living with them. Should people who receive this rebate be asked to pay more?	55-64, 65+	25-34
8 Should people with savings of less than £16,000 be asked to use these savings to pay their Council Tax?	25-34	65+

By Religion and belief

Item	More inclined to tick Yes	Less inclined to tick Yes
3 Should people who are working receive more Council Tax Benefit to encourage them to increase the number of hours they work?	Hinduism, Islam	Christianity, Judaism, Other religion
4 Should people who can't work be given more Council Tax Benefit than those who could work but are unemployed?	Judaism	
6 Should other adults living in a household where the council tax payer (and their partner) claims Council Tax Benefit, be asked to pay more toward the Council Tax bill than they do now?	Humanist*	Islam

Item	More inclined to tick Yes	Less inclined to tick Yes
7 Second Adult Rebate is awarded to Council Tax payers who are not entitled to Council Tax Benefit based on their own income but receive a rebate of up to 25% of their bill because they have other adults on a low income living with them. Should people who receive this rebate be asked to pay more?	Christianity, Humanist*	Other religion

11 Should the Council create a Hardship Fund for people in hardship because of the changes to CTB?

Islam

* small group (6)

Item	More inclined to rate as High impact	Less inclined to rate as High impact
10b Lone parents		Hinduism
10c Carers	Judaism	
10e People who are disabled	Judaism	

By Ethnic group

Most of the minority ethnic groups are small. The only groups which comprise 10 or more informants are:

Group	Informants
White English	204
White British	186
Indian	87
Prefer not to say	39
Any other White background	14
Caribbean	12

We have restricted our examination to these larger groups.

Item	More inclined to tick Yes	Less inclined to tick Yes
3 Should people who are working receive more Council Tax Benefit to encourage them to increase the number of hours they work?	Indian, Any other White background	White English
4 Should people who can't work be given more Council Tax Benefit than those who could work but are unemployed?	White English	Any other White background
8 Should people with savings of less than £16,000 be asked to use these savings to pay their Council Tax?	Any other White background	
9 Do you think there are any groups of people in the community who would be affected more than others if everyone currently on benefit has to pay something towards their Council Tax?	White British	

By Name on CT bill or not

Item	More inclined to tick Yes	Less inclined to tick Yes
3 Should people who are working receive more Council Tax Benefit to encourage them to increase the number of hours they work?	Name not on CT bill	
8 Should people with savings of less than £16,000 be asked to use these savings to pay their Council Tax?	Name not on CT bill	

By Household receives CTB or not; other benefits or not

Item	More inclined to tick Yes	Less inclined to tick Yes
1 Should people who receive Council Tax Benefit who are in properties with a higher Council Tax charge be asked to pay more?		Receives CTB, Receives other benefits
5a Should income such as Child Benefit be included as part of someone's income when they claim Council Tax Benefit?		Receives CTB, Receives other benefits
6 Should other adults living in a household where the council tax payer (and their partner) claims Council Tax Benefit, be asked to pay more toward the Council Tax bill than they do now?		Receives CTB
7 Second Adult Rebate is awarded to Council Tax payers who are not entitled to Council Tax Benefit based on their own income but receive a rebate of up to 25% of their bill because they have other adults on a low income living with them. Should people who receive this rebate be asked to pay more?		Receives CTB, Receives other benefits
9 Do you think there are any groups of people in the community who would be affected more than others if everyone currently on benefit has to pay something towards their Council Tax?		Receives other benefits
11 Should the Council create a Hardship Fund for people in hardship because of the changes to CTB?	Receives CTB	

Item	More inclined to rate as High impact	Less inclined to rate as High impact
10e People who are disabled	Receives CTB	

By Household description

Item	More inclined to tick Yes	Less inclined to tick Yes
1 Should people who receive Council Tax Benefit who are in properties with a higher Council Tax charge be asked to pay more?		includes someone who is disabled
3 Should people who are working receive more Council Tax Benefit to encourage them to increase the number of hours they work?	family with one or two dependent children, lone parent household	single person household or a couple without children
5a Should income such as Child Benefit be included as part of someone's income when they claim Council Tax Benefit?	single person household or a couple without children	lone parent household
5b Should income such as Disability Living Allowance be included as part of someone's income when they claim Council Tax Benefit?		includes someone who is disabled
8 Should people with savings of less than £16,000 be asked to use these savings to pay their Council Tax?		A carer, includes someone who is disabled
9 Do you think there are any groups of people in the community who would be affected more than others if everyone currently on benefit has to pay something towards their Council Tax?	A carer, includes someone who is disabled	family with one or two dependent children
11 Should the Council create a Hardship Fund for people in hardship because of the changes to CTB?	lone parent household	

Item	More inclined to rate as High impact	Less inclined to rate as High impact
10b Lone parents	lone parent household	
10d Part-time and full-time workers	lone parent household	

Monitoring Information invited in the questionnaire

With % of informants who ticked each option

Disability		Yes	No	Don't know	No Response
Do you consider yourself to have a disability according to the terms given in the Equality Act 2010?					
Under The Equality Act 2010, a person is disabled if they have a physical or mental impairment which has a substantial and long-term adverse effect on their ability to carry out normal day-to-day activities, which would include things like using a telephone, reading a book or using public transport.		15%	79%	2%	5%
If "Yes" please specify:					
1%	Communication	1%	Visual		
9%	Mobility	2%	Mental Health		
3%	Hearing	1%	Other (please specify)		
5%	Physical	See above; Other disability			
0.2%	Learning				

Your sex	
55%	Male
41%	Female
4%	Prefer not to say

Your age	
0%	0 – 15
0.2%	16-24
3%	25-34
8%	35-44
14%	45-54
21%	55-64
50%	65+
5%	Prefer not to say

Is your gender identity the same as the gender you were assigned at birth?	
94%	Yes
0.5%	No
6%	Prefer not to say

Your religion and belief	
14%	No religion
3%	Agnostic
0%	Baha'I
1%	Buddhism
44%	Christianity
11%	Hinduism
1%	Humanist
2%	Islam
2%	Jainism
9%	Judaism
0%	Rastafarian
0.3%	Sikhism
0.2%	Zoroastrian
2%	Other (please specify)
See above Other Religion / belief	
9%	Prefer not to say

Your sexual orientation	
3%	Bisexual
0.2%	Gay man
0%	Gay woman / Lesbian
77%	Heterosexual
3%	Other (please specify)
See above; Other Sexual orientation	
17%	Prefer not to say

Your ethnic group	These are based on the 2011 Census categories but include categories to reflect the communities of Harrow and are listed alphabetically below. Please choose ONE section from A to E then tick or write in appropriate box to indicate your ethnic background		
A. Asian or Asian British	0%	Afghan	
	0%	Bangladeshi	
	14%	Indian	
	1%	Pakistani	
	1%	Sinhalese	
	2%	Sri Lankan Tamil	
	1%	Any other Asian background, <i>please write in</i>	
See above Other Ethnic group			
B. Black, Black British	1%	African	
	2%	Caribbean	
	0%	Somali	
	0.2%	Any other Black background, <i>please write in</i>	
See above Other Ethnic group			
C. Other Ethnic Group	0%	Arab	
	0.2%	Chinese	
	0%	Iranian	
	0.5%	Iraqi	
	0.3%	Kurdish	
	0.2%	Lebanese	
	0.2%	Any other ethnic group, <i>please write in</i>	
See above Other Ethnic group			
D. Mixed	0.2%	White & Black African	
	0.2%	White & Black Caribbean	
	1%	White and Asian	
	0.5%	Any other Mixed background, <i>please write in</i>	
See above Other Ethnic group			
E. White	0.2%	Albanian	
	30%	British	
	33%	English	
	0%	Gypsy/Roma Traveller	
	1%	Irish	
	0%	Irish Traveller	
	0.3%	Polish	
	0.2%	Romanian	
	1%	Scottish	
	0%	Serbian	
	1%	Welsh	
	2%	Any other White background, <i>please write in</i>	
	See above Other Ethnic group		
	6%	Prefer not to say	

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Council Tax Support scheme

**council
tax benefit
is changing**

Summary of Consultation Feedback from the Survey and Face to Face activity



Consultation Feedback Survey (Web and hard copy combined)

Overview of the feedback from the web/hardback survey

- ❑ Survey included in the following formats:
 - Hard copy within the Consultation booklet
 - Web based survey
- ❑ Providing further information towards a quantitative response to the consultation activity
- ❑ Ensuring a range of responses from Harrow Residents
- ❑ Survey consistent with questions used in Residents Panel Survey
- ❑ 12,000 booklets distributed
- ❑ Overall 498 surveys completed
 - 152 completed through the web
 - 346 hard copies completed and either returned through freepost or completed whilst attending face to face activity

Overview of the feedback from the web/hardback survey



Questions	Yes	No	Not sure
1. Should people who receive Council Tax Benefit who are in properties with a higher Council Tax charge be asked to pay more?	49%	37%	11%
2. Should people receiving Council Tax Benefit be given extra benefit for a limited period to help pay their Council Tax when they start work?	57%	31%	8%
3. Should people who are working receive more Council Tax Benefit to encourage them to increase the number of hours they work?	36%	49%	11%
4. Should people who can't work be given more Council Tax Benefit than those who could work but are unemployed?	54%	33%	10%
5a. Should income such as Child Benefit be included as part of someone's income when they claim Council Tax Benefit?	43%	48%	6%
5b. Should income such as Disability Living Allowance be included as part of someone's income when they claim Council Tax Benefit?	36%	55%	6%
6. Should other adults living in a household where the council tax payer (and their partner) claims Council Tax Benefit, be asked to pay more towards the Council Tax bill than they do now?	48%	36%	12%
7. Should people who receive Second Adult Rebate be asked to pay more?	34%	44%	17%
8. Should people with savings of less than £16,000 be asked to use these savings to pay their Council Tax?	28%	62%	7%
9. Do you think there are any groups of people in the community who would be affected more than others if everyone currently on benefit has to pay something towards their Council Tax?	45%	22%	28%

Overview of the feedback from the web/hardback survey



Groups impacted by change	
Survey returns – web and hard copy	
Unprompted <ul style="list-style-type: none"> <input type="checkbox"/> People with a disability <input type="checkbox"/> Lone parents <input type="checkbox"/> People on a low income <input type="checkbox"/> Pensioners <input type="checkbox"/> Carers 	Prompted <ul style="list-style-type: none"> <input type="checkbox"/> People with a disability <input type="checkbox"/> Lone parents <input type="checkbox"/> Families with children <input type="checkbox"/> Carers <input type="checkbox"/> Part time/full time workers <input type="checkbox"/> Single/couples without children

Summary of feedback suggesting reasons why a group may be affected by the changes more than other groups include:	
<ul style="list-style-type: none"> <input type="checkbox"/> People with a disability <input type="checkbox"/> Lone parents 	<ul style="list-style-type: none"> <input type="checkbox"/> Multi impacts of all changes within Welfare Reforms <input type="checkbox"/> Extra costs due to disability and need for support <input type="checkbox"/> Less able to work and often on low income <input type="checkbox"/> Income is strictly limited or have no income <input type="checkbox"/> Because they do not have anybody to help <input type="checkbox"/> Income is very low and unable to earn more

Overview of the feedback from the web/hardback survey



Summary of the feedback suggesting reasons why a group may be affected by the changes more than other groups	
<input type="checkbox"/> People on a low income	<input type="checkbox"/> People struggling with low income, high inflation, unexpected costs <input type="checkbox"/> Some earn less and have received less education so unable to get better job <input type="checkbox"/> Less income would mean less for food and bills
<input type="checkbox"/> Families with children	<input type="checkbox"/> Their higher cost of living <input type="checkbox"/> Already struggling to make ends meet <input type="checkbox"/> Low incomes
<input type="checkbox"/> Carers	<input type="checkbox"/> Fixed low incomes which they can't supplement <input type="checkbox"/> Limited opportunity to supplement income <input type="checkbox"/> Already struggle to make ends meet <input type="checkbox"/> Higher cost of living
<input type="checkbox"/> Pensioners	<input type="checkbox"/> Income limited and savings are limited as well <input type="checkbox"/> Need more consideration on low income normally <input type="checkbox"/> May have no-one to support them

Overview of the feedback from the web/hardback survey



Should the Council set up a Hardship Fund to support people suffering genuine hardship through the changes to council Tax Benefits?

Yes	65%
No	18%
Not sure	11%

Consultation Feedback

Face to face activity

Overview of the feedback from the face to face activity

- Face to face activity included the following
 - Roadshows
 - ‘Go to’ days
 - Events held in partnership with Voluntary Sector
 - Attendance at Community Group Meetings
 - Discussion Groups
 - Workshops

- Activity included raising awareness of the changes, getting feedback on the changes and understanding of the impact of the changes on individuals and groups in the community

- 71 differing levels of face to face activity held and over 4,000 people spoken to

- Encouraged completion of forms and noted all feedback provided through this activity

Overview of the feedback from the face to face activity



Question 1	Should people who receive Council Tax Benefit who are in properties with a higher Council Tax charge be asked to pay more?
Overall Response	Initially many of the groups/individuals felt that, in principle, people who are in properties with a higher Council Tax charge should be asked to pay more. However following discussion the groups/individuals highlighted circumstances that would need to be taken into consideration when making the decision.
<p>Comments from those who agreed include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> This proposal would be fair <input type="checkbox"/> Bigger home owners can afford to pay in full or pay more than others <input type="checkbox"/> Immigrants who are in huge houses and have not paid taxes should pay more <input type="checkbox"/> If have bigger property could rent out rooms and use that money to pay Council Tax <input type="checkbox"/> Could downgrade and use money to pay towards Council Tax <input type="checkbox"/> If everybody works in the house <input type="checkbox"/> Couple of suggestions suggested phasing the change and make it gradual (introduce a taper) <input type="checkbox"/> It's a choice to have more children 	<p>Comments from those who disagreed include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Many suggested that this proposal should not take place because could affect the following groups because of multiple impacts: <ul style="list-style-type: none"> <input type="checkbox"/> Large families <input type="checkbox"/> People with mental health issues <input type="checkbox"/> People who have inherited properties but on a low income <input type="checkbox"/> May have been made redundant/long term illness <input type="checkbox"/> Families with children <input type="checkbox"/> Could force people to move and some people may not be able to do so <input type="checkbox"/> People may need larger houses because they have disabilities and need carers, or equipment <input type="checkbox"/> Could cause isolation because people would not be able to afford to go out

Overview of the feedback from the face to face activity



Question 2	Should people receiving Council Tax Benefit be given extra benefit for a limited period to help pay their Council Tax when they start work?	
Overall Response	The majority of groups/individuals were in strong favour of the extra benefit remaining	
Comments from those who agreed include:	<ul style="list-style-type: none"> <input type="checkbox"/> Encourages people back to work <input type="checkbox"/> Would be a disaster if removed as people would get into debt and constantly have to catch up <input type="checkbox"/> Would stop people even thinking about going back to work <input type="checkbox"/> There should be a transition when people start work <input type="checkbox"/> Lots of companies are terminating employment after probation period to save costs of retaining staff and not having to pay for loss of earnings and therefore is required 	Comments from those who disagreed include: <ul style="list-style-type: none"> <input type="checkbox"/> Small group felt that if working shouldn't get any extra help <input type="checkbox"/> Some felt should be a threshold and how long out of work should be taken into account <input type="checkbox"/> Look at potential earnings, people who receive high wages do not necessarily need the fund

Overview of the feedback from the face to face activity



<p>Question 3</p>	<p>Should people who are working receive more Council Tax Benefit to encourage them to increase the number of hours they work?</p>
<p>Overall Response</p>	<p>Whilst most people hadn't heard of this extra help when explained the majority of groups/individuals agreed that this extra support should be kept in place however there were general concerns raised about the ability to be able to increase part time hours because of lack of full time jobs</p>
<p>Comments from those who agreed include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Provides incentive for people to increase their hours <input type="checkbox"/> Helps people to avoid being caught in the benefit trap <input type="checkbox"/> Should only be given if person has a family and is earning more <input type="checkbox"/> Hard to get full time work and therefore people struggling to increase their hours <input type="checkbox"/> Sliding income should be considered <input type="checkbox"/> People would be scared to work more as money would be reduced by the Council <input type="checkbox"/> People should get help to increase their hours <input type="checkbox"/> All incentives should be communicated widely so that people know they can claim it 	<p>Comments from those who disagreed include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> People who are working should not be entitled to more benefits <input type="checkbox"/> There needs to be a time limit <input type="checkbox"/> Why is somebody who is now earning more getting something for nothing <input type="checkbox"/> People need to understand they will be charged as soon as they earn <input type="checkbox"/> Should work hard to pay all of taxes <input type="checkbox"/> Linking Council Tax allowance to working hours would just add to this confusion <input type="checkbox"/> This does not incentivise work at the moment as people are unaware that they can receive this help

Overview of the feedback from the face to face activity



<p>Question 4</p>	<p>Should people who can't work be given more Council Tax Benefit than those who could work but are unemployed?</p>
<p>Overall Response</p>	<p>There was a mixed response to this question. Some of the groups/individuals that were in favour felt that people with disabilities, carers and people with mental health issues may find it more difficult to access work. There was also a strong view that this was not a fair option in the current climate when there was a lack of jobs for those people who do want to work</p>
<p>Comments from those who agreed include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> There should be different bands of income that act as cut off points for different rates of benefit <input type="checkbox"/> Long term unemployed with no illness should receive less help <input type="checkbox"/> Only if a doctor says that a person cannot work <input type="checkbox"/> Carers should be taken into consideration in the group that cannot work <input type="checkbox"/> Should introduce levels of severity. Someone on an obvious long term disability should get more <input type="checkbox"/> Those who won't work should pay more <input type="checkbox"/> Disabled people higher likelihood of being unable to work and this is not necessarily a choice <input type="checkbox"/> Disabled people experience disproportionate barriers to work such as employer prejudice, lack of practical access in workplaces 	<p>Comments from those who disagreed include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Not fair to penalise unemployed as the current job market is very bad <input type="checkbox"/> Unemployed need support <input type="checkbox"/> People do want to work but cannot find it <input type="checkbox"/> Mental health very difficult to diagnose, not physically obvious. Assessors not informed or adequate to assess health <input type="checkbox"/> What about those people who are gradually falling ill <input type="checkbox"/> Unemployed cannot find work and therefore both groups cannot work – should not judge them <input type="checkbox"/> Difficult when don't know the criteria of not being able to work <input type="checkbox"/> How would these people be identified and who would make the decisions

Overview of the feedback from the face to face activity



<p>Question 5a</p>	<p>Should income such as Child Benefit be included as part of someone's income when they claim Council Tax Benefit?</p>
<p>Overall Response</p>	<p>The responses to this question were fairly even in relation to 'for' and 'against'. Some groups/individuals felt that people should only have children if they can afford them and there were a few that felt that benefits should be capped to the number of children. There were also some very strong feelings that Child Benefit is provided specifically for the support of the child and therefore should not be included</p>
<p>Comments from those who agreed include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Some families will never work and have lots of children because they get benefits <input type="checkbox"/> Use Child Benefit only if it cannot be proven to be used on the child <input type="checkbox"/> Numbers of children should be considered – many felt that first 2 children should receive and Child Benefit for further children should be included <input type="checkbox"/> It is part of a families income and therefore should be included <input type="checkbox"/> Paying Child Benefit to wealthy people when people can't afford to pay Council Tax, therefore no future left 	<p>Comments from those who disagreed include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> No should not use this money as is for the child and that is who the money should be spent on <input type="checkbox"/> Not everyone is abusing the system. People may have more children but work hard, it should not be stopped <input type="checkbox"/> It will affect large families and children <input type="checkbox"/> No should not be used as children's needs may be missed <input type="checkbox"/> Harrow should find another way of dealing with it not penalising children <input type="checkbox"/> Cuts in child benefit already exist to the maximum so anymore will mean child poverty

Overview of the feedback from the face to face activity



Question 5b	Should income such as Disability Living Allowance be included as part of someone's income when they claim Council Tax Benefit?
Overall Response	The majority of people felt strongly that Disability Living Allowance should not be included as part of somebody's income when they claim Council Tax Benefit. It was felt that this would affect people who have extra needs, many who are unable to increase their income by working
Comments from those who agreed include: <input type="checkbox"/> Yes this should be included <input type="checkbox"/> Should be taken in mostly. Depending on how much DLA they receive.	Comments from those who disagreed include: <input type="checkbox"/> DLA is assessed on needs, already being used for vital things such as transport, medication, care etc. <input type="checkbox"/> DLA is not liable for tax so should not be used as income <input type="checkbox"/> No, People on DLA because have extra needs, would affect people with mental health needs, could spend more time in hospital <input type="checkbox"/> No as this is to be used for specific things and increased living expenses. <input type="checkbox"/> A deaf person looks fit to work but cannot communicate. Its good to work for social inclusion but disabled people losing benefits and have limitations on jobs available, wheelchair access, access to work schemes <input type="checkbox"/> It's a desperate measure if you include this

Overview of the feedback from the face to face activity



<p>Question 6</p>	<p>Should other adults living in a household where the council tax payer (and their partner) claims Council Tax Benefit, be asked to pay more toward the Council Tax bill than they do now?</p>
<p>Overall Response</p>	<p>The majority of groups/individuals felt that non dependants could contribute more in relation to their earnings. There was, however, some concern regarding collection of contributions from other adults and a view from a group that this could disproportionately affect disabled people, their families and carers as disabled adults are likely to be living in the family home for longer due to the lack of appropriate housing and care support</p>
<p>Comments from those who agreed include:</p>	<p>Comments from those who disagreed include:</p>
<ul style="list-style-type: none"> <input type="checkbox"/> Should pay more depending on how many people live there <input type="checkbox"/> Non-dependant deductions should increase in relation to earnings <input type="checkbox"/> Should bring back the Poll Tax. People on their own have to pay the same as households with many adults living there <input type="checkbox"/> Working children should participate, how else will they learn to live? Treat children as adults with separate responsibilities <input type="checkbox"/> Every individual is using Council services – why shouldn't they be charged? <input type="checkbox"/> Good for savings as they probably have little or no overheads – however separate bill should be issued 	<ul style="list-style-type: none"> <input type="checkbox"/> If parents on DLA/AA then no deductions should be made <input type="checkbox"/> Could put other members of the household off going to work – should be encouraging people into work <input type="checkbox"/> Should remain the same rates due to family friction <input type="checkbox"/> A lot of children refuse to contribute and parents will struggle to pay <input type="checkbox"/> Problem to recover contribution from non dependant will occur <input type="checkbox"/> Felt strongly that would disproportionately affect disabled people, their families and carers as disabled adults are likely to be living in the family home for longer due to the lack of appropriate housing and care and support

Overview of the feedback from the face to face activity



<p>Question 7</p>	<p>Second Adult Rebate is awarded to people who are not entitled to Council Tax Benefit based on their own income, but receive a rebate of up to 25% of their bill because they have other adults living with them who are on a low income. Should people who receive this rebate be asked to pay more?</p>	
<p>Overall Response</p>	<p>Views were mixed in relation to this question. Some felt that this rebate could be removed however others felt that this should stay as cost is minimal and saves the council rehousing costs.</p>	
<p>Comments from those who agreed include:</p>	<ul style="list-style-type: none"> <input type="checkbox"/> If the main Council Tax payer can pay then they should with exemptions applied for groups such as the disabled, carers etc. <input type="checkbox"/> If the homeowner is on a high income, they should pay full Council Tax. <input type="checkbox"/> If it is a low claimed income then get rid of it for new claimants and let fizzle out for existing <input type="checkbox"/> Generally in favour however concern that this could disproportionately affect carers <input type="checkbox"/> Could be phased out 	<p>Comments from those who disagreed include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Everyone in household should pay something towards the Council Tax 1% to 2% more <input type="checkbox"/> Cost to Council is minimal compared to other income support benefit <input type="checkbox"/> Most cases it's a pensioner on pension credit, if she gets charged she will have to put in claim for Housing Benefit which in turn will increase costs for the council <input type="checkbox"/> Low claimed benefit – not worth giving it out as only 68 claims exist <input type="checkbox"/> Saves the council rehousing costs – do not remove this

Overview of the feedback from the face to face activity



<p>Question 8</p>	<p>Should people with savings of less than £16,000 be asked to use these savings to pay their Council Tax?</p>
<p>Overall Response</p>	<p>Whilst there were a few that felt that savings of £16,000 should be reduced the majority felt that the level of savings should not be reduced as people have worked hard and been careful with their money to ensure they have savings for times of need.</p>
<p>Comments from those who agreed include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> £16,000 is a lot of money it is £5,000 for Income Support claimants <input type="checkbox"/> £16,000 in the bank means they are quite rich, make the limit £10,000 <input type="checkbox"/> Affects everybody across the board <input type="checkbox"/> Generally in favour however could penalise for saving in the past <input type="checkbox"/> Other people shouldn't have to pay if people have money 	<p>Comments from those who disagreed include:</p> <ul style="list-style-type: none"> <input type="checkbox"/> No – if change the savings limit this will have a great affect on people as savings are to pay for funeral and medical bills. <input type="checkbox"/> This amount is reasonable, never know what happens in life <input type="checkbox"/> Worked hard to achieve this money shouldn't be penalised for it <input type="checkbox"/> Being penalised for being money smart <input type="checkbox"/> Inconsistencies in the governments proposals they have advised people with £10,000 savings will not pay any tax and then allow Council Tax schemes to bring the savings limit down to enable them to pay more local tax <input type="checkbox"/> If earning then savings should not be used <input type="checkbox"/> No we have always been told to save money and now to do this would be unfair on residents

Overview of the feedback from the face to face activity

<p>Question 9/10</p>	<p>Do you think there are any groups of people in the community who would be affected more than others if everyone currently on benefit has to pay something towards their Council Tax?</p>
<p>Overall Response</p>	<p>Many groups agreed that there would be groups in the community who would be affected more than other groups. The majority highlighted people with disabilities as being a group that will be impacted by many changes. Other impacted groups included lone parents, carers, large families and people with mental health issues.</p>
<p>Groups highlighted as affected more than other groups</p>	<p>Reasons why</p>
<ul style="list-style-type: none"> <input type="checkbox"/> People with a disability <input type="checkbox"/> Lone parents <input type="checkbox"/> Carers <input type="checkbox"/> Large families <input type="checkbox"/> People with mental Health issues 	<ul style="list-style-type: none"> <input type="checkbox"/> Cumulative effect as impacted by other changes as part of welfare reforms, transport costs and more disadvantaged in being able to access employment <input type="checkbox"/> May not have other support mechanisms in place and find it difficult to access part time employment <input type="checkbox"/> Looking after people with disabilities, saving Government money by providing care and receive nothing in return. Difficulties in accessing employment <input type="checkbox"/> Cumulative effect as impacted by other changes as part of welfare reforms – need to ensure children are not affected <input type="checkbox"/> Often on low income and unable to secure long term employment. Require support mechanisms in place to be able to work
<p>Other groups that were highlighted as being impacted by the changes are asylum seekers, refugees, people over 50 who have lost their jobs, young people, homeless, Voluntary Organisations, low earners, sick people with low savings, single people under 35.</p>	

Overview of the feedback from the face to face activity



Question 11	Should the Council create a Hardship fund to support people suffering genuine hardship because of the changes to Council Tax Benefit
Overall Response	The majority of Groups/Individuals agreed there should be a Hardship fund however nearly all said that it needs to have clear criteria that only provides support to those in need
Comments from those who agreed include: <ul style="list-style-type: none"> <input type="checkbox"/> For fall through the net cases – maybe limit to 3 applications a year <input type="checkbox"/> Criteria for the fund should be tough as everyone will be coming to claim due to changes <input type="checkbox"/> Could save money in the long run as it saves people from crisis <input type="checkbox"/> Individuals should be assessed (means tested) if they are genuine, fair cases and unlikely to leave the UK <input type="checkbox"/> If it is for the vulnerable who really need it <input type="checkbox"/> Must be specifically for people in need 	Further comments include: <ul style="list-style-type: none"> <input type="checkbox"/> Bit contradictory as going to take it away and then giving money back via the fund! <input type="checkbox"/> Where is the money coming from <input type="checkbox"/> Believe it to be charity <input type="checkbox"/> Who is putting the money into this? <input type="checkbox"/> Give it out in the form of a loan <input type="checkbox"/> What is going to happen to people who cannot pay? <input type="checkbox"/> People may have to stop paying Council Tax to feed themselves <input type="checkbox"/> Advertise how to access it and how long it will run for <input type="checkbox"/> Advice is going to be needed on how people can manage their money

Overview of the feedback from the consultation activity



General themes arising from all consultation activity

Saving money elsewhere	<ul style="list-style-type: none"> <input type="checkbox"/> Many people raised concern with the changes the Government were making and the effect they would have on vulnerable groups and various suggestions put forward that money should be taken from high earners, banks, large companies paying their tax <input type="checkbox"/> Suggestions that Council shouldn't be targeting the most vulnerable and burden should be shared. People won't be able to pay. Suggestions included raising Council Tax, reducing waste in the council, use more volunteers in libraries, source the funding from other areas etc.
Employment	<ul style="list-style-type: none"> <input type="checkbox"/> Concern regarding access to jobs particularly in the current climate and the view that people on benefits do not want jobs. <input type="checkbox"/> Some groups very willing to work but unable to i.e. Asylum seekers. <input type="checkbox"/> Difficulties in accessing jobs for lone parents who need part time work <input type="checkbox"/> Difficulties for people with disabilities – disproportionate barriers to work, employer prejudice, access to the workplace
Health Effects	<ul style="list-style-type: none"> <input type="checkbox"/> These changes will increase anxiety, stress and mental illness and these illnesses in turn hinder the ability to get jobs <input type="checkbox"/> Changes are attacking people living on the edge already – will cause further illnesses
Operational	<ul style="list-style-type: none"> <input type="checkbox"/> Can't get information about the help that is available in Harrow <input type="checkbox"/> Find it difficult to access services i.e. Jobcentre, CAB or Access Harrow has no signers/interpreters available <input type="checkbox"/> Need a different collection policy for those who cannot pay. <input type="checkbox"/> Concern about reliability of Work Capacity assessments
Consultation	<ul style="list-style-type: none"> <input type="checkbox"/> Suggestions put forward to ensure consultation inclusive <input type="checkbox"/> Comments regarding the consultation – mostly positive

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Resources

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Our ref: CTB Localisation

Your ref:

Date: 21 September 2012

Dear Fern

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

Thank you for your email dated 8 June and attached documentation setting out the draft council tax support (CTS) scheme which the London Borough of Harrow 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.

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 desirable that schemes are presented in a way which is transparent, understandable and accessible to claimants – and we therefore welcome the inclusion of working examples of the potential affects of its draft scheme on different claimant groups on Harrow’s consultation website. The GLA would also wish to compliment Harrow on the very extensive consultation which it has undertaken with local residents, stakeholders, charities and community groups in developing its proposals and communicating the potential impacts.

Even though this engagement has been extensive it is likely that the level of awareness amongst working age claimants likely to be affected by the potential changes in Harrow remains limited 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 therefore risk that collection rates will be affected adversely in the first year of the new system as it will take time for some claimants to set up new or revised payment arrangements. The GLA therefore considers that before finalising their schemes billing authorities should consider the challenges which they will face in collecting relatively small sums of money from claimants on low incomes who may not be in a position to pay by direct debit or other automatic payment mechanisms.

Financial Context

According to the consultation paper ‘Localising Support for Council Tax in England – Funding arrangements consultation’ issued by CLG in May Harrow is provisionally estimated to receive £14.07m in council tax support grant in 2013-14 with the GLA forecast to receive £3.64m in respect of the Harrow 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 Harrow has identified a potential shortfall of around £3.5m between the cost of continuing to provide council tax support on the same basis at a present through the national ‘default scheme’ for working age claimants and its expected level of council tax support grant. Our assumption is that this includes a £0.7m shortfall in respect of the GLA’s share – although that is a purely illustrative figure as the actual figure will be dependent on the level of claims for council tax support during 2013-14 and in future years.

The Council’s has set out four potential models to identify approaches which would allow it to close this expected funding gap. The models vary in their components depending on the combinations used of the eight core council tax benefit rules set out in pages 4 to 5 of your consultation document. All four models incorporate the basic

principle that working age claimants should generally be required to pay between 10% – 35% 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 Harrow has not yet determined how it intends to take advantage of the technical reforms. The additional revenues could be used to offset the shortfall and may allow Harrow to vary the scheme or provide greater protection to those affected.

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 Harrow's draft scheme does not provide for any specific protection to any working age claimant group at this stage – 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.

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 note that Harrow will take the results of its consultation into account before deciding to designate specific groups (if any) as vulnerable.

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 note that one of Harrow's core principles would involve increasing the proportion of income which a claimant would be expected to contribute towards their council tax (above the minimum income they are considered by the Government to need to live on) and another the potential removal of extra benefit for those who work longer hours. While recognising the reasons for any such change we would encourage the Council to consider whether this has the potential to act as a disincentive to working

claimants. It is recognised, however, that this is accompanied by proposals which could require all non vulnerable claimants not in work to pay an additional contribution towards their council tax.

Other Elements of Harrow's Draft Scheme

The GLA also notes the other potential elements of Harrow's draft scheme as set out below and the potential variations of these set out as potential alternatives in Appendix A:

- Including Child Benefit as an income.
- Increasing contributions from other adult members of the household.
- Changing the amount of savings a person can have before benefits are given
- Capping the Council Tax Support to a Band D or E property
- Removing Second Adult Rebate

The GLA has no specific comments on these proposed variations 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.

In practice this will mean the Council will need to make a judgement as to the forecast collection rates from those claimants and council taxpayers affected by both the changes to council tax support and second/empty homes exemptions and discounts. 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. In addition it is probable that collection rates from properties formerly eligible for the class C exemption will also be lower than average – particularly in respect of the private sector rental market where landlords experience void periods. We also note that the Council does not intend at this stage to offer a hardship scheme – although if it were to this would also affect its revenues.

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 (as well as business rates retention) 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 through the 10 precept instalments paid to the GLA).

I would like to thank you for consulting the GLA and we look forward to working with the London Borough of Harrow 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 HARROW

At present there are approximately 17,400 council tax benefit claimants in Harrow of which around 10,710 are of working age. Of these around 5,440 are working age claimants passported by DWP who therefore pay no council tax at present.

Based on the GLA's interpretation of its numbers the Council has identified a potential £3.5m funding shortfall (the difference between providing council tax support to all claimants on the same basis as at present with the total forecast council tax support grant for the Harrow borough area of £17.7m of which £3.6m notionally relates to the GLA and £14.1m to Harrow Council). Of this shortfall we estimate that £0.7m relates to the GLA.

The Council launched its consultation on 11 June with a closing date of 21 September. The consultation was published at the following link

www.harrow.gov.uk/ctbconsultation

The Council's consultation on its draft scheme, which seeks to recover this shortfall, offers four model schemes that use a combination of one or more of the following rules as set out below:

Rule 1 - Introducing a maximum limit to the amount of Council Tax Benefit that can be paid (Model Schemes 1-4)

In the current council tax benefit scheme the Council can give people on the lowest incomes help to pay all of their Council Tax.

The Council is considering changing this so that people can only get help to pay part of their Council Tax, no matter what their circumstances are. This would be applied across all benefit claimants which would mean everybody would have to pay 10% to 35% of their Council Tax bill.

Rule 2 Changing the rate at which Council Tax Benefit is withdrawn where a person has more income than the law says they need to live on (Model Scheme 2)

In the current council tax benefit scheme the amount of help someone receives will depend on how much money they have coming in. If they have more money coming in than the minimum the law says they need to live on they are expected to pay 20p a week for every extra £1.

Model Scheme 2 proposes raising this to 25p for every extra £1 they have in income. In Harrow, this change is forecast to make savings of up to £260,000.

Rule 3 Removing extra benefit for people who work longer hours (Model Scheme 3)

Currently when a person, usually a full time or part time worker with a disability or a single parent, is working and getting help to pay their Council Tax the Council is able to disregard some of their earnings.

The Council is considering stopping this extra benefit (as reflected in model scheme 3) and forecasts this would make savings in Harrow of up to £365,000.

Rule 4 - Including Child Benefit as an income (Model Scheme 4)

Currently Child Benefit is payable for each child in a household regardless of the parents/carers income. In the present Council Tax Benefit scheme Child Benefit is not taken into account as income. This option is incorporated in model scheme 4

The Council is considering changing this so that Child Benefit is included in the assessment of Council Tax Support. This rule change is forecast to make savings of up to £800,000 in Harrow.

Rule 5 Increasing contributions from other adult members of the household (Model Scheme 3)

Council Tax benefit is assessed on the needs of the claimant, partner and dependant children. Other adults within the household are expected to contribute towards the Council Tax bill.

The Council is considering changing this so that these adults contribute more towards the Council Tax bill. Model Scheme 3 illustrates a potential increase of 50%. It is forecast that this change would generate savings of up to £250,000 in Harrow.

Rule 6 – Changing the amount of savings a person can have before benefits are given (Model Schemes 2 and 3)

In the current scheme a person is not entitled to Council Tax Benefit when their, or their partner's, savings are more than £16,000.

The Council is considering changing this - in Model Scheme 2 the savings limit is £6,000 and in Model Scheme 3 the limit is changed to £10,000. This change is forecast to make savings of up to £165,000 for Harrow depending on which Model Scheme is adopted.

Rule 7 - Capping the Council Tax Support to a Band D or E property

In the current scheme, a person could get 100% Council Tax Benefit no matter how large their house is.

Harrow could change this so that a person's Council Tax Benefit is limited to the level that would be given for a smaller house. This change is forecast to make savings of up to £665,000 for Harrow.

Rule 8 – Removing the second adult rebate

Currently if a person can afford to pay Council Tax but lives with someone on a low income they may be able to receive help with their Council Tax.

The Council are considering not offering this discount and forecast to make savings of up to £28,000.

Harrow recognises that only the first rule listed above could achieve the full savings required by the reduction in council tax support. The other rules would require a combination of measures to achieve the savings.

Formal response received from Harrow Association of Disabled people by email 21.9.12

Re council tax benefit

The key issues for us are:

Disabled people will be disproportionately affected by having to pay more council tax, because, although the amount may not be huge, it is additional to other financial decisions currently being made, such as to work related benefits such as ESA, having to contribute to all care costs, loss of concessionary travel and potential loss of DLA through new upcoming PIP scheme.

Disabled people's higher likelihood of being unable to work is not necessarily a choice, or even because of their impairment - disabled people experience disproportionate barriers to work, such as employer prejudice, lack of practical access in workplaces, being more likely to have had poor education, less likelihood of previous work experience etc. They should not be treated as people who choose not to work, and should not be penalised for being on benefits by having to pay more towards council tax.

There would be mixed views from disabled people about whether child benefit should be regarded as income, but on the whole I think most people recognise that it is simply additional income, so it would be reasonable to treat it as such.

DLA is different. Being disabled is expensive, and DLA is given specifically to cover the extra costs of disability and help people meet direct disability needs. To make people use it for everyday expenses like paying council tax will mean that there will disability needs which cannot be met as a result.

In a significant number of cases, the council would be no better off, as the financial re-assessment would simply be moving the person's financial responsibly between paying for care costs and council tax.

HAD's view is that disabled people need to be protected from having losing council tax benefit.

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Providing opportunity: promoting change

Response to Council Tax Benefit Consultation

Harrow Mencap is an independent charity whose purpose is to work with and represent people with learning disabilities and their families and carers to ensure their needs, rights and aspirations are met.

This response is based on the lived experience of people with learning disabilities their families and their carers and has been collated from feedback in our day to day work and from a focus group held on 5th September 2012, attended by individuals with a learning disability, families and carers.

Why we are responding: Disabled people's need for support

A third of disabled people live in poverty in the UK and disabled people are twice as likely to live in poverty as other citizens. Reasons for poverty include unequal access to education and employment, but higher costs are also incurred through having to pay additional sums for items other citizens take for granted or do not have to pay a 'disability supplement' for, including utility bills (e.g. to pay for higher water bills due to increased laundry needs through incontinence).

Disabled people are also amongst the most disadvantaged groups in the UK. Nearly a quarter of individuals in families with at least one disabled

member live in relative income poverty and over 50% of working age disabled adults are not in paid employment. A third of working age disabled people are estimated to live in poverty – and disabled people’s higher living costs are unaccounted for in most tests of poverty, meaning actual disability poverty levels are very likely to be higher.

Millions of disabled people also rely on financial and other support from the state to help meet basic needs and the extra living costs associated with a health condition/impairment.

With welfare spending cuts expected to remove £18 billion from DWP administered support alone, disabled people’s personal finances are expected to be reduced further. Disability Living Allowance will lose £2.17 billion possibly affecting more than 835,000 disabled people and about 400,000 disabled people will also lose Employment and Support Allowance once this out of work support is time limited to one year for people who have previously paid National Insurance contributions. This will directly reduce disabled people’s direct income.

Whilst this consultation focuses on changes to council tax benefit the accumulative effect of the welfare reform bill on disabled people’s income cannot be overlooked. Our response therefore focuses on possible effects of each option on disabled people and their families and carers.

Question 1

Should people who get council tax and live in a bigger house be asked to pay more?

Most of our members felt that this would be fair. However it was noted that some families have more than one disabled person living in the house and therefore may need larger accommodation because of certain needs such as equipment etc.

Question 2

Should people who get council tax benefit be given extra help for a short time when they start work?

Members were strongly in favour of this as loss of benefits can act as a barrier to work.

Question 3

Should people who are working get more council tax benefit to help them work more hours?

Our members already find issues around working hours , benefits and working tax benefits confusing and felt that linking council tax allowance to working hours would just add to this confusion.

Question 4

Should people who cannot work be given more Council Tax Benefit than people who do not work?

Whilst our members were broadly in favour of this, questions were asked as to whom would make decisions around who could or could not work. Members highlighted concerns about the reliability of Work Capacity assessments where currently over 40% of those found fit for work having this decision overturned at appeal.

Question 5a

Should Child benefit be included as part of a person's income when working out how much council tax benefit they are entitled to?

Members did not have a strong response either way to this question however it should be acknowledged that BME groups and women and single parents may be affected disproportionately.

Question 5b

Should DLA be included as part of a person's income when working out how much council tax benefit they are entitled to?

Members feel strongly that DLA is to meet the additional costs of people's disability and therefore should not be counted as income. However it was also noted that when PIP introduces DLA in April 2013 20% of people who are currently receiving DLA will no longer receive help toward the extra costs they have due to their disability; it was therefore considered to be important that these people did not have the double impact of losing their DLA and having a reduction in their council tax benefit also.

Question 6

Should other adults living in a house where the bill payer gets council tax benefit be asked to pay more money towards council tax?

It was felt strongly that this would disproportionately affect disabled people, their families and carers as disabled adults are likely to be living in the family home for longer due to the lack of appropriate housing and care and support.

Question 7

Second Adult Rebate.

People were generally in favour for this group to be asked to pay more. However there was some concern this would disproportionately affect carers.

Question 8

Should People with savings less than 16,000 be asked to use these savings to pay their council tax?

People were generally in favour of this although some members felt they would be penalised for saving in the past.

Question 9

Do you think there are any groups of people in the community who would be affected more than others if everyone currently on benefit has to pay something towards their council tax?

People feel strongly that disabled people are disproportionately being affected by the welfare reform Bill. Being asked to contribute to their council tax at a time when their other benefits were being reduced was unfair. If the principle that the most vulnerable in society should be protected, the protection that is currently afforded to pensioners in the proposals should be extended to two further groups:

- (1) Employment and Support Allowance (main phase) claimants; and
- (2) Carers

Submitted on behalf of Harrow Mencap 09/2012

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**London Borough of Harrow
Council Tax Support Scheme**

DRAFT

Introduction

This scheme is based on the Council Tax Support Schemes (Default Scheme) Regulations 2012 and incorporates the statutory obligations detailed in the Council Tax Support Schemes (Prescribed Requirements) Regulations 2012. Certain elements of the Default Scheme have been removed or amended within this scheme and apply solely to persons who have not reached the qualifying age for state pension credit.

This scheme will be amended to take into account any circumstances subsequently identified, through government statute. This scheme will be treated as having been amended to accommodate any changes the government may make to The Prescribed Requirements. Where references are made to the Prescribed Requirements or Default Scheme, these will relate to the most recently published edition of those documents. Where either is revoked, the last published version(s) will apply.

Principles of the scheme

Specific principles which inform this scheme have been clearly identified to reflect local priorities and national framework:

- The scheme should encourage people to work and in particular should not act as a disincentive to work.
- The impact on the most vulnerable should be considered and therefore be afforded a level of protection within the scheme.
- The scheme design will be developed within the legal framework as identified in the Council Tax Support Schemes (Prescribed Requirements) Regulations 2012.
- The scheme will be developed to meet the resources made available from the Government.

Features of the scheme

Key changes from the Default Scheme (of which apply to persons who have not reached the qualifying age for state pension credit) are as follows:

- Applicants of working-age (unless specified) will have their Council Tax Support based on **77.5%** of their council tax liability in 2013/14 and on **70%** of their council tax liability in 2014/15.
- Applicants with a disability or with a family member with a disability (who fall into classes G & H as defined in this scheme) should receive some protection from the above measure. Such people will have their Council Tax Support based on **90%** of their council tax liability in 2013/14 and on **86%** of their council tax liability in 2014/15.
- All people of working age will have their Council Tax Support tapered at 30%. For every £1 per week of income above the 'applicable amount', Council Tax Support is reduced by 30 pence per week.
- Alternative maximum council tax support has been abolished
- Tariff income has been abolished
- Underlying entitlement has been abolished

- The maximum time limit for a backdated Council Tax Support application is 3 months
- A minimum weekly Council Tax Support award of £2 has been introduced
- Non-dependant deductions have been doubled for all applicants of working age except where non-dependants are in receipt of Contribution-based Employment and Support Allowance (of which the weekly deduction will remain at £3.30).
- A weekly non-dependant deduction of £3.30 has been introduced for non-dependants in receipt of Income Support, Income-based Jobseeker's Allowance, Income-related Employment and Support Allowance, Guaranteed Pension Credit, passported Universal Credit.
- Any change of circumstance which is advantageous to council tax support entitlement and reported by the applicant outside one month, will take effect from the Monday following the date it is reported.

The treatment of war pensions, war disablement pensions, war widow's pensions, war widower's pensions and payments made under the Armed Forces Compensation Scheme

- It is proposed to disregard the total sum of any such payments when calculating entitlement for all applicants. The current statutory obligation under The Prescribed Requirements is to disregard the first £10 per week only of such payments in the calculation of entitlement to council tax support.

Application, appeals, revisions and superseded decisions

- Provisions are made relating to how applications for Council Tax Support must be made and how appeals are to be made to the authority. These are specified in Part 3 and Schedule 1 of this scheme. Schedule 11 of this scheme makes provision for the revision and supersession of Council Tax Support awards and specifies instances where the authority may suspend or terminate Council Tax Support awards.

General administration of the scheme

Apart from where statutorily required, advice of any award granted, removed or revised will be by an adjustment to the council tax bill and the bill itself will be the formal notification. Harrow Council reserves the right to include additional notifications.

Any excess award of Council Tax Support will be rectified by the amount being recovered by an adjustment to the council tax bill.

Uprating

This scheme proposes that any figures set out in the scheme may be uprated, to take effect on 1st April each year following the commencement of the scheme, by the consumer price index, set out in the preceding September, or by the rate used by the government in the determination of income support or universal credit.

Data sharing, fraud and error

Information provided by applicants will be used by Harrow Council to process applications for Council Tax Support. Information may also be shared internally to facilitate the processing of applications.

Information provided by applicants will also be used by Harrow Council for the prevention and detection of fraud and may also share such information with external and internal bodies responsible for auditing or administering public funds for these purposes.

By law Harrow Council may check information provided by applicants, or information about applicants provided by others with other information held by Harrow Council. Harrow Council may also get information about applicants from certain third parties, or give information to them, to:

- make sure the information is accurate,
- prevent or detect crime, and
- protect public funds

These third parties include government departments, any partners affiliated with Harrow Council, other local authorities and private-sector organisations such as banks and credit reference agencies.

Harrow Council is the data controller for the purposes of the Data Protection Act.

Penalties

Harrow Council has a responsibility to protect taxpayers and the public purse by effectively fighting fraud.

Harrow Council takes all forms of fraud seriously and will take action to recover any money that has been claimed based on false information, a failure to provide (disclose) information or a failure to notify a change of circumstances, possession or supply of articles for use in fraud or more generally obtaining services dishonestly. Such action could include a civil penalty and/or prosecution. A successful prosecution will result in a criminal record and penalties of up to 10 years imprisonment and unlimited fines.

Harrow Council has robust information sharing protocols and specialist counter fraud staff who investigate all types of fraud against the council. This includes the ability for individuals to anonymously notify the council of a potential fraud. Contact details for reporting potential fraud are as follows:

Post:

London Borough of Harrow
3rd floor West Wing
Civic Centre
Station Road
Harrow
HA1 2XF

Email: fraud@harrow.gov.uk

Council Tax Support Scheme (Harrow Council)
Coming into force 1st April 2013

Citation, commencement and application

1. —These rules may be cited as the Council Tax Support Scheme 2013 and come into force on 1 April 2013.

These rules are decided by and apply to Harrow Council.

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Council Tax Support Scheme (Harrow Council) 2013

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PART 1

Introduction

Introduction

1. These rules may be cited as the Council Tax Support Scheme 2013 and come into force on 1 April 2013. These rules are decided by and apply to Harrow Council.

PART 2

Interpretation

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(a);

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

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

“appeal” means an appeal to the Valuation Tribunal

“applicable amount” means—

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

(b) in relation to a person who is not a pensioner, the amount calculated in accordance with— (i) paragraph 26 and Schedule 3; or

(ii) paragraph 28,

as the case maybe;

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

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

“assessment period” means—

(a) 1996 c. 18. Sections 75A and 75B were inserted by section 3 of the Employment Act 2002 (c. 22) and amended by the Work and Families Act 2006 (c. 18), Schedule 1, paragraphs 33 and 34.

(b) 2004 c. 32.

(a) in relation to pensioners—

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

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

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

“attendance allowance” means—

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

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

(c) a payment by virtue of article 14, 15, 16, 43 or 44 of the Personal Injuries (Civilians) Scheme 1983(b) or any analogous payment; or

(d) any payment based on need for attendance which is paid as part of a ward disablement pension;

“the authority” means the London Borough of Harrow 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(c);

“the benefit Acts” means the SSCBA, the Jobseekers Act 1995(d), the State Pension Credit Act 2002(e) and the Welfare Reform Act 2007(f);

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

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

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

“child benefit” has the meaning given by section 141 of the SSCBA(j);

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

- (a) 1992c.4. See sections 64 to 67 of that Act in relation to attendance allowance; relevant amendments are referenced elsewhere in these Regulations.
- (b) S.I. 1983/686; relevant amending instruments are S.I. 1984/1675, 2001/420.
- (c) 2007c.3. Section 989 defines basic rate by reference to section 6(2) of that Act. Section 6(2) was amended by section 5 of the Finance Act 2008(c.9) and section 6 of, and paragraphs 1 and 2 of Schedule 2 to, the Finance Act 2009(c.10).
- (d) 1995c.18.
- (e) 2002c.16.
- (f) 2007c.5.
- (g) 2000c.14. Section 3 was amended by paragraphs 1 and 4 of Schedule 5 to the Health and Social Care Act 2008(c.14). (h) 2001asp8.
- (i) S.I. 2003/431(N.I.9).
- (j) Section 141 was amended by section 1 of the Child Benefit Act 2005(c.6).
- (k) 2002c.21; section 8 is repealed by the Welfare Reform Act 2012 (c.5), Schedule 14, Part 1 (not yet in force).

“closer relative” means a parent, parent-in-law, son, son-in-law, daughter, daughter-in-law,

step-

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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(a) are charged;

“contributory employment and support allowance” means a contributory allowance under Part 1 of the Welfare Reform Act 2007(b);

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

“couple” has the meaning given by paragraph 4;

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

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

(b) by reference upon or with such a form to some other document available from it and sent by electronic means or otherwise on application and without charge; or

(c) by any combination of the provisions set out in paragraphs (a) and (b);

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

“earnings” has the meaning given by paragraph 41, 44, 51 or 53 as the case may be;

“the Eileen Trust” means the charitable trust of that name established on 29th March 1993 out of funds provided by the Secretary of State for the benefit of persons eligible for payment in accordance with its provisions;

“electronic communication” has the same meaning as in section 15(1) of the Electronic Communications Act 2000(d);

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

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

“employment zone” means an area within Great Britain designated for the purposes of section 60 of the Welfare Reform and Pensions Act 1999(g) 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;

(a) 2002c.21.

(b) 2007c.5. Part 1 concerns employment and support allowance; relevant amendments are referenced elsewhere in these Regulations.

(c) 1992c.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 (not yet in force).

(d) 2002c.7; that definition was amended by the Communications Act 2003 (c.21), Schedule 17, paragraph 158.

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

(f) Section 17A was inserted by the Welfare Reform Act 2009(c.24), section 1 and amended by the Welfare Reform Act 2012(c.5), Schedule 7, paragraphs 1 and 4, and Schedule 14, Parts 1 and 3 (not yet in force). This section is repealed by Part 4 of Schedule 14 to that Act (not yet in force).

(g) 1999c.30.

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

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

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

“family” has the meaning given by paragraph 6;

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

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

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

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

“an income-based jobseeker’s allowance” and “a joint-claim jobseeker’s allowance” have the meanings given by section 1(4) of the Jobseekers Act 1995 (b);

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

“independent hospital”—

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

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

“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;

- (a) S.I. 2011/517.
- (b) 1995c.18. Section 1(4) was amended by the Welfare Reform and Pensions Act 1999, Schedule 7, paragraphs 1 and 2(1) and (4); the Civil Partnership Act 2004 (c.33); section 4 of the Welfare Reform Act 2009 (c.24), and is repealed by the Welfare Reform Act 2012, Schedule 14, Part 1 (not yet in force).
- (c) 2006c.41. The definition of “health service hospital” has been amended by the Health and Social Care Act 2012 (c.7), Schedule 4, paragraph 138 (not yet in force).
- (d) 2000c.14; section 2 was amended by the Health and Social Care Act 2008 (c.14), Schedule 5, paragraphs 1 and 3. (e) 1978c.29; section 10F was inserted by section 108 of the Public Services Reform (Scotland) Act 2010 (asp 8).

“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 (a) 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 (b);

“maximum council tax support amount” means the amount determined in accordance with paragraph 29;

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

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

“mobility supplement” means—

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

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

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

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

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

“new dwelling” means, for the purposes of the definition of “second authority” and paragraphs 91, 98 and 103, the dwelling to which an applicant has moved, or is about to move, in which the applicant will be resident;

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

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

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

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

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

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

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

(a) 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).

(b) 1996c.18.

(c) 1972c.70. The definition of local authority was amended by section 102 of, and paragraph 8 of Schedule 16 and Schedule 17 to, the Local Government Act 1985. Other amendments have been made

to that definition but they are not relevant to these Regulations.

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

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

(bb) homeless or otherwise living an unsettled way of life;

and “local authority” means a local authority in England within the meaning of the Local Government Act 1972(a);

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

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

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

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

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

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

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

“pension fund holder” means with respect to a personal pensions scheme or an occupational pensions scheme, the trustees, managers or scheme administrators, as the case may be, of the scheme concerned;

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

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

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

“person treated as not being in Great Britain” has the meaning given by paragraph 21;

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

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

“personal pension scheme” means—

(a) a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993(f); (b) an annuity contract or trusts scheme approved under section 620 or 621 of the Income and Corporation Taxes Act 1988(g) or a substituted contract within the meaning of section

(a) 1972c.70. See section 270(1) of that Act for the definition of “local authority”; a relevant amendment was made to that definition by the Local Government Act 1985(c.51), Schedule 17.

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

(c) 1996c.18; sections 80A and 80B were inserted by section 1 of the Employment Act 2002(c.22) and sections 80AA and 80BB were inserted by section 3 of the Work and Families Act 2006(c.18). Relevant regulations made under these sections are S.I.2002/2788 and S.I.2003/921 (made under sections 80A and 80B) and S.I.2010/1055 and S.I.2010/1059 (made under sections 80AA and 80BB).

(d) 1995c.26; paragraph 1 has been amended by the State Pension Credit Act 2002(c.16), Schedule 2, paragraph 39; the Welfare Reform Act 2007, Schedule 3, paragraph 13; the Pensions Act 2007(c.22), Schedule 3, paragraph 4; and section 1 of the Pensions Act 2011(c.19).

(e) 2012c.5.

- (f) section 239 of the Pensions Act 2004 (c.35) and amended by the Finance Act 2007 (c.11), Schedule 20, paragraph 23 and Schedule 27, Part 3.
- (g) 1988c.1.

622(3) of that Act which is treated as having become a registered pensions scheme by virtue of paragraph 1(1)(f) of Schedule 36 to the Finance Act 2004(a);

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

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

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

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

- (a) in the case of a woman, pensionable age; or
- (b) in the case of a man, the age which is pensionable age in the case of a woman born on the same day as the man;

“qualifying contributory benefit” means—

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

“qualifying income-related benefit” means—

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

“qualifying person” means a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Bombings Relief Charitable Fund; London

“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;

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

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

“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) 2004c.12.
- (b) 2002c.16.
- (c) S.I. 2006/214; amended by S.I. 2007/1356, 2007/2869.
- (d) 2002 c.16. Section 3 was amended by the Civil Partnership Act 2004 (c.33), Schedule 24, paragraph 140 and S.I. 2002/1792.

(a) an employment zone programme;

(b) a programme provided by or under arrangements made pursuant to section 2 of the Employment and Training Act 1973 (a) (functions of the Secretary of State) or section 2 of the Enterprise and New Towns (Scotland) Act 1990 (b) (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 (c);

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

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

(d) a public authority in consequence of a function under section 149 of the Equality Act 2010 (f);

(e) a best value authority in consequence of a function under section 3 of the Local Government Act 1999 (g);

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

(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 (i);

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

(i) the Care Quality Commission in exercise of a function under section 4 or 5 of the Health and Social Care Act 2008 (k);

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

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

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

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

“the Skipton Fund” means the ex-gratia payments 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;

(a) 1973c.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. (b) 1990c.35.

(c) 1978c.29.

(d) 1985c.68; section 105 was amended by S.I. 1996/2325; the Government of Wales Act 1998 (c.38), Schedule 8, paragraph 5 and Schedule 16, paragraph 5, and S.I. 2010/866.

(e) 1995c.50; section 49A was inserted in respect of Northern Ireland by S.I. 2006/312 (N.I. 1). (f) 2010c.15.

(g) 1999c.27; section 3 was amended by the Local Government and Public Involvement in Health Act 2007 (c.28), section

137.

- (h) 2001asp 10.
- (i) 2006c.41.
- (j) 2006c.42.
- (k) 2008c.14;section4hasbeenamendedby section189oftheHealthandSocialCareAct2012(c.7)butthoseamendmentsarenotyetinforce.
- (l) 2008c.17;section193wasamendedbytheLocalismAct2011(c.20),Schedule17,paragraphs1and4andSchedule25,Part27.

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

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

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

“student” has the meaning given by paragraph 73;

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

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

“training allowance” means an allowance (whether by way of periodical grants or otherwise) payable—

(a) out of public funds by a Government department or by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise, the Chief Executive of Skills Funding or the Welsh Ministers;

(b) to a person for his maintenance or in respect of a member of his family; and

(c) for the period, or part of the period, during which he is following a course of training or instruction provided by, or in pursuance of arrangements made with, that department or approved by that department in relation to him or so provided or approved by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise or the Welsh Ministers,

but it does not include an allowance paid by any Government department to or in respect of a person by reason of the fact that he is following a course of full-time education, other than under arrangements made under section 2 of the Employment and Training Act 1973 (d), or is training as a teacher;

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

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

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

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

“war pension” means a war disablement pension, a war widow’s pension or a war widower’s pension;

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

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

“water charges” means—

(a) as respects England and Wales, any water and sewerage charges under Chapter 1 of Part 5 of the Water Industry Act 1991 (g),

- (a) 1993c.39;subsection (2) was amended by S.I. 1996/3095, 1999/1663. (b) 1992c.4.
- (c) 2002c.16.
- (d) 1973c.50;section 2 was substituted by the Employment Act 1988(c.19), section 25 and amended by the Employment Act 1989(c.38), Schedule 7, Part 1.
- (e) 2012c.5.
- (f) 2003c.1;subsection (2) was inserted by the Finance Act 2005(c.7), section 19. (g) 1991c.56.

(b) as respects Scotland, any water and sewerage charges established by Scottish Water under a charges scheme made under section 29A of the Water Industry (Scotland) Act 2002(a), in so far as such charges are in respect of the dwelling which a person occupies as his home; “working tax credit” means a working tax credit under section 10 of the Tax Credits Act 2002(b); “young person” means a person who falls within the definition of qualifying young person in section 142 of the SSCBA(c).

(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 an income-based jobseeker’s allowance on any day in respect of which an income-based jobseeker’s allowance is payable to him on any day—

- (a) in respect of which he satisfies the conditions for entitlement to an income-based jobseeker’s allowance but where the allowance is not paid because of support in accordance with section 19 or 19A or regulations made under section 17A or 19B of the Jobseekers Act 1995(d) (circumstances in which a jobseeker’s allowance is not payable);
- (b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income-based jobseeker’s allowance is payable to him or would be payable to him but for section 19 or 19A or regulations made under section 17A or 19B of that Act; or
- (c) in respect of which an income-based jobseeker’s allowance would be payable but for a restriction imposed pursuant to section 6B, 7, 8 or 9 of the Social Security Fraud Act 2001(e) (loss of benefit provisions).

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

- (a) in respect of which he satisfies the conditions for entitlement to an income-related employment and support allowance but where the allowance is not paid in accordance with section 18 of the Welfare Reform Act 2007(f) (disqualification); or
- (b) which is a waiting day for the purposes of paragraph 2 of Schedule 2 to that Act (employment and support allowance: supplementary provisions) and which falls

(a) 2002asp3;section 29A was substituted together with sections 29B to 29G for section 29 as originally enacted by section 21 of the Water Services etc. (Scotland) Act 2005 (asp 3). (b) 2002c.21.

(c) Section 142 was amended by section 1 of the Child Benefit Act 2005(c.6).

(d) 1995c.18;section 19 (together with sections 19A to 19C), has been substituted by section 46 of the Welfare Reform Act 2012(c.5) but that amendment is not yet in force (sections 19A to 19C are however); section 17A has been repealed by Part 4 of Schedule 14 to that Act although that provision is not yet in force. In the meantime amendments have been made to section 17A by sections 48 and 59 of, and Schedules 7 and 14 to, the 2012 Act.

(e) 2001c.11;section 6B was amended by sections 9, 24 and 58 of, and paragraphs 9 and 10 of Schedule 2 and Part 1 of Schedule 7 to, the Welfare Reform Act 2009(c.24); sections 31, 113, 118, 119, 121 and 147 of, paragraphs 56 and 58 of Schedule 2, paragraphs 15 and 16 of Schedule 3, Parts 1 and 12 of Schedule 14, to the Welfare Reform Act 2012(c.5), of which only those made by section 113 (to subsection (1)(b)) are in force. Section 7 was amended by section 14 of, and Part 3 of Schedule 3 to, the State Pension Credit Act 2002(c.16); sections 28 and 49 of, and paragraph 23 of Schedule 3 to, the Welfare

- Reform Act 2007 (c. 5); sections 9, 24 and 58 of, and paragraphs 9 and 11 of Schedule 2, Part 1 of Schedule 4 and Part 1 of Schedule 7 to, the Welfare Reform Act 2009 (of which those made by sections 9, 31 and Schedule 7 are not yet in force); S. I. 2011/2298; sections 31, 118, 119 and 147 of, and paragraphs 56 and 59 of Schedule 2, paragraphs 15 and 17 of Schedule 3 and Part 1 of Schedule 14 to, the Welfare Reform Act 2012, none of which are yet in force. Section 8 has been repealed by section 147 of, and Part 1 of Schedule 14, to the Welfare Reform Act 2012, but that repeal is not yet in force. Amendments have also been made by sections 1, 24, and 58 of, and Part 1 of Schedule 4 and Part 3 of Schedule 7 to, the Welfare Reform Act 2009; sections 31, 48, 113 and 147 of, and paragraphs 56 and 60 of Schedule 2, paragraph 12 of Schedule 7 and Part 12 of Schedule 14 to, the Welfare Reform Act 2012, of which only those made by section 113 are in force. Section 9 was amended by section 14 of, and Part 3 of Schedule 2 to, the State Pension Credit Act 2002; sections 28 of, and paragraph 23 of Schedule 3 to, the Welfare Reform Act 2007; sections 9 and 58 of, and Part 1 of Schedule 7 to, the Welfare Reform Act 2009, none of which are in force; sections 31, 113 and 147 of, and paragraphs 56 and 61 of Schedule 2 and Part 1 of Schedule 14 to, the Welfare Reform Act 2012, of which only those made by section 113 are in force.
- (f) 2007c.5.

immediately before a day in respect of which an income-related employment and support allowance is payable to him or would be payable to him but for section 18 of that Act.

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

(6) In this scheme, references to any person in receipt of state pension credit includes a person who would be in receipt of state pension credit but for regulation 13 of the State Pension Credit Regulations 2002 (a) (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 C (b); and
- (b) persons who are not pensioners who fall within any of classes D to E (c).
- (c) persons who are not pensioners who fall within any of classes G to H (d)

(2) In this scheme—

- (a) a person is a “pensioner” if—
 - (i) he has attained the qualifying age for state pension credit; and
 - (ii) he is not, or, if he has a partner, his partner is not—
 - (aa) a person on income support, or 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, or 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.

(c) a person falls into classes G to H if the applicant, a partner or other member of the family, where ‘family’ has the meaning given by paragraph 6 of this scheme receives one of the following: Disability Living Allowance (any component), Employment Support Allowance (Support group), Incapacity Benefit, Mobility Supplement, Severe Disablement Allowance, Personal Independence Payment; or a disability banding reduction has been granted for the property; or the customer or partner is registered blind or registered partially sighted; or the applicant or partner who receives War Disablement Pension or War Widows Pension.

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 are to be treated as living together as if they were civil partners if, and only if, they would be treated as living together as husband and wife were they of opposite sexes.

Polygamous marriages

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

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- (a) S.I. 2002/1792.
 - (b) See paragraphs 13 to 15 of this scheme.
 - (c) See paragraphs 16 to 18 of this scheme.
 - (d) See paragraphs 18A to 18B of this scheme

- (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 a spouse additional to the other party.

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

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 each child or young person in respect of whom section 145A of the SSCBA (a) 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 2000 (b) (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 each 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 each child or young person is the responsibility of only one person in any support week and any person other than the one treated as responsible for the child or young person under this 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.

(a) Section 145A inserted by the Tax Credits Act 2002 (c. 21), section 55(1). (b) 2000c.35.

(2) A child or young person is not to be treated as a member of the applicant's household where he is—

- (a) placed with the applicant or his partner by a local authority under section 22C or 23(2)(a) of the Children Act 1989 (a) or by a voluntary organisation under section 59(1)(a) of that Act, or in Scotland boarded out with the applicant or his partner under a relevant enactment; or
- (b) placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or
- (c) placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002 (b) or the Adoption Agencies (Scotland) Regulations 2009 (c) or the Adoption (Northern Ireland) Order 1987 (d).

(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 support week where—

- (a) that child or young person lives with the applicant for part or all of that support week; and
- (b) the authority considers that it is reasonable to do so taking into account the nature and frequency of that child's or young person's visits.

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

- (a) the Army Act 1955 (e);
- (b) the Air Force Act 1955 (f);

- (c) the Naval Discipline Act 1957(g);
- (d) the Matrimonial Proceedings(Children)Act 1958(h);
- (e) the Social Work (Scotland)Act 1968(i);
- (f) the Family Law Reform Act 1969(j);
- (g) the Children and Young Persons Act 1969(k);
- (h) the Matrimonial Causes Act 1973(l);
- (i) the Children Act 1975(m);
- (j) the Domestic Proceedings and Magistrates' Courts Act 1978(n);

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- (a) 1989c.41; section 23 was substituted by sections 22A to 22F by section 8(1) of the Children and Young Persons Act 2008 (c.23). Section 22C is in force in England but not yet in force in Wales. Section 59(1)(a) was amended by section 49 of the Children Act 2004 (c.31) and paragraph 2 of Schedule 1 to the Children and Young Persons Act 2008.
 - (b) 2002c.38.
 - (c) S.I. 2009/154.
 - (d) S.I. 1987/2203(N.I.22).
 - (e) 1955c.18.
 - (f) 1955c.19.
 - (g) 1957 c.53.
 - (h) 1958c.40.
 - (i) 1968c.49.
 - (j) 1969c.46.
 - (k) 1969c.54.
 - (l) 1973c.18.
 - (m) 1975c.72; this Act was repealed in respect of England and Wales by Schedule 15 to the Children Act 1989(c.41). It continues to have effect in Scotland.
 - (n) 1978c.22.

- (k) the Adoption and Children (Scotland) Act 2007(a); (l) the Family Law Act 1986(b);
- (m) the Children Act 1989;
- (n) the Children (Scotland) Act 1995(c); and
- (o) the Legal Aid, Sentencing and Punishment of Offenders Act 2012(d).

Non-dependants

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

(2) This paragraph applies to—

- (a) any member of the applicant’s family;
- (b) if the applicant is polygamously married—
 - (i) where the applicant has (alone or jointly with his partner) an award of universal credit, any—
 - (aa) party to such a marriage other than the applicant’s partner; and
 - (bb) any child or young person who is a member of his household and for whom he or his partner or another party to the polygamous marriage is responsible; or
 - (ii) in any other case, any partner of his and any child or young person who is a member of his household and for whom he or one of his partners is responsible;
- (c) a child or young person who is living with the applicant but who is not a member of his household by virtue of paragraph 8 (households);
- (d) subject to sub-paragraph (3), any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under section 6 or 7 of the 1992 Act (persons liable to pay council tax);

- (e) subject to sub-paragraph(3), any person who is liable to make payments on a commercial basis to the applicant or the applicant's partner in respect of the occupation of the dwelling;
- (f) a person who lives with the applicant in order to care for him or a partner of his and who is engaged by a charitable or voluntary organisation which makes a charge to the applicant or his partner for the services provided by that person.

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

- (a) a person who resides with the person to whom he is liable to make payments in respect of the dwelling and either—
 - (i) that person is a close relative of his or his partner; or
 - (ii) the tenancy or other agreement between them is other than on a commercial basis;
- (b) a person whose liability to make payments in respect of the dwelling appears to the authority to have been created to take advantage of a council tax support 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

(a) 2007asp4.
 (b) 1986c.55.
 (c) 1995c.36.
 (d) 2012c.10.

his becoming liable, a non-dependant of one or more of the other residents in that dwelling who are liable for the tax, unless the change giving rise to the new liability was not made to take advantage of a council tax support 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 not work, those periods but disregarding any other absences);
- (b) in any other case, the period of 5 weeks immediately prior to the date of application, or such other length of time as may, in the particular case, enable the person's weekly average hours of work to be determined more accurately.

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

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

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

(6) A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any support 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 support applications and appeals against support decisions

11. Schedule 1 contains provisions about the procedure—

- (a) by which a person may apply for support 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 support under section 13A(1)(c) of the 1992 Act.

PART 4

Classes of person entitled to support under this scheme

Classes of person entitled to support under this scheme

12.—(1) The classes of persons described in paragraphs 13 to 18 are entitled to support 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 (a);
- (b) who, subject to paragraph 19 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;
- (c) in respect of whom a maximum council tax support amount can be calculated;
- (d) who does not fall within a class of person not entitled to support under this scheme; (e) whose income (if any) for the relevant week does not exceed his applicable amount, and (f) who has made an application.

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 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;
- (c) in respect of whom a maximum council tax support amount can be calculated;
- (d) who does not fall within a class of person not entitled to support under this scheme; (e) whose income for the relevant week is greater than his applicable amount;
- (f) in respect of whom amount A exceeds amount B where—
 - (i) amount A is the maximum council tax support in respect of the day in the applicant's case; and
 - (ii) amount B is 26/7 percent of the difference between his income for the relevant week and his applicable amount, and
- (g) who has made an application.

Class C: alternative maximum council tax support – 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 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;

(a) See section 6(5) of the Local Government Finance Act 1992 for the meaning of “resident” in relation to a dwelling.

- (c) in respect of whom a maximum council tax support amount can be calculated;
- (d) who does not fall within a class of person not entitled to support under this scheme; (e) who has made an application; and
- (f) in relation to whom the condition in sub-paragraph (2) is met.

(2) The condition referred to in sub-paragraph (1)(f) is that no other resident of the dwelling is liable to pay rent to the applicant in respect of the dwelling and there is an alternative maximum council tax support in respect of the day in the case of that person which is derived from the income, or aggregate incomes, of one or more residents to whom this sub-paragraph applies.

(3) Sub-paragraph (2) applies to any other resident of the dwelling who—

- (a) is not a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount;
- (b) is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the 1992 Act (spouse's or civil partner's joint and several liability for tax);
- (c) is not a person who is residing with a couple or with the members of a polygamous marriage where the applicant is a member of that couple or of that marriage and—
 - (i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act (persons disregarded for the purposes of discount), falls to be disregarded for the purposes of discount; or
 - (ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;
- (d) is not a person who jointly with the applicant falls within the same paragraph of section 6(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant; or
- (e) is not a person who is residing with two or more persons both or all of whom fall within

thesameparagraphofsection6(2)(a)to(e)ofthe1992Actwheretwoormoreofthose personsarenotpersonswho,inaccordancewithSchedule1tothe1992Act,falltobe disregarded for the purposesof 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 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;
 - (c) in respect of whom maximum council tax support amount can be calculated;
 - (d) who does not fall within a class of person not entitled to support under this scheme; (e) whose income (if any) for the relevant week is less than his applicable amount, and
 - (f) who has made an application.
- (g) any such person identified in 16(a), 16(b), 16(c), 16(d), 16(e) and 16(f) shall not be entitled to an award of council tax support if, once calculated, their award would have been less than £2 per week.

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 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;
- (c) in respect of whom maximum council tax support amount can be calculated;
- (d) who does not fall within a class of person not entitled to support under this scheme;
- (e) whose income for the relevant week is greater than his applicable amount;
 - (f) in respect of whom amount A exceeds amount B where—
 - (i) amount A is the maximum council tax support in his case; and
 - (ii) amount B is $\frac{2}{7}$ percent of the difference between his income for the relevant week and his applicable amount, and
 - (g) who has made an application.
- (h) any such person identified in 17(a), 17(b), 17(c), 17(d), 17(e), 17(f) and 17(g) shall not be entitled to an award of council tax support if, once calculated, their award would have been less than £2 per week.

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

18.—(1) Removed

- (a) Removed
- (b) Removed
- (c) Removed
- (d) Removed
- (f) Removed

(2) Removed

(3) Removed

- (a) Removed
- (b) Removed
- (c) Removed
- (i) Removed
- (ii) Removed
- (d) Removed
- (e) Removed

Class G: persons who are not pensioners who are regarded as a ‘protected’ group under this scheme whose income is less than or equal to the applicable amount

18 (A) 1. On any day class G consists of any person who is not a pensioner who satisfies the conditions set out in paragraph 3 (c)—

- (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 maximum council tax support amount can be calculated;
- (d) who does not fall within a class of person not entitled to support under this scheme;
- (e) whose income (if any) for the relevant week is less than or equal to his applicable amount calculated

in accordance with paragraph 25 and Schedule 3, and

- (f) who has made an application for support under this scheme.
- (g) any such person identified in 18A(a), 18A(b), 18A(c), 18A(d), 18A(e), 18A(f) shall not be entitled to an award of council tax support if, once calculated, their award would have been less than £2 per week.

Class H: persons who are not pensioners whose income is greater than the applicable amount who are regarded as a ‘protected’ group under this scheme

18 (B)1. - On any day class H consists of any person who is not a pensioner who satisfies the conditions set out in paragraph 3 (c)—

- (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 support amount can be calculated;
- (d) who does not fall within a class of person not entitled to a support under this scheme;
- (f) whose income for the relevant week is greater than his applicable amount calculated in accordance with paragraph 25 and Schedule 3;
- (g) in respect of whom amount A exceeds amount B where—
- (h) amount A is the maximum council tax support in his case; and
- (i) amount B is $4 \frac{2}{7}$ per cent of the difference between his income for the relevant week and his applicable amount, and
- (j) who has made an application for a support under this scheme.
- (k) any such person identified in 18B(a), 18B(b), 18B(c), 18B(d), 18B(e), 18B(f), 18B(g), 18B(h), 18B(i) and 18B(j) shall not be entitled to an award of council tax support if, once calculated, their award would have been less than £2 per week.

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 resides 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 resides 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 resides 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(a), or is detained in custody pending sentence upon conviction;
- (b) is resident in a hospital or similar institution as a patient;
- (c) is undergoing, or whose partner or dependent child is undergoing, in the United Kingdom or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
- (d) is following, in the United Kingdom or elsewhere, a training course;
- (e) is undertaking medically approved care of a person residing in the United Kingdom or elsewhere;
- (f) is undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care or medical treatment;
- (g) is, in the United Kingdom or elsewhere, receiving medically approved care provided in accommodation other than residential accommodation;
- (h) is a student;
- (i) is receiving care provided in residential accommodation and is not a person to whom sub-paragraph (2)(a) applies; or
- (j) has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was

formerly a member of the family of the person first mentioned.

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

(a) 2007c.21.

- (a) detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983(a), or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003(b) or the Criminal Procedure (Scotland) Act 1995(c) or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986(d)); and
- (b) on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952(e) or the Prisons (Scotland) Act 1989(f).

(5) Where sub-paragraph (4) applies to a person, then, for any day when he is on temporary release—

- (a) if such temporary release was immediately preceded by a period of temporary absence under sub-paragraph (2)(b) or (c), he must be treated, for the purposes of sub-paragraph (1), as if he continues to be absent from the dwelling, despite any return to the dwelling;
- (b) for the purposes of sub-paragraph (3)(a), he must be treated as if he remains in detention; (c) if he does not fall within paragraph (a), he is not to be considered to be a person who is liable to pay council tax in respect of a dwelling of which he is a resident.

(6) In this paragraph—

“medically approved” means certified by a medical practitioner;

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

“residential accommodation” means accommodation which is provided in—

- (a) a care home;
- (b) an independent hospital;
- (c) an Abbeyfield Home; or
- (d) an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services authority;

“training course” means a course of training or instruction provided wholly or partly by or on behalf of or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

PART 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 24 are not entitled to support 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.

- (a) 1983c.20. (b)
2003asp 13. (c)
1995c.46.
- (d) S.I 1986/595(N.I.4).
- (e) 1952c.52.
- (f) 1989c.45.

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

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

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

- (a) regulation 13 of the EEA Regulations or Article 6 of Council Directive No 2004/38/EC (a); or
- (b) regulation 15A(1) of the EEA Regulations, but only in a case where the right exists under that regulation because the applicant satisfies the criteria in paragraph (4A) of that regulation or Article 20 of the Treaty on the Functioning of the European Union (in a case where the right to reside arises because a British citizen would otherwise be deprived of the genuine enjoyment of their rights as a European Union citizen) (b).

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

- (a) a qualified person for the purposes of regulation 6 of the EEA Regulations as a worker or a self-employed person;
- (b) a family member of a person referred to in paragraph (a) within the meaning of regulation 7(1)(a), (b) or (c) of the EEA Regulations;
- (c) a person who has a right to reside permanently in the United Kingdom by virtue of regulation 15(1)(c), (d) or (e) of the EEA Regulations;
- (d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;
- (e) a person 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 1971 (c) 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 1999 (d) 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.

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

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

(8) In this paragraph—

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

“EEA Regulations” means the Immigration (European Economic Area) Regulations 2006 (f).

(a) OJ No L158, 30.4.04, p77.

(b) Consolidated version of this Treaty was published in the Official Journal on 30.3.2010 C83. (c) 1971c.77.

(d) 1999c.33.

(e) Relevant amendments to section 94(1) have been made by section 44 of the Nationality, Immigration and Asylum Act 2002 (c.41) but those provisions are not in force. Other amendments have been made but they are not relevant to these Regulations.

(f) S.I. 2006/1003; relevant amending instruments are S.I. 2011/544, 2012/1547, 2012/2560.

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

22.—(1) Persons subject to immigration control are not entitled to support under this scheme.

(2) “Persons 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

23.—(1) The class of persons described in this paragraph consists of any person whose capital exceeds £16,000 (a).

(2) Capital for the purposes of sub-paragraph (1) is to be calculated in accordance with Part 10 of this scheme.

Class of person excluded from this scheme: students

24. The class of persons described in this paragraph consists of any student to whom paragraph 75(1) applies.

PART 6

Applicable amounts

Applicable amounts: pensioners

25.—(1) The applicable amount for a pensioner (b) for a week is the aggregate of such of the following amounts as apply in his case—

- (a) an amount in respect of his personal allowance, determined in accordance with paragraph 1 of Schedule 2 (personal allowance);
- (b) an amount in respect of any child or young person who is a member of his family, determined in accordance with paragraph 2 of that Schedule (child or young person amounts);
- (c) if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of that Schedule (family premium);
- (d) the amount of any premiums which may be applicable to him, determined in accordance with Parts 3 and 4 of that Schedule (premiums).

(2) In Schedule 2—

“additional spouse” means a spouse 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 2005 (c).

(a) 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.

(b) Including pensioners in polygamous marriages, by virtue of paragraph 5 of the scheme. (c) S.I. 2005/3360.

Applicable amounts: persons who are not pensioners

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

- (a) an amount in respect of himself, 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 3 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 Parts 5 and 6 of that Schedule (the components (a));
- (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 (b);

“patient” means a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005 (c).

Polygamous marriages: persons who are not pensioners

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

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

- (a) the amount applicable to him and one of his partners determined in accordance with paragraph 1(3) of Schedule 3 as if he and that partner were a couple;
- (b) an amount equal to the difference between the amounts specified in 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 (main phase employment and support allowance) 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;

(a) The amount of the components is set out in Part 6 of that Schedule. (b) S.I. 2008/794.

(c) S.I. 2005/3360

- (d) if the or another partner of the polygamous marriage is responsible for a child or young person who is a member of the same household, the amounts specified in Part 2 of that Schedule (family premium);
- (e) the amount of any premiums which may be applicable to him determined in accordance with Parts 3 and 4 of that Schedule (premiums);
- (f) the amount of either the—
 - (i) work-related activity component; or
 - (ii) support component,which may be applicable to him in accordance with Parts 5 and 6 of that Schedule (the components);
- (g) the amount of any transitional addition which may be applicable to him in accordance with Parts 7 and 8 of that Schedule (transitional addition).

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

28.—(1) Subject to sub-paragraph (2), in determining the applicable amount for a week of an applicant who is not a pensioner—

- (a) who has, or
- (b) who (jointly with his partner) has,

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

(2) In determining the applicable amount for a week of an applicant who is a member of a polygamous marriage, the fact that two people are husband and wife is to be disregarded if—

- (a) one of them is a party to an earlier marriage that still subsists; and
- (b) the other party to that earlier marriage is living in the same household.

(3) The adjustment referred to in sub-paragraph (1) is to multiply the maximum amount by 12 and divide the product by 52.

(4) In this paragraph “maximum amount” means the maximum amount calculated by the Secretary of State in accordance with section 8(2) of the Welfare Reform Act 2012(a).

PART 7

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

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

29.—(1) Subject to sub-paragraphs (2) to (4), a person’s maximum council tax support amount in respect of a day is 100 percent of the amount A/B where—

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

less any deductions in respect of non-dependants which fall to be made under paragraph 30 (non-dependant deductions: pensioners).

(a) 2012c.5.

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

(3) Subject to sub-paragraph (4), where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the maximum council tax support in his case in accordance with sub-paragraph (1), the amount A is to be divided by the number of persons who are jointly and severally liable for that tax.

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

(5) The reference in sub-paragraph (3) to a person with whom an applicant is jointly and severally liable for council tax, where the applicant is a person who is not a pensioner, does not include a student to whom paragraph 75(1) (entitlement of students to support under this scheme) applies.

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

Maximum council tax support under this scheme: persons who are not pensioners who fall into classes D and E as specified in Part 4 paragraphs 16 and 17

29A (i).—(1) Subject to sub-paragraphs (2) to (4), the amount of a person's maximum council tax in the financial year 2013/14 support in respect of a day is 77.5 per cent of the amount A/B where—

29A (ii).—(1) Subject to sub-paragraphs (2) to (4), the amount of a person's maximum council tax in the financial year 2014/15 support in respect of a day is 70 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 (nondependent deductions: pensioners).

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

(3) Subject to sub-paragraph (4), where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining

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

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

(5) The reference in sub-paragraph (3) to a person with whom an applicant is jointly and severally liable for council tax does not include a student to whom paragraph 73(2) applies.

(6) In this paragraph "relevant financial year" means, in relation to any particular day, the

financial year within which the day in question falls.

Maximum council tax support under this scheme: persons who are not pensioners who fall into classes G and H as specified in Part 4 paragraphs 18A and 18B

29B (i).—(1) Subject to sub-paragraphs (2) to (4), the amount of a person's maximum council tax in the financial year 2013/14 support in respect of a day is 90 per cent of the amount A/B where—

29B (ii).—(1) Subject to sub-paragraphs (2) to (4), the amount of a person's maximum council tax in the financial year 2014/15 support in respect of a day is 86 per cent of the amount A/B where—

(98) 2012 c.5.

(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 (nondependent deductions: pensioners).

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

(3) Subject to sub-paragraph (4), where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining

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

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

(5) The reference in sub-paragraph (3) to a person with whom an applicant is jointly and severally liable for council tax does not include a student to whom paragraph 73(2) applies.

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

Non-dependant deductions: pensioners

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

(a) in respect of a non-dependant aged 18 or over in remunerative work, £9.90 x 1/7;

(b) in respect of a non-dependant aged 18 or over to whom paragraph (a) does not apply, £3.30 x 1/7.

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

(a) less than £183.00, the deduction to be made under this paragraph is that specified in sub-paragraph (1)(b);

(b) not less than £183.00 but less than £316.00, the deduction to be made under this

paragraph is £6.55;

(c) not less than £316.00 but less than £394.00, the deduction to be made under this paragraph is £8.25.

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

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

(5) Where in respect of a day—

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

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

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

(6) No deduction is to be made in respect of any non-dependant 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); or

(iv) an AFIP, or would be receiving that payment but for a suspension of fit in accordance with any terms of the armed and reserve forces compensation scheme which allows for a suspension because a person is undergoing medical treatment in a hospital or similar institution.

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

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

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

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

(d) he is not residing with the applicant because he has been a patient for a period in excess of 52

40

weeks, and for these purposes—

- (i) “patient” has the meaning given in paragraph 19(6), and
- (ii) where a person has been a patient for two or more distinct periods separated by one or more intervals each not exceeding 28 days, he is to be treated as having been a patient continuously for a period equal in duration to the total of those distinct periods.

(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, personal independence payment or an AFIP received by him;
- (b) any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006) which, had his income fallen to be calculated under paragraph 54 (calculation of income other than earnings: persons who are not pensioners), would have been disregarded under paragraph 28 of Schedule 8 (income in kind); and
- (c) any payment which, had his income fallen to be calculated under paragraph 54, would have been disregarded under paragraph 41 of Schedule 8 (payments made under certain trusts and certain other payments).³

Non-dependant deductions: persons who are not pensioners

30A.—(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, £19.80 x 1/7;
- (b) in respect of a non-dependant aged 18 or over to whom sub-paragraphs (a) and (c) do not apply, £6.60 x 1/7.
- (c) in respect of a non-dependant aged 18 or over who is on income support, state pension credit, an income-based jobseeker’s allowance or an income-related employment and support allowance, maximum award of universal credit? £3.30 x 1/7

(2) In the case of a non-dependant aged 18 or over to whom sub-paragraph (1)(a) applies, where

it is shown to the appropriate authority that his normal gross weekly income is—

- (a) less than £180.00, the deduction to be made under this paragraph is that specified in sub-paragraph (1)(b);
- (b) not less than £180.00 but less than £310.00, the deduction to be made under this paragraph is £13.10;
- (c) not less than £310.00 but less than £387.00, the deduction to be made under this paragraph is £16.50.

(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—
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 support for the purposes of calculating eligibility for support under this scheme and amount of support

Alternative maximum council tax support under this scheme: pensioners

31.—(1) Subject to sub-paragraphs (2) and (3), the alternative maximum council tax support in respect of a day where the conditions set out in paragraph 15 (alternative maximum council tax support: pensioners) or 18 (alternative maximum council tax support: persons who are not pensioners) are fulfilled, is the amount determined in accordance with Schedule 4 (amount of alternative council tax support).

(2) Subject to sub-paragraph (3), where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the alternative maximum council tax support in his case, the amount determined in accordance with Schedule 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 support under this scheme

Amount of support under this scheme: Classes A to H

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

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

(3) Where the person is within class B(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).

(3) (a) Where the person is within class E or H, 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 17 (f) or 18(B) (h) as the case may be.

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

(5) Sub-paragraph (6) applies where both—

(a) sub-paragraph (2) or sub-paragraph (3), and

(b) sub-paragraph (4),

(c) the applicant is a pensioner; apply to a person.

(6) The amount of the support to which the person is entitled is whichever is the greater of—

(a) As to which, see paragraphs 13, 16 and 18(A) respectively.

(b) See paragraph 14.

(c) See paragraphs 15

(a) the amount of the support given by sub-paragraph (2) or sub-paragraph (3), as the case may be, and

(b) the amount of the support given by sub-paragraph (4).

PART 10

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

CHAPTER 1

Income and capital: general

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

33.—(1) The income and capital of—

(a) an applicant; and

(b) any partner of that applicant,

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

(2) The income and capital of any partner of the applicant is to be treated as income and capital

of the applicant, and in this Part any reference to the applicant applies equally to any partner of that applicant.

(3) Except where paragraph 37 applies, where an applicant or the partner of an applicant is married polygamously to two or more members of his household—

- (a) the applicant must be treated as possessing capital and income belonging to each such member; and
- (b) the income and capital of that member is to be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

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

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

(2) Except where—

- (a) the applicant is a pensioner and is on a guarantee credit, or
- (b) the applicant is not a pensioner and is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance,

the authority must treat the applicant as possessing income and capital belonging to that non-dependant and, in such a case, any income and capital which the applicant does possess is to be disregarded.

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

CHAPTER 2

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

Applicant in receipt of guarantee credit: pensioners

35. 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 and capital in savings credit only cases: pensioners

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

(2) Where the calculation or estimate provided by the Secretary of State includes the amount taken into account in that determination in respect of net income, the authority may only adjust that amount so far as necessary to take into account—

- (a) the amount of any savings credit payable;
- (b) in respect of any dependent children of the applicant, child care charges taken into account under paragraph 57(1)(c) (calculation of income on a weekly basis);
- (c) the higher amount disregarded under this scheme in respect of—
 - (i) lone parent's earnings; or
 - (ii) payments of maintenance, whether under a court order or not, which is made or due to be made by—
 - (aa) the applicant's former partner, or the applicant's partner's former partner; or

- (bb) the parent of a child or young person where that child or young person is a member of the applicant's family except where that parent is the applicant or the applicant's partner;
 - (d) any amount to be disregarded by virtue of paragraph 10(1) of Schedule 5 (sums disregarded from applicant's earnings: pensioners);
 - (e) the income and capital of any partner of the applicant who is treated as a member of the applicant's household under paragraph 8, to the extent that it is not taken into account in determining the net income of the person claiming state pension credit;
 - (f) paragraph 34 (circumstances in which capital and income of a non-dependant is to be treated as applicant's), if the authority determines that that provision applies in the applicant's case;
 - (g) such further support (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act (b) (power of billing authority to reduce amount of council tax payable);
 - (h) any amount to be disregarded by virtue of paragraph 6 of Schedule 5 (exempt work).
- (3) Paragraphs 39 to 46 (calculation of income: pensioners) and 57 to 61 (calculation of income: pensioners and persons who are not pensioners) do not apply to the amount of the net income to be taken into account under sub-paragraph (1), but do apply (so far as relevant) for the purpose of determining any adjustments to that amount which the authority makes under sub-paragraph (2).
- (4) If sub-paragraph (5) applies, the authority must calculate the applicant's capital in accordance with paragraphs 63, 65 to 68 and 70 (calculation of capital: pensioners).
- (5) This sub-paragraph applies if—

(a) See paragraph 22A for the capital limit for eligibility of £16,000.
 (b) Section 13A is substituted by section 10 of the Local Government Finance Act 2012 (c.17).

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

CHAPTER 3

Income and capital where there is an award of universal credit

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

37.—(1) In determining the income of an applicant—

- (a) who has, or
- (b) who (jointly with his partner) has,

an award of universal credit the authority must, subject to the following provisions of this paragraph, use the calculation or estimate of the amount of the income of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.

(2) The authority must adjust the amount of the income referred to in sub-paragraph (1) by multiplying the amount by 12 and dividing the product by 52.

(3) The authority may only adjust the amount of the income as adjusted in accordance with sub-paragraph (2) so far as necessary to take into account—

- (a) the amount of the award of universal credit, determined in accordance with sub-paragraph

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

CHAPTER 4

Income: other pensioners

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

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

Meaning of "income": pensioners

- 39.**—(1) For the purposes of classes A to C in this scheme, "income" means income of any of the following descriptions—
- (a) earnings;
- (b) working tax credit;
- (c) retirement pension income within the meaning of the State Pension Credit Act 2002;
- (d) income from annuity contracts (other than retirement pension income);
- (e) a war disablement pension or war widow's or widower's pension;
- (f) a foreign war disablement pension or war widow's or widower's pension;
- (g) a guaranteed income payment;
- (h) a payment made under article 29(1)(c) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011 (a), in any case where article 31(2)(c) applies;
- (i) income from capital (b) other than capital disregarded under Part 1 of Schedule 9;
- (j) social security benefits, other than retirement pension income or any of the following benefits—
- (i) disability living allowance;
- (ii) personal independence payment;
- (iii) an AFIP;
- (iv) attendance allowance payable under section 64 of the SSCBA (entitlement to attendance allowance);

- (v) an increase of disablement pension under section 104 (increase for constant attendance) or 105 of that Act (increase for exceptionally severe disablement);
- (vi) child benefit;
- (vii) any guardian's allowance payable under section 77 of the SSCBA (guardian's allowance);
- (viii) any increase for a dependant, other than the applicant's partner, payable in accordance with Part 4 of that Act (increases for dependants);
- (ix) any—
 - (aa) social fund payment made under Part 8 of the SSCBA (the social fund), or
 - (bb) occasional assistance;
- (x) Christmas bonus payable under Part 10 of that Act (Christmas bonus for pensioners);
- (xi) housing benefit;
- (xii) council tax benefit;
- (xiii) bereavement payment;
- (xiv) statutory sick pay;
- (xv) statutory maternity pay;
- (xvi) ordinary statutory paternity pay payable under Part 12ZA of the SSCBA (c);
- (xvii) additional statutory paternity pay payable under Part 12ZA of the SSCBA;
- (xviii) statutory adoption pay payable under Part 12ZB of that Act (statutory adoption pay);

(a) S.I. 2011/517.

(b) See paragraph 71 for the calculation of income from capital also far as relating to pensioners.

(c) Part 12ZA was inserted by section 2 and Part 12ZB was inserted by section 4 of the Employment Act 2002 (c.22).

- (xix) any benefits similar to those mentioned in the preceding provisions of this paragraph payable under legislation having effect in Northern Ireland;
- (k) all foreign social security benefits which are similar to the social security benefits mentioned above;
- (l) a payment made—
 - (i) under article 30 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (a) (award for children who have reached the child's age limit), in any case where article 30(1)(b) applies; or
 - (ii) under article 12(8) of that Order (unemployability allowances: children who have reached the child's age limit), in any case where sub-paragraph (b) of that article applies;
- (m) a pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria;
- (n) payments under a scheme made under the Pneumoconiosis etc. (Worker's Compensation) Act 1979 (b);
- (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 rights scheme that is analogous to the Public Lending Right Scheme 1982;
- (s) any payment, other than a payment ordered by a court or made in settlement of a claim, made by or on behalf of a former employer of a person on account of the early retirement of that person on grounds of ill-health or disability;
- (t) any sum payable by way of pension out of money provided under— (i) the Civil List Act 1837(c), (ii) the Civil List Act 1937(d), (iii) the Civil List Act 1952(e), (iv) the Civil List Act 1972(f), or (v) the Civil List Act 1975(g);
- (u) any income in lieu of that specified in paragraphs (a) to (r);
- (v) any payment of rent made to an applicant who—

(a) S.I. 2006/606.
 (b) 1979c.41.
 (c) 1837c.2.(d)
 1937c.32.(e)
 1952c.37.(f)
 1972c.7.(g)
 1975c.82.

- (i) owns the freehold or leasehold interest in any property or is a tenant of any property; (ii) occupies part of the property; and
 - (iii) has an agreement with another person allowing that person to occupy that property on payment of rent;
 - (w) any payment made at regular intervals under an equity release scheme;
 - (x) PPF periodic payments within the meaning of section 17(1) of the State Pension Credit Act 2002.
- (2) Where the payment of any social security benefit referred to in sub-paragraph (1) is subject to any deduction (other than an adjustment specified in sub-paragraph (4)) the amount to be taken into account under sub-paragraph (1) is to be the amount before the deduction is made.
- (3) Where an award of any working tax credit or child tax credit is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under sub-paragraph (1) is to be the amount of working tax credit or child tax credit awarded less the amount of that deduction.
- (4) The adjustments specified in this sub-paragraph are those made in accordance with—
- (a) the Social Security (Overlapping Benefits) Regulations 1979(a);
 - (b) the Social Security (Hospital In-Patients) Regulations 1975;
 - (c) section 30D or section 30E of the SSCBA(b) (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

40.—(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—
 - (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.

(a) S.I. 1979/597.

(b) Section 30DD was inserted by the Welfare Reform and Pensions Act 1999 (c.30), section 63; section 30E was inserted by the Social Security (Incapacity for Work) Act 1994 (c.18), section 3. Both sections are repealed by the Welfare Reform Act 2007 (c.5), Schedule 8 (not yet in force).

(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 rights scheme that is analogous to the Public Lending Right Scheme 1982; and
- (c) any payment which is made on an occasional basis.
- (7) The period under which any benefit under the benefit Acts is to be taken into account is to be the period in respect of which that benefit is payable.
- (8) Where payments are made in a currency other than Sterling, the value of the payment is to be determined by taking the Sterling equivalent on the date the payment is made.
- (9) The sums specified in Schedule 5 are to be disregarded in calculating—
- (a) the applicant's earnings; and
 - (b) any amount to which sub-paragraph (6) applies where the applicant is the first owner of the copyright, design, patent or trademark, or an original contributor to the book or work referred to in sub-paragraph (6)(b).
- (10) For the purposes of sub-paragraph (9)(b), and for that purpose only, the amounts specified in sub-paragraph (6) is to be treated as though they were earnings.
- (11) Incomes specified in Schedule 6 is to be disregarded in the calculation of the applicant's income.
- (12) Schedule 9 (capital disregards: pensioners) has effect so that—
- (a) the capitals specified in Part 1 is disregarded for the purpose of determining an applicant's income; and
 - (b) the capitals specified in Part 2 is disregarded for the purpose of determining an applicant's income under paragraph 71 (calculation of tariff income from capital: pensioners).
- (13) In the case of any income taken into account for the purpose of calculating a person's income any amount payable by way of tax is disregarded.

Earnings of employed earners: pensioners

- 41.—(1)** Subject to sub-paragraph (2), “earnings”, in the case of employment as an employed earner who is a pensioner, means any remuneration or profit derived from that employment and includes—
- (a) any bonus or commission;
 - (b) any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
 - (c) any payment in lieu of notice;
 - (d) any holiday pay;
 - (e) any payment by way of a retainer;
 - (f) any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of—
 - (i) travelling expenses incurred by the applicant between his home and place of employment;
 - (ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;
 - (g) the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001(a);
 - (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 1996 (b) in respect of unfair dismissal or unlawful discrimination;
- (f) any payment in respect of expenses arising out of the applicant's participation in a service user group.

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

Calculation of net earnings of employed earners: pensioners

42.—(1) For the purposes of paragraph 57 (calculation of income on a weekly basis), the earnings of an applicant who is a pensioner derived or likely to be derived from employment as an

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- (a) S.I. 2001/1004.
 - (b) 1996c.17.

employed earner to be taken into account must, subject to paragraph 40(5) and Schedule 5 (sums to be disregarded from earnings: pensioners), be his net earnings.

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

- (a) any amount deducted from those earnings by way of—
 - (i) income tax;
 - (ii) primary Class 1 contributions under the SSCBA;
- (b) one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;
- (c) one-half of the amount calculated in accordance with sub-paragraph (4) in respect of any qualifying contribution payable by the applicant; and
- (d) where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, ordinary or additional statutory paternity pay or statutory adoption pay, any amount deducted from those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions under the SSCBA.

(3) In this paragraph “qualifying contribution” means any sum which is payable periodically as a contribution towards a personal pension scheme.

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

- (a) where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;
- (b) in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.

(5) Where the earnings of an applicant are determined under paragraph 40(2)(b) (calculation of weekly income: pensioners) his net earnings is to be calculated by taking into account those earnings over the assessment period, less—

- (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 35 to 37 the Income Tax Act 2007 (a) (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 pensions scheme, if the earnings so estimated were actual earnings.

(a) 2007 c. 3; the heading and subsection (1) of section 35 were amended by section 4 of the Finance Act 2012 (c. 14) (“2012 Act”); subsections (2) and (4) were inserted by section 4 of the Finance Act 2009 (c. 10). In section 36, the heading and subsection (2) were amended by, subsection (1) substituted by, and subsection (2A) inserted by section 4 of the 2012 Act; subsection (2) has also been amended by S. I. 2011/2926 and section 4 of the Finance Act 2009. In section 37, the heading and subsection (2) were amended by, subsection (1) substituted by, and subsection (2A) inserted by section 4 of the 2012 Act; subsection (2) has also been amended by S. I. 2011/2926 and section 4 of the Finance Act 2009.

Calculation of earnings of self-employed earners: pensioners

43.—(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-employer earners: pensioners

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

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

- (a) where an applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation for which payment is made, those payments;
- (b) any payment made by a local authority to an applicant—

- (i) with whom a person is accommodated by virtue of arrangements made under section 22C or 23(2)(a) of the Children Act 1989 (a) or, as the case may be, section 26(1) of the Children (Scotland) Act 1995 (b); or
- (ii) with whom a local authority fosters a child under the Looked After Children (Scotland) Regulations 2009 (c) or who is a kinship carer under those Regulations;
- (c) any payment made by a voluntary organisation in accordance with section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations);
- (d) any payment made to the applicant or his partner for a person (“the person concerned”) who is not normally a member of the applicant’s household but is temporarily in his care, by—
 - (i) a local authority but excluding payments of housing benefit made in respect of the person concerned;
 - (ii) a voluntary organisation;
 - (iii) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948 (d);
 - (iv) the National Health Service Commissioning Board or a clinical commissioning group established under section 14D of the National Health Service Act 2006 (e); or
 - (v) a Local Health Board established under section 11 of the National Health Service (Wales) Act 2006 (f);

(a) 1989c.41; section 23 was substituted by sections 22A to 22F by section 8(1) of the Children and Young Persons Act 2008 (c.23). Section 22C is in force in England but is not yet in force in Wales.

(b) 1995c.36; section 26 was amended by paragraph 1 of Schedule 3 to the Adoption and Children (Scotland) Act 2007 (asp 4). (c) S.I. 2009/210.

(d) 1948c.29; section 26(3A) was inserted by section 42(4) of the National Health Service and Community Care Act 1990 (c.19).

(e) 2006c.41. The Commissioning Board is established under section 11 of that Act (inserted by section 9 of the Health and Social Care Act 2012 (c.7)); section 14D was inserted by section 25 of the 2012 Act. (f) 2006c.42.

- (e) any sports award.

Notional income: pensioners

45.—(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 1965 (a).
- (3) For the purposes of sub-paragraph (2), entitlement has been deferred—
- (a) in the case of a Category A or Category B pension, in the circumstances specified in section 55(3) of the SSCBA;
 - (b) in the case of a shared additional pension, in the circumstances specified in section 55C(3) of the SSCBA; and
 - (c) in the case of graduated retirement benefit, in the circumstances specified in section 36(4)

and(4A) of theNational InsuranceAct 1965.

(4)Thissub-paragraphapplieswhereapersonwhohasattainedthequalifyingageforstate pension credit—

- (a) is entitled to money purchase benefits under an occupational pension scheme or a personal pensionscheme;
- (b) fails to purchase an annuitywith the funds available in that scheme; and
- (c) either—
 - (i) defersinwholeorinpartthepaymentofanyincomewhichwouldhavebeen payable to himbyhis pension fund holder, or
 - (ii) failstotakeanynecessaryactiontosecurethatthewholeofanyincomewhich wouldbepayabletohimbyhispensionfundholderuponhisapplyingforit,issopaid, or
 - (iii) income withdrawal is not available to himunder that scheme.

(5)Wheresub-paragraph(4)applies,thamountofanyincomeforegoneistobetreatedas possessed bythat person, but onlyfromthe date on whichit could be expected to be acquired were an application for it to be made.

(6)Theamountofany incomeforegoneinacaseswheresub-paragraph(4)(c)(i)or(ii)appliesis to be themaximumamountofincomewhichmaybewithdrawnfromthefundandmustbe determined bythe authority,taking account of information provided bythe pension fund holder.

(7)Theamountofanyincomeforegonein acase wheresub-paragraph(4)(c)(iii)appliesistobe the incomethattheapplicantcouldhavereceivedwithoutpurchasinganannuityhadthefunds held undertherelevantschemebeenheldunderapersonalpensionschemeoroccupational pensionschemewhereincomewithdrawalwasavailableandistobedeterminedinthemanner specified in sub-paragraph (6).

(8)Insub-paragraph(4),“moneypurchasebenefits”hasthesamemeaningasinthePension Schemes Act 1993.

(a) 1965c.51.

(9)Subjecttosub-paragraphs(10)and(12),apersonistobetreatedaspossessingincomeof whichhehasdeprivedhimselfforthepurposeofsecuringentitlementtosupportunderthis scheme or increasing the amount of the support.

(10)Sub-paragraph(9)doesnotapplyinrespectofthamountofanincreaseofpensionor benefitwhereaperson, havingmadeanelectioninfavourofthatincreaseofpensionorbenefit underSchedule5or5AtotheSSCBAorunderSchedule1totheSocialSecurity(Graduated RetirementBenefit)Regulations2005(a),changesthatelectioninaccordancewithregulations made under Schedule 5 or 5Ato thatAct in favour of a lump sum.

(11)Insub-paragraph(10),“lumpsum”meansalumpsumunderSchedule5or5Atothe SSCBAorunderSchedule1totheSocialSecurity(GraduatedRetirementBenefit)Regulations 2005.

(12)Sub-paragraph(9)doesnotapplyinrespectofanyamountofincomeotherthanearnings, or earnings of an employed earner, arising out of the applicant’s participation in a service user group.

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

(14) Inthecaseofanapplicantwhohas, orwhosepartnerhas, anawardofstatepensioncredit comprisingonlythesavingscredit, wheretheauthoritytreatstheapplicantaspossessingany benefit at the altered rate in accordancewith sub-paragraph (13), the authority must—

- (a) determinethe incomeand capital ofthat applicant inaccordance with paragraph 36(1)

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

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

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

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

(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

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

(2) Sub-paragraph (1) does not apply in respect of a payment of income made under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—

- (a) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to

(a) S.I. 2005/454.

(b) 2004c.12.

sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980^(a);

- (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

47.—(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 support 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 support week in which the application is made or treated as made as may, in any particular case, enable his average weekly earnings to be estimated more accurately.
- (2) Where the applicant has been in his employment for less than the periods specified in sub-paragraph (1)(a)(i) or (ii)—
- (a) if he has received any earnings for the period that he has been in that employment and those earnings are likely to represent his average weekly earnings from that employment his average weekly earnings must be estimated by reference to those earnings;
- (b) in any other case, the authority must estimate the applicant's average weekly earnings (b).
- (3) Where the amount of an applicant's earnings changes the authority must estimate his average weekly earnings by reference to his likely earnings from the employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period must not in any case exceed 52 weeks.
- (4) For the purposes of this paragraph the applicant's earnings are to be calculated in accordance with paragraphs 51 and 52 (earnings of employed earners: persons who are not pensioners).

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

48.—(1) Where the income of an applicant who is not a pensioner consists of earnings from employment as a self-employed earner his average weekly earnings must be estimated by reference to his earnings from that employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period must not in any case exceed a year.

(2) For the purposes of this paragraph the applicant's earnings must be calculated in accordance with paragraphs 53, 61 and 62 (earnings, and net profit, of self-employed earners), unless subparagraph (3) applies.

(3) Where, in any assessment period, an applicant or their partner is in gainful self-employment and the hourly rate calculated from their earned income in respect of that period is below the National Minimum Wage applicable to the applicant or their partner is assumed to have earned income equal to that amount.

(4) subparagraph (3) does not apply where—

(a) within 12 months of the start date of the application

(a) 1980c.46.

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

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

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

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

(3) For the purposes of this paragraph income other than earnings is to be calculated in

accordance with paragraph 54 (calculation of income other than earnings: persons who are not pensioners).

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

50.—(1) For the purposes of paragraphs 47 (average weekly earnings of employed earners), 49 (average weekly income other than earnings) and 59 (calculation of average weekly income from tax credits), where the period in respect of which a payment is made—

(a) does not exceed a week, the weekly amount is to be the amount of that payment; (b) exceeds a week, the weekly amount is to be determined—

(i) in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;

(ii) in any other case, by dividing the amount of the payment by the number equal to the number of days in the period to which it relates and multiplying the product by 7.

(2) For the purposes of paragraph 48 (average weekly earnings of self-employed earners) the weekly amount of earnings of an applicant is to be determined by dividing his earnings over the assessment period by the number equal to the number of days in that period and multiplying the product by 7.

Earnings of employed earners: persons who are not pensioners

51.—(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 sum to be earnings for social security purposes);

(j) any statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;

(k) any remuneration paid by or on behalf of an employer to the applicant who for the time being is on maternity leave, paternity leave or adoption leave or is absent from work because he is

ill;

- (1) the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001.
- (2) Earnings does not include—
 - (a) subject to sub-paragraph (3), any payment in kind;
 - (b) any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment;
 - (c) any occupational pension;
 - (d) any payment in respect of expenses arising out of the applicant's participation in a service user group.
- (3) Sub-paragraph (2)(a) does not apply in respect of any non-cash voucher referred to in sub-paragraph (1)(l).

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

52.—(1) For the purposes of paragraph 47 (average weekly earnings of employed earners: persons who are not pensioners), the earnings of an applicant who is not a pensioner derived or likely to be derived from employment as an employed earner to be taken into account must, subject to sub-paragraph (2), be his net earnings.

(2) There is to be disregarded from an applicant's net earnings, any sum, where applicable, specified in paragraphs 1 to 6 of Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners).

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

- (a) any amount deducted from those earnings by way of—
 - (i) income tax;
 - (ii) primary Class 1 contributions under the SSCBA;
- (b) one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;
- (c) one-half of the amount calculated in accordance with sub-paragraph (5) in respect of any qualifying contribution payable by the applicant; and
- (d) where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, any amount deducted from those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions under the SSCBA.

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

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

- (a) where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 52;
- (b) in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.

(6) Where the earnings of an applicant are estimated under paragraph 47(2)(b) (average weekly earnings of employed earners: classes D to H), his net earnings is to be calculated by taking into account those earnings over the assessment period, less—

- (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 35 to 37 of the Income Tax Act 2007 (a) (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 pensions scheme, if the earnings so estimated were actual earnings.

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

53.—(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 rights scheme that is analogous to the Public Lending Right Scheme 1982,

where the applicant is the first owner of the copyright, design, patent or trademark, or an original contributor to the book or work concerned.

(4) Where the applicant’s earnings consist of any item 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

(a) 2007 c. 3; the heading and subsection (1) of section 35 were amended by section 4 of the Finance Act 2012 (c. 14) (“2012 Act”); subsections (2) and (4) were inserted by section 4 of the Finance Act 2009 (c. 10). In section 36, the heading and subsection (2) were amended by, subsection (1) substituted by, and subsection (2A) inserted by section 4 of the 2012 Act; subsection (2) has also been amended by S. I. 2011/2926 and section 4 of the Finance Act 2009. In section 37, the heading and subsection (2) were amended by, subsection (1) substituted by, and subsection (2A) inserted by section 4 of the 2012 Act; subsection (2) has also been amended by S. I. 2011/2926 and section 4 of the Finance Act 2009.

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 support 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

54.—(1) For the purposes of paragraph 49 (average weekly income other than earnings: persons who are not pensioners), the income of an applicant who is not a pensioner which does not consist of earnings to be taken into account must, subject to sub-paragraphs (2) to (8), be his gross income and any capital treated as income under paragraph 55 (capital treated as income: persons who are not pensioners).

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

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

(4) Where the applicant or, where he is a member of a couple, his partner is receiving a contributory employment and support allowance and that benefit has been reduced under regulation 63 of the Employment and Support Allowance Regulations 2008 (a), the amount of that benefit to be taken into account is the amount as if it had not been reduced.

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

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

- (a) a relevant payment has been made to a person in an academic year; and
- (b) that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.

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

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

where—

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

(a) S.I. 2008/794.

(treatment of student loans) had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to support under this scheme immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to housing benefit or the housing element of universal credit;

(d) D = the number of support weeks in the assessment period.

(8) Where a relevant payment is made by two or more instalments in a quarter, the amount of a

relevant payment to be taken into account for the assessment period for the purposes of sub-paragraph (1) in respect of a person to whom sub-paragraph (7) applies, is to be calculated by applying the formula in sub-paragraph (8) but as if—

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

(9) In this paragraph—

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

“assessment period” means—

(a) in a case where a relevant payment is made quarterly, the period beginning with the support week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the support 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 support week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the support week which includes—

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

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

whichever of those dates is earlier;

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

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

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

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

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

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

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

(a) any payment to which paragraph 41(2) or 51(2) (payments not earnings) applies; or

(b) in the case of an applicant who is receiving support under section 95 or 98 of the Immigration and Asylum Act 1999 including support provided by virtue of regulations made under Schedule 9 to that Act, the amount of such support provided in respect of essential living needs of the applicant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act 1999.

Capital treated as income: persons who are not pensioners

55.—(1) Any capital payable by instalments which are outstanding at the date on which the application is made or treated as made, or, at the date of any subsequent revision or supersession, must, if the aggregate of the instalments outstanding and the amount of the applicant’s capital

otherwise calculated in accordance with Chapter 7 of this Part exceeds £16,000, be treated as income.

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

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

(4) Any Career Development Loan paid pursuant to section 2 of the Employment and Training

Act 1973 is to be treated as income.

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

Notional income: persons who are not pensioners

56.—(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 support under a council tax support scheme or increasing the amount of the support.

(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 pensions scheme, occupational pensions scheme or a payment made by the Board of the Pension Protection Fund where the applicant has not attained the qualifying age for state pension credit;
- (d) any sum to which paragraph 50(2)(a) of Schedule 10 (capital disregards: persons who are not pensioners) applies which is administered in the way referred to in paragraph 50(1)(a);
- (e) any sum to which paragraph 51(a) of Schedule 10 refers;
- (f) rehabilitation allowance made under section 2 of the Employment and Training Act 1973; (g) child tax credit;
- (h) working tax credit, or
- (i) any sum to which sub-paragraph (11) applies,

any income which would become available to the applicant upon application being made, but which has not been acquired by him, is to be treated as possessed by the applicant but only from the date on which it could be expected to be acquired were an application made.

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

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

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

- (a) under or by the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006);
- (b) pursuant to section 19(1)(a) of the Coal Industry Act 1994 (a) (concessionary coal);

- (c) pursuant to section 2 of the Employment and Training Act 1973 in respect of a person's participation—
- (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996^(b);
 - (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 meanings 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 pensions 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^(c);
 - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
 - (iii) the person referred to in sub-paragraph (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

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

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

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

the authority must treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.

(7) Sub-paragraph (6) does not apply—

- (a) to an applicant who is engaged by a charitable or voluntary organisation or who is a volunteer if the authority is satisfied in any of those cases that it is reasonable for him to provide those services free of charge; or

(a) 1994c.21.
 (b) S.I. 1996/207.
 (c) 1980c.46.

- (b) in a case where the service is performed in connection with—

- (i) the applicant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations 1996, other than where the service is performed in connection with the applicant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations; or
 - (ii) the applicant's or the applicant's partner's participation in an employment or training programme as defined in regulation 19(3) of those Regulations for which a training allowance is not payable or, where such an allowance is payable, it is payable for the sole purpose of reimbursement of travelling or meal expenses to the person participating in that programme; or
 - (c) to an applicant who is participating in a work placement approved by the Secretary of State (or a person providing services to the Secretary of State) before the placement starts.
- (8) In sub-paragraph (7)(c) "work placement" means practical work experience which is not undertaken in expectation of payment.
- (9) Where an applicant is treated as possessing any income under any of sub-paragraphs (1) to (8), the foregoing provisions of this Part apply for the purposes of calculating the amount of that income as if a payment had actually been made and as if it were actual income which he does possess.
- (10) Where an applicant is treated as possessing any earnings under sub-paragraph (6) the foregoing provisions of this Part apply for the purposes of calculating the amount of those earnings as if a payment had actually been made and as if they were actual earnings which he does possess except that paragraph 42(2) or 52(3) (calculation of net earnings of employed earners: pensioners and persons who are not pensioners, respectively) do not apply and his net earnings are to be calculated by taking into account those earnings which he is treated as possessing, less—
- (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 35 to 37 of the Income Tax Act 2007 (a) (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

57.—(1) Subject to paragraph 60 (disregard of changes in tax, etc.), the income of an applicant is to be calculated on a weekly basis—

(a) 2007c.3; the heading and subsection (1) of section 35 were amended by section 4 of the Finance Act 2012 (c. 14) ("2012 Act"); subsections (2) and (4) were inserted by section 4 of the Finance Act 2009 (c. 10). In section 36, the heading and subsection (2) were amended by, subsection (1) substituted by, and subsection (2A) inserted by section 4 of the 2012 Act; subsection (2) has also been amended by S.I. 2011/2926 and section 4 of the Finance Act 2009. In section 37, the heading and subsection (2) were amended by, subsection (1) substituted by, and subsection (2A) inserted by section 4 of the 2012 Act; subsection (2) has also been amended by S.I. 2011/2926 and section 4 of the Finance Act 2009.

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

Treatment of child care charges

58.—(1) This paragraph applies where an applicant (within the meaning in this paragraph) is incurring relevant child care charges and—

- (a) is a lone parent and is engaged in remunerative work;
- (b) is a member of a couple both of whom are engaged in remunerative work; or
- (c) is a member of a couple where one member is engaged in remunerative work and the other—
 - (i) is incapacitated;
 - (ii) is an in-patient in hospital; or
 - (iii) is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).

(2) For the purposes of sub-paragraph (1) and subject to sub-paragraph (4), a person to whom sub-paragraph (3) applies must be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he—

- (a) is paid statutory sick pay;
- (b) is paid short-term incapacity benefit at the low 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(a); or

(a) S.I. 1987/1967.

- (e) is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975(a).
- (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(b); or
- (c) by persons registered under Part 2 of the Children and Families (Wales) Measure 2010(c); or
- (d) by a person who is exempted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) Order 2010(d); or
- (e) by—

(a) S.I. 1975/556.

- (b) S.I. 1999/3110.
- (c) 2010c.1.
- (d) S.I. 2010/2574(W.214).

- (i) persons registered under section 59(1) of the Public Services Reform (Scotland) Act 2010(a); or
 - (ii) local authorities registered under section 83(1) of that Act, where the care provided is child minding or day care of children within the meaning of that Act; or
 - (f) by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002; or
 - (g) by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006(b); or
 - (h) by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section 34(2) of that Act; or
 - (i) by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or
 - (j) by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of “childcare” for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or
 - (k) by a foster parent or kinship carer under the Fostering Services Regulations 2011(c), the Fostering Services (Wales) Regulations 2003(d) or the Looked After Children (Scotland) Regulations 2009(e) in relation to a child other than one whom the foster parent is fostering or kinship carer is looking after; or
 - (l) by a provider of personal care within the meaning of paragraph 1 of Schedule 1 to the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010(f) and being a regulated activity prescribed by those Regulations; or
 - (m) by a person who is not a relative of the child wholly or mainly in the child’s home.
- (9) In sub-paragraphs (6) and (8)(a), “the first Monday in September” means the Monday which first occurs in the month of September in any year.
- (10) Relevant childcare charges must be estimated over such period, not exceeding a year, as is appropriate in order that the average weekly charge may be estimated accurately having regard to information as to the amount of that charge provided by the child minder or person providing the care.
- (11) For the purposes of sub-paragraph (1)(c) the other member of a couple is incapacitated where—
- (a) the applicant is a pensioner and the other member of the couple is aged not less than 80; (b) the applicant is a pensioner and the other member of the couple is aged less than 80, and—
 - (i) the additional condition specified in paragraph 10 of Schedule 3 (additional condition for the disability premium) to this scheme is treated as applying in his case; and
 - (ii) he satisfies that condition or would satisfy it but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the SSCBA;

(a) 2001asp8.(b) 2006c.21.
(c) S.I. 2011/581.
(d) S.I. 2003/237.

(e) S.I. 2009/210.

(f) S.I. 2010/781; amended by S.I. 2012/1513.

- (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 of 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 of 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) he is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the SSCBA (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days must be treated as one continuous period;
- (g) he is, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations 2008 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 high rate under Schedule 4 to the SSCBA;
 - (ii) attendance allowance under section 64 of the SSCBA;
 - (iii) severe disablement allowance under section 68 of the SSCBA;
 - (iv) disability living allowance under section 71 of the SSCBA;
 - (v) personal independence payment;
 - (vi) an AFIP;
 - (vii) increase of disablement pension under section 104 of the SSCBA;
 - (viii) a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under sub-paragraph (ii), (iv), (v) or (vii) above;
 - (ix) main phase employment and support allowance;
- (i) a pension or allowance to which sub-paragraph (vii) or (viii) of paragraph (h) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this paragraph means a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005;
- (j) an attendance allowance under section 64 of the SSCBA or disability living allowance would be payable to that person but for—
- (i) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or
 - (ii) an abatement as a consequence of hospitalisation;

- (k) the daily living component of personal independence payment would be payable to that person but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);
- (l) an AFIP would be payable to that person but for any suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which

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allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;

(m) paragraph (h), (i), (j) or (k) would apply to him if the legislative provisions referred to in those paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or

(n) he has an invalid carriage or other vehicle provided to him by the Secretary of State or a clinical commissioning group under paragraph 9 of Schedule 1 to the National Health Service Act 2006 (a) or under section 46 of the National Health Service (Scotland) Act 1978 (b) 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 (c).

(12) For the purposes of sub-paragraph (11), once sub-paragraph (11)(f) applies to the person, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that sub-paragraph is, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter to apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.

(13) For the purposes of sub-paragraph (11), once sub-paragraph (11)(g) applies to the person, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter to apply to him for so long as he has, or is treated as having, limited capability for work.

(14) For the purposes of sub-paragraphs (6) and (8)(a), a person is disabled if he is a person—

(a) to whom an attendance allowance or the care component of disability allowance is payable or would be payable but for—

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

(ii) an abatement as a consequence of hospitalisation;

(b) to whom the daily living component of personal independence payment is payable or 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 person on maternity leave, paternity leave or adoption leave is to be treated as if he is engaged in remunerative work for the periods 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 he was in remunerative work;

(b) the applicant is incurring relevant childcare charges within the meaning of sub-paragraph (5); and

(a) 2006c.41; paragraph 9 has been amended by sections 17(10) of the Health and Social Care Act 2012 (c.7) (to replace references to the Secretary of State with references to clinical commissioning groups), but those provisions are not yet fully in force.

(b) 1978c.29.

(c) S.I. 1972/1265 (N.I.14).

- (c) he is entitled to either statutory maternity pay under section 164 of the SSCBA (a), ordinary statutory paternity pay by virtue of section 171ZA or 171ZB of that Act, additional statutory paternity pay by virtue of section 171ZEA or 171ZEB of that Act, statutory adoption pay by 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, statutory maternity pay, ordinary or additional statutory paternity pay or statutory adoption pay ends, the date that entitlement ends; or
- (c) if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance or qualifying support, statutory maternity pay, ordinary or additional statutory paternity pay or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credit ends,

whichever 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 (b); and
- (b) “child care element” of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act 2002 (child care element).

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

- (a) who has, or
- (b) who (jointly with his partner) has,

an award of universal credit.

Calculation of average weekly income from tax credits

59.—(1) This paragraph applies where an applicant receives a tax credit.

(2) Where this paragraph applies, the period over which a tax credit is to be taken into account is the period set out in sub-paragraph (3).

(3) Where the instalment in respect of which payment of a tax credit is made is—

- (a) a daily instalment, the period is 1 day, being the day in respect of which the instalment is paid;
- (b) a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;
- (c) a two weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;
- (d) a four weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.

(4) For the purposes of this paragraph “tax credit” means child tax credit or working tax credit.

Disregard of changes in tax, contributions etc.

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

(a) 1992c.4; section 164 was amended by paragraph 12 of the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c.2) and section 20 of, and paragraph 6 of Schedule 7 and paragraph 1 of Schedule 8 to, the Employment Act 2002 (c.22).
 (b) S.I. 1987/1967; Schedule 1B was inserted by S.I. 1996/206.

- (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 amounts 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 support weeks beginning with the support week immediately following the date from which the change is effective.

Calculation of net profit of self-employed earners

61.—(1) For the purposes of paragraphs 48 (average weekly earnings of self-employed earners: persons who are not pensioners) and 57 (calculation of income on a weekly basis) the earnings of an applicant to be taken into account must be—

- (a) in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
- (b) in the case of a self-employed earner who is a pensioner whose employment is carried on in partnership, his share of the net profit derived from that employment, less—
 - (i) an amount in respect of income tax and of social security contributions payable under the SSCBA calculated in accordance with paragraph 62 (deduction of tax and contributions of self-employed earners); and
 - (ii) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium;
- (c) in the case of a self-employed earner who is not a pensioner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975(a), his share of the net profit derived from that employment, less—
 - (i) an amount in respect of income tax and of social security contributions payable under the SSCBA calculated in accordance with paragraph 62 (deduction of tax and contributions for self-employed earners); and
 - (ii) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.

(2) There must be disregarded from the net profit of an applicant who is not a pensioner, any sum, where applicable, specified in paragraphs 1 to 16 of Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners).

(3) For the purposes of sub-paragraph (1)(a) the net profit of the employment must, except where sub-paragraph (9) applies, be calculated by taking into account the earnings of the employment over the assessment period less—

- (a) subject to sub-paragraphs (5) to (8), any expenses wholly and exclusively incurred in that period for the purposes of that employment;
- (b) an amount in respect of—
 - (i) income tax; and
 - (ii) social security contributions payable under the SSCBA,

(a) S.I. 1975/529.

- calculated in accordance with paragraph 62 (deduction of tax and contributions for self-employed earners); and
- (c) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.
- (4) For the purposes of sub-paragraph (1)(b) the net profit of the employment is to be calculated by taking into account the earnings of the employment over the assessment period less, subject to sub-paragraphs (5) to (8), any expenses wholly and exclusively incurred in that period for the purposes of the employment.
- (5) Subject to sub-paragraph (6), no deduction is to be made under sub-paragraph (3)(a) or (4), in respect of—
- (a) any capital expenditure;
 - (b) the depreciation of any capital asset;
 - (c) any sum employed or intended to be employed in the setting up or expansion of the employment;
 - (d) any loss incurred before the beginning of the assessment period;
 - (e) the repayment of capital on any loan taken out for the purposes of the employment;
 - (f) any expenses incurred in providing business entertainment; and
 - (g) in the case of an applicant who is not a pensioner, any debts, except bad debts proved to be such, but this paragraph does not apply to any expenses incurred in the recovery of a debt.
- (6) A deduction is to be made under sub-paragraph (3)(a) or (4) in respect of the repayment of capital on any loan used for—
- (a) the replacement in the course of business of equipment or machinery; or
 - (b) the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.
- (7) The authority must refuse to make a deduction in respect of any expenses under sub-paragraph (3)(a) or (4) where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.
- (8) For the avoidance of doubt—
- (a) a deduction must not be made under sub-paragraph (3)(a) or (4) in respect of any sum unless it has been expended for the purposes of the business;
 - (b) a deduction must be made thereunder in respect of—
 - (i) the excess of any value added tax paid over value added tax received in the assessment period;
 - (ii) any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
 - (iii) any payment of interest on a loan taken out for the purposes of the employment.
- (9) Where an applicant is engaged in employment as a child minder the net profit of the employment is to be one-third of the earnings of that employment, less—
- (a) an amount in respect of—
 - (i) income tax; and
 - (ii) social security contributions payable under the SSCBA, calculated in accordance with paragraph 62 (deduction of tax and contributions for self-employed earners); and
 - (b) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.
- (10) For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or

employed earner any loss incurred in any one of his employments must not be offset against his earnings in any other of his employments.

(11) The amount in respect of any qualifying premium is to be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this paragraph the daily amount of the qualifying premium must be determined—

- (a) where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and dividing the product by 52;
- (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

62.—(1) The amount to be deducted in respect of income tax under paragraph 61(1)(b)(i), (3)(b)(i) or (9)(a)(i) (calculation of net profit of self-employed earners) must be calculated—

- (a) on the basis of the amount of chargeable income, and
- (b) as if that income were assessable to income tax at the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 35 to 37 of the Income Tax Act 2007 (a) (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 61;
- (b) in the case of employment as a child minder, one-third of the earnings of that employment.

(a) 2007 c. 3; the heading and subsection (1) of section 35 were amended by section 4 of the Finance Act 2012 (c. 14) (“2012 Act”); subsections (2) and (4) were inserted by section 4 of the Finance Act 2009 (c. 10). In section 36, the heading and subsection (2) were amended by, subsection (1) substituted by, and subsection (2A) inserted by section 4 of the 2012 Act; subsection (2) has also been amended by S.I. 2011/2926 and section 4 of the Finance Act 2009. In section 37, the heading and subsection (2)

CHAPTER 7

Capital

Calculation of capital

63.—(1) The capital of an applicant (a) to be taken into account must be, subject to sub-paragraph (2), the whole of his capital calculated in accordance with this Part and (in the case of persons who are not pensioners) any income treated as capital under paragraph 64 (income treated as capital: persons who are not pensioners).

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

- (a) Schedule 9, in relation to pensioners;
- (b) Schedule 10, in relation to persons who are not pensioners.

(3) In the case of an applicant who is a pensioner, his capital is to be treated as including any payment made to him by way of arrears of—

- (a) child tax credit;
- (b) working tax credit;
- (c) state pension credit,

if the payment was made in respect of a period for the whole or part of which support 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

64.—(1) This paragraph applies in relation to persons who are not pensioners.

(2) Any bounty derived from employment to which paragraph 9 of Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners) applies and paid at intervals of at least one year is to be treated as capital.

(3) Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E is to be treated as capital.

(4) Any holiday pay which is not earnings under paragraph 41(1)(d) or 51(1)(d) (earnings of employed earners) is to be treated as capital.

(5) Except any income derived from capital disregarded under paragraphs 4, 5, 7, 11, 17, 30 to 33, 50 or 51 of Schedule 10 (capital disregards: persons who are not pensioners), any income derived from capital is to be treated as capital but only from the date it is normally due to be credited to the applicant's account.

(6) In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer is to be treated as capital.

(7) Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006) or the London Bombings Charitable Relief Fund, is to be treated as capital.

(8) There is to be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self-employment route, but only in so far as those receipts were repayable into a special account during the period in which that person was receiving

such assistance.

(a) See paragraph 22A for the capital limit for eligibility of £16,000.

(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

65. 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

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

- (a) in a case where there is no prohibition in that country against the transfer to the United Kingdom of an amount equal to its current market or surrender value in that country, at that value;
- (b) in a case where there is such a prohibition, at the price which it would realise if sold in the United Kingdom to a willing buyer,

less, where there would be expenses attributable to sale, 10 per cent and the amount of any encumbrances secured on it.

Notional capital

67.—(1) An applicant is to be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to support or increasing the amount of that support except to the extent that that capital is reduced in accordance with paragraph 68 (diminishing notional capital rule).

(2) A person who is a pensioner who disposes of capital for the purpose of—

- (a) reducing or paying a debt owed by the applicant; or
- (b) purchasing goods or services if the expenditure was reasonable in the circumstances of the applicant's case,

is to be regarded as not depriving himself of it.

(3) Sub-paragraphs (4) to (6) apply in relation to applicants who are not pensioners.

(4) Except in the case of—

- (a) a discretionary trust; or
- (b) a trust derived from a payment made in consequence of a personal injury; or
- (c) any loan which would be obtained only if secured against capital disregarded under Schedule 9; or
- (d) a personal pensions scheme, occupational pensions scheme or a payment made by the Board of the Pension Protection Fund; or
- (e) any sum to which paragraph 50(2)(a) of Schedule 10 (capital disregards: persons who are not pensioners) applies which is administered in the way referred to in paragraph 50(1)(a); or
- (f) any sum to which paragraph 51(a) of Schedule 10 refers; or

- (g) child tax credit; or
- (h) working tax credit,

any capital which would become available to the applicant upon application being made, but which has not been acquired by him, is to be treated as possessed by him but only from the date on which it could be expected to be acquired were an application made.

- (5) Any payment of capital, other than a payment of capital specified in sub-paragraph (6), made—
- (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) must, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pensions 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, 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 meanings 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 pensions scheme or a payment made by the Board of the Pension Protection Fund where—
 - (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
 - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and

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

(7) Where an applicant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he may be treated as if he were such sole owner or partner and in such a case—

- (a) the value of his holding in that company must, notwithstanding paragraph 63 (calculation of capital) be disregarded; and
- (b) he must, subject to sub-paragraph (8), be treated as possessing an amount of capital equal to the value or, as the case may be, his share of the value of the capital of that company and the foregoing provisions of this Chapter apply for the purposes of calculating that amount as if it were actual capital which he does possess.

(8) For so long as the applicant undertakes activities in the course of the business of the company, the amount which he is treated as possessing under sub-paragraph (7) is to be disregarded.

(9) Where an applicant is treated as possessing capital under any of sub-paragraphs (1), (4) or (5) the foregoing provisions of this Chapter apply for the purposes of calculating its amount as if it were actual capital which he does possess.

Diminishing notional capital rule: pensioners

68.—(1) Where an applicant who is a pensioner is treated as possessing capital under paragraph 67(1) (notional capital), the amount which he is treated as possessing—

- (a) in the case of a week that is subsequent to—
 - (i) the relevant week in respect of which the conditions set out in sub-paragraph (2) are satisfied; or
 - (ii) a week which follows that relevant week and which satisfies those conditions, is to be reduced by an amount determined under sub-paragraph (3);
- (b) in the case of a week in respect of which sub-paragraph (1)(a) does not apply but where—
 - (i) that week is a week subsequent to the relevant week; and
 - (ii) that relevant week is a week in which the condition in sub-paragraph (4) is satisfied, is to be reduced by the amount determined under sub-paragraph (5).

(2) This sub-paragraph applies to a support week where the applicant satisfies the conditions that—

- (a) he is in receipt of support under this scheme; and
- (b) but for paragraph 67(1), he would have received a greater support in council tax under this scheme in that week.

(3) In a case to which sub-paragraph (2) applies, the amount of the support 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 support in council tax to which sub-paragraph (2)(b) refers;
- (b) where the applicant has also claimed state pension credit, the amount of any state pension credit or any additional amount of state pension credit to which he would have been entitled in respect of the support week to which sub-paragraph (2) refers but for the application of regulation 21(1) of the State Pension Credit Regulations 2002 (notional capital);
- (c) where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of housing benefit to which he would have been entitled in respect of the whole or part of the support week to which sub-paragraph (2) refers but for the application of regulation 47(1) of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 (notional capital);

- (d) where the applicant has also claimed a jobseeker's allowance, the amount of an income-based jobseeker's allowance to which he would have been entitled in respect of the support 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 support week to which sub-paragraph (2) refers but for the application of regulation 115 of the Employment and Support Allowance Regulations 2008 (notional capital).

(4) Subject to sub-paragraph (7), for the purposes of sub-paragraph (1)(b) the condition is that the applicant is a pensioner and would have been entitled to council tax support under this scheme in the relevant week but for paragraph 67(1).

(5) In such a case the amount of the support 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 council tax support to which the applicant would have been entitled in the relevant week but for paragraph 67(1);
- (b) if the applicant would, but for regulation 21 of the State Pension Credit Regulations 2002, have been entitled to state pension credit in respect of the benefit week, within the meaning of regulation 1(2) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled;
- (c) if the applicant would, but for regulation 47(1) of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the benefit week which includes the last day of the relevant week, the amount which is equal to—
 - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
 - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled;
- (d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations 1996, have been entitled to an income-based jobseeker's allowance in respect of the benefit week, within the meaning of regulation 1(3) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled; and
- (e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations 2008, have been entitled to an income-related employment and support allowance in respect of the benefit week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled.

(6) But if the amount mentioned in paragraph (a), (b), (c), (d) or (e) of sub-paragraph (5) ("the relevant amount") is in respect of a part-week, the amount that is to be taken into account under that paragraph is to be determined by—

- (a) dividing the relevant amount by the number equal to the number of days in that part-week, and
- (b) multiplying the result of that calculation by 7.

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

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

(8) The conditions are that—

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

- (i) the date on which the applicant made an application in respect of which he was first treated as possessing the capital in question under paragraph 67(1);
- (ii) in a case where there has been at least one re-determination in accordance with sub-paragraph (11), the date on which he last made an application which resulted in the weekly amount being re-determined, or
- (iii) the date on which he last ceased to be entitled to support under this scheme, whichever last occurred; and

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

(9) The amount as re-determined pursuant to sub-paragraph (7) must not have effect if it is less than the amount which applied in that case immediately before the re-determination and in such a case the higher amount must continue to have effect.

(10) For the purposes of this paragraph—

“part-week”—

- (a) in relation to an amount mentioned in sub-paragraph (5)(a), means a period of less than a week for which council tax support 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 support week or part-week in which the capital in question of which the applicant has deprived himself within the meaning of paragraph 67(1)—

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

or

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

and where more than one support week is identified by reference to paragraphs (a) and (b) of this definition, the later or latest such support week or, as the case may be, the later or latest such part-week is the relevant week;

“relevant subsequent week” means the support week or part-week which included the day on which the further application or, if more than one further application has been made, the last such application was made.

Diminishing notional capital rule: persons who are not pensioners

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

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

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

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

- (b) in the case of a week in respect of which sub-paragraph (1)(a) does not apply but where—
- (i) that week is a week subsequent to the relevant week; and
 - (ii) that relevant week is a week in which the condition in sub-paragraph (4) is satisfied, is to be reduced by the amount determined under sub-paragraph (5).
- (2) This sub-paragraph applies to a support 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 council tax support under this scheme; and
 - (b) but for paragraph 67(1), he would have received a greater support in council tax under this scheme in that week.
- (3) In a case to which sub-paragraph (2) applies, the amount of support 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 council tax support 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 support 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 support 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 support 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 support 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 council tax support in the relevant week but for paragraph 67(1).
- (5) In such a case the amount of the reduction in the amount of capital he is treated as possessing must be equal to the aggregate of—
- (a) the amount of council tax benefit to which the applicant would have been entitled in the relevant week but for paragraph 67(1);
 - (b) if the applicant would, but for regulation 49(1) of the Housing Benefit Regulations 2006, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the benefit week which includes the last day of the relevant week, the amount which is equal to—
 - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
 - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled;
 - (c) if the applicant would, but for regulation 51(1) of the Income Support (General) Regulations 1987, have been entitled to income support in respect of the benefit week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled;

- (d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations 1996, have been entitled to an income-based jobseeker's allowance in respect of the benefit week, within the meaning of regulation 1(3) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled; and
- (e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations 2008, have been entitled to an income-related employment and support allowance in respect of the benefit week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled.
- (6) But if the amount mentioned in paragraph (a), (b), (c), (d) or (e) of sub-paragraph (5) ("the relevant amount") is in respect of a part-week, the amount that is to be taken into account under that paragraph is to be determined by—
- dividing the relevant amount by the number equal to the number of days in that part-week, and
 - multiplying the result of that calculation by 7.
- (7) The amount determined under sub-paragraph (5) is to be determined under the appropriate sub-paragraph if the applicant makes a further application and the conditions in sub-paragraph (8) are satisfied, and in such a case—
- 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
 - 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 further application is made 26 or more weeks after—
 - the date on which the applicant made an application for support under this scheme in respect of which he was first treated as possessing the capital in question under paragraph 67(1);
 - in a case where there has been at least one re-determination in accordance with sub-paragraph (7), the date on which he last made an application under this scheme which resulted in the weekly amount being re-determined, or
 - the date on which he last ceased to be entitled to support under this scheme, whichever last occurred; and
 - the applicant would have been entitled to support under this scheme but for paragraph 67(1).
- (9) The amount as re-determined pursuant to sub-paragraph (6) must not have effect if it is less than the amount which applied in that case immediately before the re-determination and in such a case the higher amount must continue to have effect.
- (10) For the purposes of this paragraph—
- "part-week"—
- in relation to an amount mentioned in sub-paragraph (5)(a), means a period of less than a week for which support under this scheme is allowed;
 - 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;
 - in relation to an amount mentioned in sub-paragraph (5)(c), (d) or (e), means—
 - 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
 - any other period of less than a week for which it is payable;

“relevant week” means the support week or part-week in which the capital in question of which the applicant has deprived himself within the meaning of paragraph 67(1)—

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

or

(b) was taken into account on a subsequent occasion for the purpose of determining or re-determining his entitlement to support on that subsequent occasion and that determination or re-determination resulted in his beginning to receive, or ceasing to receive, support,

and where more than one support week is identified by reference to paragraphs (a) and (b) of this definition, the later or latest such support week or, as the case may be, the later or latest such part-week is the relevant week;

“relevant subsequent week” means the support week or part-week which includes the day on which the further application or, if more than one further application has been made, the last such application was made.

Capital jointly held

70. Except where an applicant possesses capital which is disregarded under paragraph 67(7) (notional capital), where an applicant and one or more persons are beneficially entitled in possession to any capital asset they must be treated, in the absence of evidence to the contrary, as if each of them were entitled in possession to the whole beneficial interest therein in an equal share and the foregoing provisions of this Chapter apply for the purposes of calculating the amount of capital which the applicant is treated as possessing as if it were actual capital which the applicant does possess.

Calculation of tariff income from capital: pensioners

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

(a) £1 for each £500 in excess of £10,000 but not exceeding £16,000; and

(b) £1 for any excess which is not a complete £500.

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

72. Removed

(a) Removed

(b) Removed

(a) See Chapters 1 and 7 of Part 10 in particular, and the capital to be disregarded in accordance with Schedule 9.

(b) Income from capital is taken into account in calculating the income of an applicant who is a pensioner; see paragraph 39(1)(i).

(c) See Chapters 1 and 7 of Part 10 in particular, and the capital to be disregarded in accordance with Schedule 10.

PART 11

Students

CHAPTER 1

General

Interpretation

73.—(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(a) 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(b);
- (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 “learners 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(c); or
- (e) Financial Contingency Funds made available by the Welsh Ministers;

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

“contribution” means—

- (a) any contribution in respect of the income of a student or any person which the Secretary of State, the Scottish Ministers or an education authority takes into account in ascertaining the amount of a student’s grant or student loan; or
- (b) any sums, which in determining the amount of a student’s allowance or bursary in Scotland under the Education (Scotland) Act 1980, the Scottish Ministers or education authority takes into account being sums which the Scottish Ministers or education authority consider that it is reasonable for the following persons to contribute towards the holder’s expenses—
 - (i) the holder of the allowance or bursary;
 - (ii) the holder’s parents;
 - (iii) the holder’s parent’s spouse, civil partner or a person ordinarily living with the holder’s parent as if he or she were the spouse or civil partner of that parent; or
 - (iv) the holder’s spouse or civil partner;

(a) 1992c.13.
(b) 1980 c.44.
(c) 2009c.22.

“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 agreements 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 16 of Schedule 8 or paragraph 55 of Schedule 10 (allowances and payments for courses of study) applies;

“grant income” means—

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

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

“last day of the course” means—

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

“period of study” means—

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

(a) S.I. 2003/1994; relevant amending instrument is S.I. 2008/1477.

“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(a), 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 87

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 periods 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

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

Students who are excluded from entitlement to support under this scheme

75.—(1) The students who are excluded from entitlement to support under this scheme are, subject to sub-paragraphs (2) and (7)—

- (a) full-time students, and
- (b) students who are persons treated as not being in Great Britain **(b)**.

(2) Sub-paragraph (1)(b) does not apply to a student—

- (a) who is a person on income support, an income-based jobseeker’s allowance or an income-related employment and support allowance;
- (b) who is a lone parent;
- (c) whose applicable amount would, but for this paragraph, include the disability premium or severe disability premium;

(a) 1998c.30.

(b) See paragraph 21 as to person treated as not being in Great Britain.

- (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 the other partner is treated as responsible for a child or young person;
- (h) who is a single applicant with whom a child displaced by a local authority or voluntary organisation within the meaning of the Children Act 1989 or, in Scotland, boarded out within the meaning of the Social Work (Scotland) Act 1968;
- (i) who is—
 - (i) aged under 21 and whose course of study is not a course of higher education,
 - (ii) aged 21 and attained that age during a course of study which is not a course of higher education, or
 - (iii) a qualifying young person or child within the meaning of section 142 of the SSCBA (child and qualifying young person);
- (j) in respect of whom—
 - (i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;
 - (ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) of regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;
 - (iii) a payment has been made under or by virtue of regulations made under the Teaching and Higher Education Act 1998;
 - (iv) a grant has been made under regulation 13 of the Education (Student Support) Regulations 2005 or under regulation 13 of the Education (Student Support) Regulations (Northern Ireland) 2000; or
 - (v) a supplementary requirement has been determined under paragraph 9 of Schedule 6 to the Students Awards Regulations (Northern Ireland) 1999 or a payment has been made under Article 50(3) of the Education and Libraries (Northern Ireland) Order 1986,

on account of his disability by reason of deafness.

(3) Sub-paragraph (2)(i)(ii) only applies to an applicant until the end of the course during which the applicant attained the age of 21.

(4) For the purposes of sub-paragraph (2), once sub-paragraph (2)(e) applies to a full-time student, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that sub-paragraph must, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable or is treated as remaining incapable, of work.

(5) In sub-paragraph (2)(i) the reference to a course of higher education is a reference to a course of any description mentioned in Schedule 6 to the Education Reform Act 1988(a).

(6) A full-time student to whom sub-paragraph (2)(i) applies must be treated as satisfying that sub-paragraph from the date on which he made a request for the supplementary requirement, allowance, bursary or payment as the case may be.

(7) Sub-paragraph (1)(b) does not apply to a full-time student for the periods 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 periods specified in sub-paragraph (8).

(8) The periods 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 they may resume attending or undertaking the course,

whichever first occurs.

CHAPTER 2

Income

Calculation of grant income

76.—(1) The amount of a student's grant income to be taken into account in assessing his income must, subject to sub-paragraphs (2) and (3), be the whole of his grant income.

(2) There must be excluded from a student's grant income any payment—

- (a) intended to meet tuition fees or examination fees;
- (b) in respect of the student's disability;
- (c) intended to meet additional expenditure connected with term-time residential study away from the student's educational establishment;
- (d) on account of the student maintaining a home at a place other than that at which he resides during his course;
- (e) on account of any other person but only if that person is residing outside the United Kingdom and there is no applicable amount in respect of him;
- (f) intended to meet the cost of books and equipment;
- (g) intended to meet travel expenses incurred as a result of his attendance on the course;
- (h) intended for the child care costs of a child dependant;
- (i) of higher education bursary for care leavers made under Part 3 of the Children Act 1989.

(3) Where a student does not have a student loan and is not treated as possessing such a loan, there must be excluded from the student's grant income—

- (a) the sum of £303 per academic year in respect of travel costs; and

(a) 1988c.40.

- (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(a).

(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 support week, the first day of which coincides with, or immediately follows, the first day of the period of study and ending with the support 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 support 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 support 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 support weeks (including part-weeks) in the year, 53.

(7) In a case where a student is in receipt of a student loan or where he could have acquired a student loan by taking reasonable steps but had not done so, any amount intended for the maintenance of dependants to which neither sub-paragraph (6) nor paragraph 80(2) (other amounts to be disregarded) applies, must be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.

(8) In the case of a student on a sandwich course, any period 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 support week, the first day of which immediately follows the last day of the period of experience and ending with the support 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

77.—(1) Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account for that period and any summer vacation immediately following must be the whole amount of the covenant income less, subject to sub-paragraph (3), the amount of the contribution.

(2) The weekly amount of the student's covenant must be determined—

- (a) by dividing the amount of income which falls to be taken into account under sub-paragraph (1) by 52 or 53, whichever is reasonable in the circumstances; and
- (b) by disregarding £5 from the resulting amount.

(3) For the purposes of sub-paragraph (1), the contribution must be treated as increased by the amount (if any) by which the amount excluded under paragraph 76(2)(g) falls short of the amount specified in paragraph 7(2) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (travel expenditure).

(a) 1998c.30.

Covenant income where no grant income or no contribution is assessed

78.—(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 expenditures specified in paragraph 76(2)(a) to (e) necessary as a result of his attendance on the course must be disregarded;
- (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, must be apportioned equally between the weeks of the period of study;
- (c) there must be disregarded from the amount so apportioned the amount which would have been disregarded under paragraph 76(2)(f) and (3) had the student been in receipt of the standard maintenance grant; and
- (d) the balance, if any, must be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 must be disregarded.

(2) Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenanted income must be calculated in accordance with paragraphs (a) to (d) of sub-paragraph (1), except that—

- (a) the value of the standard maintenance grant must be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 76(2)(a) to (e); and
- (b) the amount to be disregarded under sub-paragraph (1)(c) must be abated by an amount equal to the amount of any sums disregarded under paragraph 76(2)(f) and (g) and (3).

Relationship with amounts to be disregarded under Schedule 8

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

Other amounts to be disregarded

80.—(1) For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with paragraph 81 (treatment of student loans), any amounts intended for any expenditures specified in paragraph 76(2) (calculation of grant income), necessary as a result of his attendance on the course must be disregarded.

(2) But sub-paragraph (1) applies only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under paragraph 76(2) or (3), 77(3), 78(1)(a) or (c) or 81(5) (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

Treatment of student loans

81.—(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 support 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 support week, the first day of which coincides with, or immediately follows, the first day of the course, and ending with the support 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 support week, the first day of which coincides with or immediately follows, the first day of that academic year, and

(ii) ending with the support week, the last day of which coincides with or immediately precedes, the last day of that academic year,

but excluding any support weeks falling entirely within the quarter during which, in the opinion of the authority, the longest of any vacation is taken and for the purposes of this paragraph, “quarter” has the same meaning as for the purposes of the Education (Student Support) Regulations 2005;

(c) in respect of the final academic year of a course (not being a course of a single year’s duration), a loan which is payable in respect of that final academic year is to be apportioned equally between the weeks in the period beginning with—

(i) except in a case where sub-paragraph (ii) applies, the support 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 support 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 support 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 support week in September; or

(ii) the support week, the first day of which coincides with, or immediately follows, the first day of the autumn term,

and ending with the support week, the last day of which coincides with, or immediately precedes, the last day of June,

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

(3) A student is to be treated as possessing a student loan in respect of an academic year where—

(a) a student loan has been made to him in respect of that year; or

(b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

(4) Where a student is treated as possessing a student loan under sub-paragraph (3), the amount of the student loan to be taken into account as income must be, subject to sub-paragraph (5)—

(a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to—

(i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and

(ii) any contribution whether or not it has been paid to him;

(b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if—

(i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and

(ii) no deduction in that loan was made by virtue of the application of a means test.

(5) There must be deducted from the amount of income taken into account under sub-paragraph (4)—

(a) the sum of £303 per academic year in respect of travel costs; and

(b) the sum of £390 per academic year towards the cost of books and equipment,

whether or not any such costs are incurred.

(6) A loan for fees, known as a fee loan or a fee contribution loan, made pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998, section 22 of the Teaching and Higher Education Act 1998 or section 73(f) of the Education (Scotland) Act 1980, shall be disregarded as income.

Treatment of payments from access funds

82.—(1) This paragraph applies to payments from access funds that are not payments to which paragraph 85(2) or (3) (income treated as capital) applies.

(2) A payment from access funds, other than a payment to which sub-paragraph (3) applies, must be disregarded as income.

(3) Subject to sub-paragraph (4) of this paragraph and paragraph 40 of Schedule 8 (disregards in the calculation of income other than earnings: persons who are not pensioners)—

- (a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family, and
- (b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable,

must be disregarded as income to the extent of £20 per week.

(4) Where a payment from access funds is made—

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

that payment must be disregarded as income.

Disregard of contribution

83. 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

84. 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

85.—(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

86. 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 supports

CHAPTER 1

Extended supports: pensioners

Extended supports: pensioners

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

Extended supports (qualifying contributory benefits): pensioners

88.—(1) Except in the case of an applicant who is in receipt of state pension credit, an applicant who is entitled to support under this scheme by virtue of falling within any of classes A to C is entitled to an extended support (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, 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 support week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.

(2) An applicant must be treated as entitled to support under this scheme by virtue of falling within any of classes A to C where—

- (a) the applicant ceased to be entitled to support 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 subparagraph (1)(b).

Duration of extended support period (qualifying contributory benefits): pensioners

89.—(1) Where an applicant is entitled to an extended support (qualifying contributory benefits), the extended support period starts on the first day of the support week immediately following the support 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 support 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 support (qualifying contributory benefits) has no liability for council tax, if that occurs first.

Amount of extended support (qualifying contributory benefits): pensioners

90.—(1) For any week during the extended support period the amount of the extended support (qualifying contributory benefits) the applicant is entitled to is the greater of—

- (a) the amount of council tax support to which the applicant was entitled by virtue of falling within any of classes A to C in the last support week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;
- (b) the amount of support under this scheme to which the applicant would be entitled under by virtue of falling within any of classes A to C for any support week during the extended support period, if paragraph 88 (extended supports (qualifying contributory benefits): pensioners) did not apply to the applicant; or
- (c) the amount of support under this scheme to which the applicant's partner would be entitled by virtue of falling within any of classes A to C, if paragraph 88 did not apply to the applicant.

(2) Sub-paragraph (1) does not apply in the case of a mover.

(3) Where an applicant is in receipt of an extended support (qualifying contributory benefits) under this paragraph and the applicant's partner makes an application for support under this scheme, the authority must not award support in pursuance of that application during the extended support period.

Extended support (qualifying contributory benefits)—movers: pensioners

91.—(1) This paragraph applies—

- (a) to a mover (a); and
- (b) from the Monday following the day of the move.

(2) The amount of the extended support (qualifying contributory benefits) awarded from the Monday from which this paragraph applies until the end of the extended support period is to be the amount of support under this scheme which was payable to the mover for the last support week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

(3) Where a mover's liability to pay council tax in respect of the new dwelling is to a second authority, the extended support (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 support (qualifying contributory benefits) and entitlement to support by virtue of classes A to C

92.—(1) Where an applicant's support under this scheme would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in

(a) See also paragraph 103 in relation to persons moving into the area of the authority from another authority's area.

paragraph 88(1)(b), that support does not cease to have effect until the end of the extended support period.

(2) Part 13 (when entitlement begins and change of circumstances) does not apply to any extended support (qualifying contributory benefits) payable in accordance with paragraph 90(1)(a) or paragraph 91(2) (amount of extended support — movers: pensioners).

Continuing support where state pension credit claimed: pensioners

93.—(1) This paragraph applies where—

- (a) the applicant is entitled to support 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 person continues to be entitled to support under this scheme for the period of 4 weeks beginning on the day following the day the applicant's entitlement to income support or, as the case may be, income-based jobseeker's allowance, income-related employment and support allowance, ceased, if and for so long as the applicant otherwise satisfies the conditions for entitlement to support under this scheme.

(4) Where support 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 support week, then support under this scheme must continue to be awarded until the end of the support 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 support amount of the applicant is to be that which was applicable in his case immediately before that period commenced.

(6) The maximum support is to be calculated in accordance with paragraph 29(1) if, since the date it was last calculated—

- (a) the applicant's council tax liability has increased; or
- (b) a change in the deduction under paragraph 30 falls to be made.

Extended support: persons who are not pensioners

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

Extended support: persons who are not pensioners

95.—(1) An applicant who is entitled to a support under this scheme by virtue of falling within any of classes D to H is entitled to an extended support 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, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more; and
- (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.

(2) For the purpose of sub-paragraph (1)(c), an applicant or an applicant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the applicant or the applicant's partner was not entitled to any of those benefits because the applicant or the applicant's partner was engaged in remunerative work as a consequence of their participation in an employment zone programme.

(3) For the purpose of this paragraph, where an applicant or an applicant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they must be treated as being entitled to and in receipt of jobseeker's allowance.

(4) An applicant must be treated as entitled to a support under this scheme by virtue of falling within any of classes D to H where—

- (a) the applicant ceased to be entitled to a support 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(a) (remunerative work: housing costs) applied to that applicant.

Duration of extended support period: persons who are not pensioners

96.—(1) Where an applicant is entitled to an extended support, the extended support period starts on the first day of the support week immediately following the support week in which

(a) S.I. 1987/1967.

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 support 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 support is payable has no liability for council tax, if that occurs first.

Amount of extended support: persons who are not pensioners

97.—(1) For any week during the extended support period the amount of the extended support to which an applicant is entitled is to be the higher of—

- (a) the amount of the support under this scheme to which the applicant was entitled by virtue of falling within any of classes D to H in the last support week before the applicant or the applicant's partner ceased to be entitled to a qualifying income-related benefit;
- (b) the amount of support under this scheme to which the applicant would be entitled by virtue of falling within any of classes D to H for any support week during the extended support period, if paragraph 95 (extended support: persons who are not pensioners) did not apply to the applicant; or
- (c) the amount of support under this scheme to which the applicant's partner would be entitled by virtue of falling within any of classes D to H, if paragraph 95 did not apply to the applicant.

(2) Sub-paragraph (1) does not apply in the case of a mover.

(3) Where an applicant is in receipt of an extended support under this paragraph and the applicant's partner makes an application for a support under this scheme, no amount of support under this scheme is to be awarded by the authority during the extended support period.

Extended support—movers: persons who are not pensioners

98.—(1) This paragraph applies—

- (a) to a mover; and
- (b) from the Monday following the day of the move.

(2) The amount of the extended support awarded from the Monday from which this paragraph applies until the end of the extended support period is to be the amount of support under this scheme to which the mover would have been entitled had they, or their partner, not ceased to be entitled to a qualifying income-related benefit.

(3) Where a mover's liability to pay council tax in respect of the new dwelling is to a second authority, the extended support (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 support and entitlement to support by virtue of classes D to H

99.—(1) Where an applicant's entitlement to support under this scheme would have ended when the applicant ceased to be entitled to a qualifying income-related benefit in the

circumstances listed in paragraph 95(1)(b), that entitlement does not cease until the end of the extended support period.

(2) Paragraphs 106 and 107 do not apply to any extended support payable in accordance with paragraph 95(1)(a) or 98(2) (amount of extended support—movers: persons who are not pensioners).

Extended supports(qualifying contributory benefits): persons who are not pensioners

100.—(1) An applicant who is entitled to support under this scheme by virtue of falling within any of classes D to H is entitled to an extended support (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, 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 support week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.

(2) An applicant must be treated as entitled to support under this scheme by virtue of falling within any of classes D to H where—

- (a) the applicant ceased to be entitled to support 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 support period(qualifying contributory benefits): persons who are not pensioners

101.—(1) Where an applicant is entitled to an extended support (qualifying contributory benefits), the extended support period starts on the first day of the support week immediately following the support 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 support 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 support (qualifying contributory benefits) has no liability for council tax, if that occurs first.

Amount of extended support(qualifying contributory benefits): persons who are not pensioners

102.—(1) For any week during the extended support period the amount of the extended

support (qualifying contributory benefits) payable to an applicant is to be the greater of—

- (a) the amount of support under this scheme to which the applicant was entitled by virtue of falling within any of classes D to H in the last support week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;
- (b) the amount of support under this scheme to which the applicant would be entitled by virtue of falling within any of classes D to H for any support week during the extended support period, if paragraph 100 (extended supports (qualifying contributory benefits): persons who are not pensioners) did not apply to the applicant; or
- (c) the amount of support under this scheme to which the applicant's partner would be entitled by virtue of falling within any of classes D to H, if paragraph 100 did not apply to the applicant.

(2) Sub-paragraph (1) does not apply in the case of a mover.

(3) Where an applicant is in receipt of an extended support (qualifying contributory benefits) under this paragraph and the applicant's partner makes an application for support under this scheme, no amount of support may be allowed by the appropriate authority during the extended support period.

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

103.—(1) This paragraph applies—

- (a) to a mover; and
- (b) from the Monday following the day of the move.

(2) The amount of the extended support (qualifying contributory benefit) payable from the Monday from which this paragraph applies until the end of the extended support period is to be the amount of support under this scheme which was awarded to the mover for the last support week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

(3) Where a mover's liability to pay council tax in respect of the new dwelling is to a second authority, the extended support (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 support (qualifying contributory benefits) and entitlement to support by virtue of classes D to H

104.—(1) Where an applicant's support under this scheme would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 100(1)(b), that support does not cease until the end of the extended support period.

(2) Paragraphs 106 and 107 (dates on which entitlement begins and change of circumstances take effect) do not apply to any extended support (qualifying contributory benefits) payable in accordance with paragraph 102(1)(a) or 103(2) (amount of extended support—movers: persons who are not pensioners).

CHAPTER 3

Extended support: movers in the authority's area

Extended support: applicant moving into the authority's area

105. Where—

- (a) an application is made to the authority ("the current authority") for support under this scheme, and

- (b) the applicant, or the partner of the applicant, is in receipt of an extended support from— (i) another billing authority in England; or
- (ii) a billing authority in Wales,

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

PART 13

When entitlement begins and change of circumstances

Date on which entitlement begins

106.—(1) Subject to sub-paragraph (2), any person by whom or in respect of whom an application for support under this scheme is made and who is otherwise entitled to that support is so entitled from the support week following the date on which that application is made or is treated as made.

(2) Where a person is otherwise entitled to support 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 support week in which his application is made or is treated as made, he is so entitled from that support week.

Date on which change of circumstances is to take effect

107.—(1) Except in cases where paragraph 60 (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 108 (change of circumstance where state pension credit in payment), a change of circumstances which affects entitlement to, or the amount of, support under this scheme ("change of circumstances"), takes effect from the first day of the support week following the date on which the change actually occurs.

(2) Where that change is cessation of entitlement to any benefit under the benefit Acts, the date on which the change actually occurs is the day immediately following the last day of entitlement to that benefit.

(3) Subject to sub-paragraph (4), where the change of circumstances is a change in the amount of council tax payable, it takes effect from the day on which it actually occurs.

(4) Where the change of circumstances is a change in the amount a person is liable to pay in respect of council tax in consequence of regulations under section 13 of the 1992 Act (reduced amount of council tax) or changes in the discount to which a dwelling may be subject under section 11 or 11A of that Act (a) (discounts), it takes effect from the day on which the change in amount has effect.

(5) Where the change of circumstances is the applicant's acquisition of a partner, the change takes effect on the day on which the acquisition takes place.

(a) Section 11A was inserted by section 75(1) of the Local Government Act 2003 (c.26).

(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 support week would, but for this paragraph, take effect in different support weeks in accordance with sub-paragraphs (1) to (6), they take effect from the day to which the appropriate sub-paragraph from (3) to (6) above refers, or, where more than one day is concerned, from the earlier day.

(8) Where the change of circumstances is that income, or an increase in the amount of income, other than a benefit or an increase in the amount of a benefit under the SSCBA, is paid in respect of a past period and there was no entitlement to income of that amount during that period, the change of circumstances takes effect from the first day on which such income, had it been paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

(9) Without prejudice to sub-paragraph (8), where the change of circumstances is the payment of income, or arrears of income, in respect of a past period, the change of circumstances takes effect from the first day on which such income, had it been timeously paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

(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 30 increased.

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

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

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

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

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

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

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

(14) sub-paragraph (15) applies to persons who fall into classes D, E G and H:

(15) where—

the change of circumstances is a change of circumstances that is required by this scheme to be notified, and

that change of circumstances is notified more than one month after it occurs, and

the superseding decision is advantageous to the claimant,

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

(16) For the purposes of making a decision under this scheme a longer period of time may be

(1) allowed for the notification of a change of circumstances in so far as it affects the effective date of the change where the conditions specified in the following provisions of this regulation are satisfied.

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

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

Change of circumstances where state pension credit in payment

108.—(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 support 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 support he receives under this scheme, the change takes effect from the first day of the support week in which state pension credit becomes payable at the increased rate; or
- (b) a decrease in the support he receives under this scheme, the change takes effect from the first day of the support 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 support 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 support 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 support week next following the date on which—
 - (i) the authority receives notification from the Secretary of State of the support in the amount of state pension credit; or
 - (ii) state pension credit is reduced,
whichever is the later.

(4) Where the change of circumstance is that state pension credit is reduced and in consequence of the change, the amount of support the applicant receives under this scheme is increased, the change takes effect from the first day of the support 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 support the applicant receives under this scheme, the change takes effect from the first day of the support week next following the date on which—

- (a) the authority receives notification from the Secretary of State of the award of state pension credit; or
- (b) entitlement to state pension credit begins,

whichever is the later.

(6) Where, in the case of an applicant who, or whose partner, is or has been awarded state pension credit comprising only the savings credit, there is—

- (a) a change of circumstances of a kind described in any of sub-paragraphs (2) to (5) which results from a relevant calculation or estimate; and
- (b) a change of circumstances which is a relevant determination,

each of which results in a change in the amount of support the applicant receives under 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 support the applicant receives under this scheme, the change takes effect from the first day of the support week next following the date in respect of which the guarantee credit is first payable.

(8) Where a change of circumstances would, but for this sub-paragraph, take effect under the preceding provisions of this paragraph within the 4 week period specified in paragraph 93

(continuing support where state pension credit claimed), that change takes effect on the first day of the first support week to commence after the expiry of the 4 week period.

(9) In this paragraph—

“official error” means an error made by—

- (a) the authority or a person—

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

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

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

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

PART 14

Applications (including duties to notify authority of change of circumstances)

Making an application

109.—(1) In the case of—

- (a) a couple or (subject to paragraph (b)) members of a polygamous marriage an application is to be made by whichever one of them they agree should so apply or, in default of agreement, by such one of them as the authority determines; or
- (b) in the case of members of a polygamous marriage to whom paragraph 37 (income and capital: award of universal credit) applies, an application is to be made by whichever one of the parties to the earliest marriage that still subsists they agree should so apply or, in default of agreement, by such one of them as the authority determines.

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

- (a) a deputy has been appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
- (b) in Scotland, his estate is being administered by a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 (a) who has power to apply or, as the case may be, receive benefit on his behalf; or
- (c) an attorney with 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 (b), the Enduring Powers of Attorney Act 1985 (c) or the Mental Capacity Act 2005 or otherwise,

(a)
2000 asp 4. (b)
1971 c. 27. (c)
1985 c. 29.

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

that person.

(3) Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and sub-paragraph (2) does not apply to him, the authority may, upon written application made to them by a person who, if a natural person, is over the age of 18, appoint that person to exercise on behalf of the person who is unable to act, any right to which that person might be entitled under this scheme and to receive and deal on his behalf with any sums payable to him.

(4) Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).

(5) Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4)—

- (a) it may at any time revoke the appointment;
- (b) the person appointed may resign his office after having given 4 weeks notice in writing to the authority of his intention to do so;
- (c) any such appointment must terminate when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).

(6) Anything required by this scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the person appointed or treated as appointed under this paragraph and the receipt of any such person so appointed shall be a good discharge to the authority for any sum paid.

(7) The authority must—

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

Date on which an application is made

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

- (a) in a case where—
 - (i) an award of state pension credit which comprises a guarantee credit has been made to the applicant or his partner, and
 - (ii) the application is made within one month of the date on which the claim for that state pension credit which comprises a guarantee credit was received at the appropriate DWP office, the first day of entitlement to state pension credit which comprises a guarantee credit arising from that claim;
- (b) in a case where—
 - (i) an applicant or his partner is a person in receipt of a guarantee credit,
 - (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
 - (iii) the application to the authority is received at the designated office within one month of the date of the change, the date on which the change takes place;
- (c) in a case where—
 - (i) an award of income support, an income-based jobseeker's allowance or an income-related employment and support allowance or an award of universal credit has been made to

the applicant or his partner, and

- (ii) the application is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,

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

(d) in a case where—

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

(e) in a case where—

- (i) the applicant is the former partner of a person who was, at the date of his death or their separation, entitled to support under this scheme, and
 - (ii) where the applicant makes an application for support under this scheme within one month of the date of the death or the separation,
- the date of the death or separation;

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

(g) in any other case, the date on which the application is received at the designated office.

(2) For the purposes only of sub-paragraph (1)(c) a person who has been awarded an income-based jobseeker's allowance or an income-related employment and support allowance 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) Removed

(a) Removed

(b) Removed

(4) The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.

(5) The conditions are that—

- (a) where paragraph 4(a) of Schedule 1 (incomplete form) applies, the authority receives at its designated office the properly completed application or the information requested to complete it or the evidence within one month of the request, or such longer period as the authority may consider reasonable; or
- (b) where paragraph 4(b) of Schedule 1 (application not on approved form or further

information requested by authority) applies—

- (i) the approved forms sent to the applicant is received at the designated office properly completed within one month of it having been sent to him; or, as the case maybe,
 - (ii) the applicant supplies whatever information or evidence was requested under paragraph 4 of that Schedule within one month of the request,
- or, in either case, within such longer period as the authority may consider reasonable; or
- (c) where the authority has requested further information, the authority receives at its designated office the properly completed application or the information requested to complete it within one month of the request or within such longer period as the authority considers reasonable.

(6) Except in the case of an application made by a person treated as not being in Great Britain, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for support under 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 support under this scheme in the support week immediately following the date of his application but the authority is of the opinion that unless there is a change of circumstances he will be entitled to support under this scheme for a period beginning not later than—

- (a) in the case of an application made by—
 - (i) a pensioner, or
 - (ii) a person who has attained, or whose partner has attained, the age which is 17 weeks younger than the qualifying age for state pension credit,the seventeenth support 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 support week following the date on which the application is made,

the authority may treat the application as made on a date in the support week immediately preceding the first support week of that period of entitlement and award support accordingly.

(8) In this paragraph “appropriate DWP office” means an office of the Department for Work and Pensions dealing with state pension credit or an office which is normally open to the public for the receipt of claims for income support, a jobseeker’s allowance or an employment and support allowance.

Back-dating of applications: pensioners

111.—(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 support, that day and the period of three months immediately following it.

(2) In any case where paragraph 110(1)(a) applies, sub-paragraph (1) does not entitle a person to apply for support 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

112.—(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 3 months before the date the application was made;
 - (c) the day 3 months before the date when the applicant requested that the application should include a past period.

Information and evidence

113.—(1) Subject to sub-paragraph (3), a person who makes an application for support 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 support is accompanied by—
 - (i) evidence of the application for a national insurance number to be so allocated; and
 - (ii) the information or evidence enabling it to be so allocated.

(3) Sub-paragraph (2) does not apply—

- (a) in the case of a child or young person in respect of whom an application for support is made;
- (b) to a person who—
 - (i) is a person treated as not being in Great Britain for the purposes of this scheme (a);
 - (ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
 - (iii) has not previously been allocated a national insurance number.

(4) Subject to sub-paragraph (5), a person whom makes an application, or a person to whom support under this scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or any questionnaire arising out of the application or the award, as may reasonably be required by the authority in order to

(a) As to which, see paragraph 21.

determine that person's entitlement to, or continuing entitlement to support 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 support under this scheme has been

awarded of his duty under paragraph 115 (duty to notify change of circumstances) to notify the authority of any change of circumstances; and

- (b) without prejudice to the extent of the duty owed under paragraph 115, indicate to him either orally or by notice or by reference to some other document available to him on application and without charge, the kind of change of circumstances which is to be notified.

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

- (a) a payment which is—
- (i) disregarded under paragraph 28 of Schedule 8 (sums disregarded in the calculation of income other than earnings: persons who are not pensioners) or paragraph 38 of Schedule 10 (capital disregards: persons who are not pensioners); or
 - (ii) made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund;
- (b) a payment which is disregarded under paragraph 16 of Schedule 9 (payments made under certain trusts and certain other payments), other than a payment under the Independent Living Fund (2006);
- (c) a payment which is disregarded under paragraph 30(9)(b) or (c) (payment made under certain trusts etc.) or paragraph 2(b) or (c) of Schedule 4 (payments made under certain trusts etc.) other than a payment under the Independent Living Fund (2006).

(8) Where an applicant or a person to whom support 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 pensions scheme, he must where the authority so requires furnish the following information—

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

114.—(1) A person who has made an application may amend it at any time before a decision has been made on it by a notice in writing delivered or sent to the designated office.

(2) Removed

(3) Any application amended in accordance with sub-paragraph (1) is to be treated as if it had been amended in the first instance.

(4) A person who has made an application may withdraw it by notice to the designated office at any time before a decision has been made on it.

(5) Removed

(6) Any notice of withdrawal given in accordance with sub-paragraph (4) has effect when it is received.

(a) 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.

(7) Where a person, by telephone, amends or withdraws an application the person must (if required to do so by the authority) confirm the amendment or withdrawal by a notice in writing delivered or sent to the designated office.

Duty to notify changes of circumstances

115.—(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 support under this scheme) including at any time while the applicant is in receipt of such support.
- (2) The applicant (or any person acting on his behalf) must notify any change of circumstances which the applicant (or that person) might reasonably be expected to know might affect this entitlement to, or the amount of, support under this scheme (a “relevant change of circumstances”) by giving notice to the authority—
- (a) in writing; or
 - (b) Removed
 - (i) Removed
 - (ii) Removed
 - (c) by any other means which the authority agrees to accept in any particular case, within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.
- (3) The duty imposed on a person by sub-paragraph (1) does not extend to notifying—
- (a) changes in the amount of council tax payable to the authority;
 - (b) changes in the age of the applicant or that of any member of his family;
 - (c) in the case of an applicant in receipt of a relevant benefit, changes in circumstances which affect the amount of the benefit but not the amount of the support 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 support) 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) Removed
- (7) A person who has been awarded support 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 (7), a person whose state pension credit comprises only the savings credit must also report—
- (a) changes affecting a child living with him which may result in a change in the amount of support under this scheme allowed in his case, but not changes in the age of the child;
 - (b) any change in the amount of the applicant’s capital to be taken into account which does or may take the amount of his capital to more than £16,000;
 - (c) any change in the income or capital of—
 - (i) a non-dependant whose income and capital are treated as belonging to the applicant in accordance with paragraph 34 (circumstances in which income of a non-dependant is to be treated as applicant’s); or

- (ii) a person to whom paragraph 36(2)(e) (partner treated as member of the household under paragraph 8) refers,

and whether such a person or, as the case may be, non-dependant stops living or begins or resumes living with the applicant.

(9) A person who is entitled to support under this scheme and on state pension credit need only report to the authority the changes specified in sub-paragraphs (7) and (8).

PART 15

Decisions by authority

Decision by authority

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

Notification of decision

117.—(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 support the notification under sub-paragraph (1) must include a statement—

- (a) informing the person affected of the duty imposed by paragraph 115(1)(b);
- (b) explaining the possible consequences (including prosecution) of failing to comply with that duty; and
- (c) setting out the circumstances a change in which might affect entitlement to the support or its amount.

(3) Where the decision is to award support, the notification under sub-paragraph (1) must include a statement as to how that entitlement is to be discharged.

(4) In any case, the notification under sub-paragraph (1) must inform the person affected of the procedure by which an appeal may be made and must refer the person to the provisions in this scheme relating to the procedure for making an appeal (a).

(5) A person affected to whom the authority sends or delivers a notification of decision may, within one month of the date of the notification of that decision request in writing the authority to provide a written statement setting out the reasons for its decision on any matter set out in the notice.

(6) The written statement referred to in sub-paragraph (5) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.

(7) For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under this scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (8).

(8) This sub-paragraph applies to—

- (a) the applicant;
- (b) in the case of a person who is liable to pay council tax in respect of a dwelling and is unable for the time being to act—
 - (i) a deputy appointed by the Court of Protection with power to claim, or as the case may be,

- receive benefit on his behalf; or
- (ii) in Scotland, a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 (b) who has power to apply or, as the case may be, receive benefit on the person's behalf; or
 - (iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,
- (c) a person appointed by the authority under paragraph 109(3).

PART 16

Circumstances in which a payment may be made

Payment where there is joint and several liability

118.—(1) Where—

- (a) a person is entitled to support under this scheme in respect of his liability for the authority's council tax as it has effect in respect of a financial year;
- (b) the person entitled to the support is jointly and severally liable for the council tax; and
- (c) the authority determines that discharging his entitlement by reducing the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers would be inappropriate,

it may make a payment to him of the amount of support to which he is entitled, rounded where necessary to the nearest penny.

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

(3) Where a person other than the person who is entitled to the support under this scheme made the application for the support and that first person is a person acting pursuant to an appointment under paragraph 109(3) (persons appointed to act for a person unable to act) or is

(a) See paragraphs 8 to 10 of Schedule 1. (b) 2000 asp 4.

treated as having been so appointed by virtue of paragraph 109(5), the amount of the support may be paid to that person.

SCHEDULE 1

Paragraph 11

Procedural matters

PART 1

Procedure for an application for support under this scheme

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

1. An application will be required for all new claims from the 1st April 2013. Paragraphs 2 to 7 apply to an application for support under this scheme. Applicants currently in receipt of council tax benefit will be assessed under the regulations laid out in this scheme from 1st April 2013 without the requirement

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for an additional application.

2. An application may be made—

(a) in writing to:

Housing Benefits Office
Po Box 730
Civic Centre
Station Road
Harrow
HA1 2XY,

(b) by means of an electronic communication in accordance with Part 4 of this Schedule, or

(c) Removed

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

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

4. Where an application made in writing is defective because—

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

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

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

5.—(1) If an application made by electronic communication is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

6. Removed

7.—(1) Removed

(2) Removed

8. - A review of applicants' entitlement to Council Tax Support will be implemented by Harrow Council. Awards of Council Tax Support will be reviewed periodically and failure of the applicant to fulfil any request during a review of their award may result in the termination of that award.

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 which affects—

- (a) the person's entitlement to support under this scheme, or
- (b) the amount of any support under this scheme,

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

9. The authority must—

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

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

10A. An appeal to the valuation tribunal must be made within two months of the authority's response, or where the authority does not respond, within four months of the date of the aggrieved person's original notice. The appeal must state the grounds on which the appeal is made, and it must also include the date on which notice was served on the billing authority and the date, if any, on which the authority responded.

PART 2A

Appeals

Persons who may appeal a decision

10B. (1) a person is to be treated as a person who may appeal relevant decision of the authority where that person is—

- (a) an applicant;
- (b) in the case of a person who is liable to make payments in respect of a dwelling and is unable for the time being to act— any person identified in Part 14, regulation 107 of this scheme.

Late appeals

10C. Notwithstanding the time limits specified in paragraph 10A, the president of a tribunal may authorise an appeal to be entertained when he is satisfied that a failure to initiate an appeal arose by reason of circumstances beyond the affected person's control.

Obligation to make payments pending appeal

10D. Except in the case of an appeal made in respect of the imposition of a penalty, persons on whom a demand notice has been served must make payment as required by that notice. In the case of an appeal against a penalty however, no amount is payable in that respect while the appeal is outstanding.

Death of a party to an appeal

- 10E.(1)** In any proceedings, on the death of a party to those proceedings, the relevant authority may appoint such person as it thinks fit to proceed with the appeal in the place of the deceased.
- (2) A grant of probate, confirmation or letters of administration in respect of the deceased, whenever taken out, shall have no effect on an appointment made under paragraph (1).
- (3) Where a person appointed under paragraph (1) has, prior to the date of such appointment, taken any action in relation to the appeal on behalf of the deceased, the effective date of appointment shall be treated as the day immediately prior to the first day on which such action was taken.
- (4) For the purposes of this regulation only, “appeal” means an appeal to the authority, the valuation tribunal or a court.

PART 3

Procedure for applying for a discretionary support

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

11.—(1) An application to the authority for support under section 13A(1)(c) of the 1992 Act may be made—

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

(2) Where—

- (a) the authority has made a determination under section 13A(1)(c) in relation to a class of case in which liability is to be reduced; and
- (b) a person in that class would otherwise be entitled to support under this scheme,

that person’s application for support under this scheme may also be treated as an application for support under section 13A(1)(c).

PART 4

Electronic communication

Interpretation

12. In this Part—

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

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“official computers system” means a computers 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, support under this scheme.

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

(3) The first condition is that the person is for the time being permitted to use an electronic communication by an authorisation given by means of a direction of the Chief Executive of the authority.

(4) The second condition is that the person uses an approved method of— (a)

authenticating the identity of the sender of the communication;

(b) electronic communication;

(c) authenticating any application or notice delivered by means of an electronic communication; and

(d) subject to sub-paragraph (7), submitting to the authority any information.

(5) The third condition is that any information sent by means of an electronic communication is in a form supplied for the purposes of this Part of this Schedule.

(6) The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.

(7) Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.

(8) In this paragraph “approved” means approved by means of a direction given by the Chief Executive of the authority for the purposes of this Part of this Schedule.

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; and

(b) by or under an enactment, are

satisfied.

(2) The authority may determine that any information is to be treated as delivered on a different day (whether earlier or later) from the day provided for in sub-paragraph (1).

(3) Information must not be taken to have been delivered to an official computers 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 must be presumed to have been the case where—

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

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

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

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

Applicable amounts:pensioners

PART 1

Personal allowances

Personal allowance

1. The amounts specified in column (2) below in respect of each person or couple specified in column (1) is the amount specified for the purposes of paragraph 25(1)(a).

<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) £142.70;
(b) aged 65 or over.	(b) £161.25.
(2) Couple—	(2)
(a) both members aged under 65;	(a) £217.90;
(b) one or both members aged 65 or over.	(b) £241.65.

(3)

(3) If the applicant is a member of a polygamous marriage and none of the members of the marriage has attained the age of 65— (a) £217.90;

(a) for the applicant and the other party to the marriage; (b) £75.20.

(b) for each additional spouse who is a member of the same household as the applicant. (4)

(4) If the applicant is a member of a polygamous marriage and one or more members of the marriage are aged 65 or over— (a) £241.65;

(a) for the applicant and the other party to the marriage; (b) £80.40.

(b) for each additional spouse who is a member of the same household as the applicant.

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 periods specified in column (1), specified for the purposes of paragraph 25(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) £64.99;
(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) £64.99.
(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 25(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 are, for the purposes of paragraph 25(1)(d), applicable to an applicant who satisfies the condition specified in this Part in respect of that premium.

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

- (a) in the case of a benefit to which the Social Security (Overlapping Benefits) Regulations 1979 applies, any period during which, apart from the provision of those Regulations, he would be in receipt of that benefit; and
- (b) any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the Employment and Training Act 1973, or by Skills Development Scotland, Scottish Enterprise or Highland and Islands Enterprise under section 2 of the Enterprise and New Towns (Scotland) Act 1990 or for any period during which he is in receipt of a training allowance.

(2) For the purposes of the carer premium under paragraph 9, a person is to be treated as being in receipt of a carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012 or an AFIP.

Severely disabled premium

6.—(1) The condition is that the applicant is a severely disabled person.

(2) For the purposes of sub-paragraph (1), an applicant is to be treated as being a severely disabled person if, and only if—

- (a) in the case of a single applicant, alone parent or an applicant who is treated as having no partner in consequence of sub-paragraph (3)—
 - (i) he is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012, or an AFIP; and
 - (ii) subject to sub-paragraph (6), he has a non-dependant 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, or an AFIP;
 - (ii) his partner is also in receipt of such an allowance or, if he is a member of a polygamous marriage, each other member of that marriage is in receipt of such an allowance; and
 - (iii) subject to sub-paragraph (6), the applicant has a non-dependant 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 is to be treated for the purposes of sub-paragraph (2) as if he were not a partner of the applicant.
- (4) For the purposes of sub-paragraph (3), a person is blind if he is registered in a register compiled by a local authority under section 29 of the National Assistance Act 1948 (welfare services) or, in Scotland, has been certified as blind and in consequence he is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994.
- (5) For the purposes of sub-paragraph (4), a person who has ceased to be registered as blind on regaining his eyesight is nevertheless to be treated as blind and as satisfying the additional condition set out in that sub-paragraph for a period of 28 weeks following the date on which he ceased to be so registered.
- (6) For the purposes of sub-paragraph (2)(a)(ii) and (2)(b)(iii) no account is to be taken of—
- (a) a person receiving attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012, or an AFIP; or
 - (b) a person who is blind or is treated as blind within the meaning of sub-paragraphs (4) and (5).
- (7) For the purposes of sub-paragraph (2)(b) a person is to be treated—
- (a) as being in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, if he would, but for his being a patient for a period exceeding 28 days, be so in receipt;
 - (b) as being in receipt of the daily living component of personal independence payment paid at the rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012 if he would, but for his being a patient for a period exceeding 28 days, be so in receipt, notwithstanding section 86 of that Act and regulations made thereunder;
 - (c) as being in receipt of an AFIP if he would be so in receipt but for a suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;
 - (d) as being entitled to and in receipt of a carer's allowance 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 (b)—

- (a) no account is to be taken of an award of carer's allowance to the extent that payment of such an award is back-dated for a period before the date on which the award is first paid; and
- (b) references to a person being in receipt of a carer's allowance 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 (a) (loss of benefit).

Enhanced disability premium

7.—(1) The condition is that—

- (a) the care component of disability living allowance is, or would, but for a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA or but for an abatement as a consequence of hospitalisation, be payable at the highest rate prescribed under section 73(2) of that Act; or
- (b) (as the case may be) the daily living component of personal independence payment is, or would, but for a suspension of benefit in accordance with regulations under section 86 of

(a) 2001c.11.

the Welfare Reform Act 2012, be payable at the enhanced rate prescribed in accordance with section 78(2) of that Act,

in respect of a child or young person who is a member of the applicant's family.

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

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, personal independence payment or is no longer in receipt of such allowance or payment because he is a patient, provided that the child or young person continues to be a member of the family; or
- (b) is blind within the meaning of paragraph 6(4) or treated as blind in accordance with paragraph 6(5); or
- (c) is a child or young person in respect of whom section 145A of the SSCBA (entitlement after death of child or qualifying young person) applies for the purposes of entitlement to child benefit but only for the period prescribed under that section, and in respect of whom a disabled child premium was included in the applicant's applicable amount immediately before the death of that child or young person, or ceased to be included in the applicant's applicable amount because of that child or young person's death.

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 is to be treated as satisfied for a period of eight weeks from the relevant date specified in sub-

paragraph (3).

(3) The relevant date for the purposes of sub-paragraph (2) is—

- (a) in a case within sub-paragraph (2)(a), the Sunday following the death of the person in respect of whose care the carer's allowance has been awarded (or beginning with the date of death if the date occurred on a Sunday);
- (b) in a case within sub-paragraph (2)(b), the date on which that person who was entitled to a carer's allowance ceases to be entitled to it.

(4) For the purposes of this paragraph, a person is to be treated as being entitled to and in receipt of a carer's allowance for any period not covered by an award but in respect of which a payment is made in lieu of an award.

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, any concessionary payment made to compensate that person for the non-payment of any benefit mentioned in those paragraphs is to be treated as if it were a payment of that benefit.

Person in receipt of benefit

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

PART 4

Amounts of premium specified in Part 3

12.—(1) Severe Disability Premium—

<i>Provision</i>	<i>Amount</i>
(a) where the applicant satisfies the condition in paragraph 6(2)(a);	(a) £58.20;
(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) £58.20;
(ii) in a case where there is no one in receipt of such an allowance.	(ii) £116.40.
(2) Enhanced disability premium.	(2) £22.89 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) £56.63 in respect of each child or young person in respect of whom the condition specified in paragraph 8 is satisfied
(4) Carer Premium.	(4) £32.60 in respect of each person who satisfies the condition specified in paragraph 9.

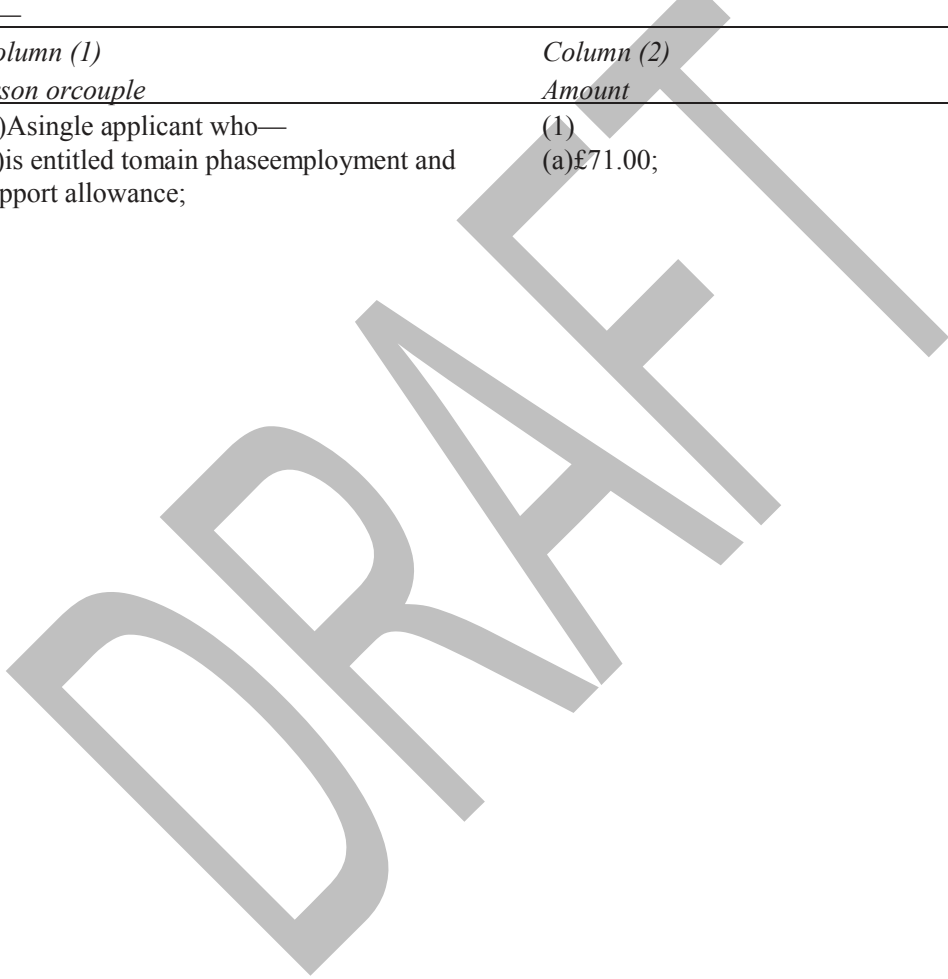
Applicable amounts: persons who are not pensioners

PART 1

Personal allowances

1. The amounts specified in column (2) below in respect of each person or couple specified in column (1) are the amounts specified for the purposes of paragraphs 26(1)(a) and 27(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 — (a) is entitled to main phase employment and support allowance;	(1) (a) £71.00;



- (b) is aged not less than 25; (b) £71.00;
- (c) is aged not less than 18 but less than 25. (c) £56.25.
- (2) Lone parent. (2) £71.00.

(3) Couple. (3) £111.45.

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

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

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

<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;	£64.99
(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.	£64.99

(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 26(1)(c) and 27(1)(d) in respect of a family of which at least one member is a child or young person is—

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

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

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

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

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

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

(b) the applicant has not ceased to be a lone parent;

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

(d) where the applicant was not entitled to income support or to an income-based jobseeker's allowance on 5th April 1998, he has not become entitled to income support, an income-based jobseeker's allowance or an income-related employment and support allowance; and

(e) a premium under paragraph 9 or a component under paragraph 21 or 22 has not become applicable to the applicant.

(4) For the purposes of sub-paragraphs (2)(b)(i) and (3)(a), an applicant is to be treated as entitled to council tax benefit during any period where he was not, or had ceased to be, so entitled and—

- (a) throughout that period, he had been awarded housing benefit and his applicable amount included the amount applicable under paragraph 3(1)(a) of Schedule 3 to the Housing Benefit

- Regulations 2006 (lone parent rate of family premium); or
- (b) he would have been awarded housing benefit during that period had that period not been a rent free period as defined in regulation 81 of the Housing Benefit Regulations 2006 and his applicable amount throughout that period would have included the amount applicable under paragraph 3(1)(a) of Schedule 3 to those Regulations.

PART 3

Premiums

5. Except as provided in paragraph 6, the premiums specified in Part 4 are, for the purposes of paragraphs 26(1)(d) and 27(1)(e) (premiums), applicable to an applicant who satisfies the condition specified in paragraphs 9 to 14 in respect of that premium.

6. Subject to paragraph 7, where an applicant satisfies the conditions in respect of more than one premium in this Part of this Schedule, only one premium is applicable to him and, if they are different amounts, the higher or highest amount applies.

7. The following premiums, namely—

- (a) a severe disability premium to which paragraph 11 applies;
- (b) an enhanced disability premium to which paragraph 12 applies; (c) a disabled child premium to which paragraph 13 applies; and (d) a carer premium to which paragraph 14 applies,

may be applicable in addition to any other premium which may apply under this Schedule.

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

- (a) in the case of a benefit to which the Social Security (Overlapping Benefits) Regulations 1979(a) applies, any period during which, apart from the provisions of those Regulations, he would be in receipt of that benefit; and

(a) S.I. 1979/597.

- (b) any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the Employment and Training Act 1973 or by Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise under section 2 of the Enterprise and New Towns (Scotland) Act 1990 for any period during which he is in receipt of a training allowance.

(2) For the purposes of the carer premium under paragraph 14, a person is to be treated as being in receipt of carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA or the daily living component of personal independence payment payable under Part 4 of the Welfare Reform Act 2012.

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

Additional condition for the disability premium

10.—(1) Subject to sub-paragraph (2) and paragraph 8, the additional condition referred to in paragraph 9 is that either—

- (a) the applicant or, as the case may be, his partner—
- (i) is in receipt of one or more of the following benefits: attendance allowance, disability living allowance, personal independence payment, an AFIP, the disability element or the severe disability element of working tax credit as specified in regulation 20(1)(b) and (f) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 (a), 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 remained continuously entitled to—
 - (aa) council tax benefit (in relation to the period prior to 1st April 2013, and
 - (bb) support under this scheme (in relation to the period commencing on 1st April 2013), and
 if the long-term incapacity benefit was payable to his partner, the partner is still a member of the family; or
 - (iii) was in receipt of attendance allowance or disability living allowance but payment of benefit has been suspended in accordance with regulations made under section 113(2) of the SSCBA or otherwise abated as a consequence of the applicant or his partner becoming a patient within the meaning of paragraph 58(11)(i) (treatment of child care charges); or

- (iv) was in receipt of personal independence payment, but payment of that benefit has been suspended in accordance with section 86 of the Welfare Reform Act 2012 as a consequence of the applicant becoming a patient within the meaning of paragraph 58(11)(i) (treatment of childcare charges); or
 - (v) was in receipt of an AFIP, but payment has been suspended in accordance with any terms of the armed and reserve forces compensation scheme which allow for suspension because a person is undergoing medical treatment in a hospital or similar institution; or
 - (vi) he has an invalid carriage or other vehicle provided to him by the Secretary of State or a clinical commissioning group under paragraph 9 of Schedule 1 to the National Health Service Act 2006 (a) or under section 46 of the National Health Service (Scotland) Act 1978 (b) 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 (c); or
 - (vii) is blind and in consequence registered in a register compiled by a local authority under section 29 of the National Assistance Act 1948 (welfare services) or, in Scotland, has been certified as blind and in consequence he is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or
- (b) the applicant—
- (i) is, or is treated as, incapable of work in accordance with the provision of, and regulations made under, Part 12A of the SSCBA (incapacity for work); and
 - (ii) has been incapable, or has been treated as incapable, of work for a continuous period of not less than—
 - (aa) in the case of an applicant who is terminally ill within the meaning of section 30B(4) of the SSCBA, 196 days;
 - (bb) in any other case, 364 days.

(2) For the purposes of sub-paragraph (1)(a)(vii), a person who has ceased to be registered as blind on regaining his eyesight is nevertheless to be treated as blind and as satisfying the additional conditions 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 conditions specified in that provision, if he then ceases, for a period of 8 weeks or less, to be treated as incapable of work or to be incapable of work, he is, on again becoming so incapable of work, immediately thereafter to be treated as satisfying the condition in sub-paragraph (1)(b).

(4) For the purposes of sub-paragraph (1)(b), once the disability premium is applicable to an applicant by virtue of his satisfying the additional conditions specified in that provision, he is to continue to be treated as satisfying that condition for any period spent by him in undertaking a course of training provided under section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990 or for any period during which he is in receipt of a training allowance.

(5) For the purposes of sub-paragraph (1)(b), where any two or more periods of incapacity are separated by a break of not more than 56 days, those periods are to be treated as one continuous period.

(6) For the purposes of this paragraph, a reference to a person who is or was in receipt of long-term incapacity benefit includes a person who is or was in receipt of short-term incapacity benefit

(a) 2006c.41; paragraph 9 has been amended by sections 17(10) of the Health and Social Care Act 2012 (c.7) (to replace references to the Secretary of State with references to clinical commissioning groups), but those provisions are not yet fully in force.

- (b) 1978c.29.
- (c) S.I. 1972/1265(N.I.14).

ata rate equal to the long-term rate by virtue of section 30B(4)(a) of the Act (short-term incapacity benefit for a person who is terminally ill), or who would be or would have been in receipt of short-term incapacity benefit at such a rate but for the fact that the rate of short-term incapacity benefit already payable to him is or was equal to or greater than the long-term rate.

(7) In the case of an applicant who is a welfare to work beneficiary (a person to whom regulation 13A(1) of the Social Security (Incapacity for Work) (General) Regulations 1995 applies, and who again becomes incapable of work for the purposes of Part 12A of the SSCBA)—

- (a) the reference to a period of 8 weeks in sub-paragraph (3); and
- (b) the reference to a period of 56 days in sub-paragraph (5),

in each case is to be treated as a reference to a period of 104 weeks.

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

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 is to be treated as being a severely disabled person if, and only if—

- (a) in the case of a single applicant, alone a parent or an applicant who is treated as having no partner in consequence of sub-paragraph (3)—
 - (i) he is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012, or an AFIP; and
 - (ii) subject to sub-paragraph (4), he has non-dependants aged 18 or over normally residing with him or with whom he is normally residing; and
 - (iii) no person is entitled to, and in receipt of, a carer's allowance under section 70 of the SSCBA in respect of caring for him;

(b) in the case of an applicant who has a partner—

- (i) the applicant is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012, or an AFIP; and
- (ii) his partner is also in receipt of such an allowance or, if he is a member of a polygamous marriage, all the partners of that marriage are in receipt of such an allowance; and
- (iii) subject to sub-paragraph (4), the applicant has non-dependants aged 18 or over normally residing with him or with whom he is normally residing, and either a person is entitled to and in receipt of a carer's allowance in respect of caring for only one of a couple or, in the case of a polygamous marriage, for one or more but not all the partners of the marriage, or as the case may be, no person is entitled to and in receipt of such an allowance in respect of caring for either member of a couple or any partner of a polygamous marriage.

(3) Where an applicant has a partner who does not satisfy the condition in sub-paragraph (2)(b)(ii), and that partner is blind or is treated as blind within the meaning of paragraph 10(1)(a)(v) and (2), that partner is to be treated for the purposes of sub-paragraph (2)(b)(ii) as if he were not a partner of the applicant.

(4) For the purposes of sub-paragraph (2)(a)(ii) and (2)(b)(iii) no account is to be taken of—

- (a) a person receiving attendance allowance, or disability living allowance by virtue of the care component at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment payable at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012; or
 - (b) a person who is blind or is treated as blind within the meaning of paragraph 10(1)(a)(v) and (2).
- (5) For the purposes of sub-paragraph (2)(b) a person is to be treated—
- (a) as being in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012, or an AFIP if he would, but for his being a patient for a period exceeding 28 days, be so in receipt;
 - (b) as being entitled to and in receipt of a carer's allowance if he would, but for the person for whom he was caring being a patient in hospital for a period exceeding 28 days, be so entitled and in receipt.
- (6) For the purposes of sub-paragraph (2)(a)(iii) and (2)(b), no account is to be taken of an award of carer's allowance to the extent that payment of such an award is back-dated for a period before the date on which the award is first paid.
- (7) In sub-paragraph (2)(a)(iii) and (b), references to a person being in receipt of a carer's allowance include references to a person who would have been in receipt of that allowance but for the application of a restriction under section 6B or 7 of the Social Security Fraud Act 2001 (a) (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 payable at the highest rate prescribed under section 72(3) of the SSCBA in respect of—
 - (i) the applicant; or
 - (ii) a member of the applicant's family, who has not attained the qualifying age for state pension credit; or
- (c) the daily living component of personal independence payment is, or would be payable at either rate under Part 4 of the Welfare Reform Act 2012, but for a suspension of benefit in accordance with section 86 of the Welfare Reform Act 2012 in respect of—
 - (i) the applicant; or
 - (ii) a member of the applicant's family, who has not attained the qualifying age for state pension credit.

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

(3) The condition is not satisfied if the person to whom sub-paragraph (1) refers is— (a) an applicant who—

- (i) is not a member of a couple or a polygamous marriage; and

(a) 2001c.11.

- (ii) is a patient within the meaning of paragraph 58(11)(i) (treatment of child care charges) and has been for a period of more than 52 weeks; or
- (b) a member of a couple or a polygamous marriage where each member is a patient within the meaning of paragraph 58(11)(i) and has been for a period of more than 52 weeks.

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; 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, or both of them, are entitled to a carer's allowance under section 70 of the SSCBA.

(2) Where a carer premium is awarded but—

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

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

(3) The relevant date for the purposes of sub-paragraph (2) is—

- (a) where sub-paragraph (2)(a) applies, the Sunday following the death of the person in respect of whose care a carer's allowance has been awarded or the date of death if the death occurred on a Sunday;
- (b) in any other case, the date on which the person who has been entitled to a carer's allowance ceases to be entitled to that allowance.

(4) Where a person who has been entitled to a carer's allowance ceases to be entitled to that allowance and makes an application for support, the condition for the award of the carer premium is to be treated as satisfied for a period of eight weeks from the date on which—

- (a) the person in respect of whose care the carer's allowance has been awarded dies; or
- (b) in any other case, the person who has been entitled to a carer's allowance ceases 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, any concessionary payment made to compensate that person for the non-payment of any benefit mentioned in those paragraphs is to be treated as if it were a payment of that benefit.

Persons in receipt of benefit for another

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

PART 4

Amounts of Premiums Specified in Part 3

<i>Premium</i>	<i>Amount</i>
(a) where the applicant satisfies the condition in paragraph 9(a);	(a) £30.35;
(b) where the applicant satisfies the condition in paragraph 9(b).	(b) £43.25.
(2) Severe Disability Premium—	(2)
(a) where the applicant satisfies the condition in paragraph 11(2)(a);	(a) £58.20;
(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) £58.20;
(ii) in a case where there is no one in receipt of such an allowance.	(b)(ii) £116.40.

(3) DisabledChildPremium.	(3) £56.63 in respect of each child or young person in respect of whom the condition specified in paragraph 13 is satisfied.
(4) CarerPremium.	(4) £32.60 in respect of each person who satisfies the condition specified in paragraph 14.
(5) Enhanced disability premium	(5) <ul style="list-style-type: none"> (a) £22.89 in respect of each child or young person in respect of whom the conditions specified in paragraph 12 are satisfied; (b) £14.80 in respect of each person who is neither— <ul style="list-style-type: none"> (i) a child or young person; nor (ii) a member of a couple or a polygamous marriage, in respect of whom the conditions specified in paragraph 12 are satisfied; (c) £21.30 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.

PART 5

The components

18. Subject to paragraph 20 the applicant is entitled to one, but not both, of the components in paragraph 21 or 22 if—

- (a) the applicant or the applicant's partner has made a claim for employment and support allowance;
- (b) the Secretary of State has decided that the applicant or the applicant's partner has, or is to be treated as having, limited capability for work or limited capability for work-related activity; and
- (c) either—
 - (i) the assessment phase as defined in section 24(2) of the Welfare Reform Act has ended; or
 - (ii) regulation 7 of the Employment and Support Allowance Regulations 2008 (circumstances where the condition that the assessment phase has ended before entitlement to the support component or the work-related activity component arises does not apply) applies.

19. Subject to paragraph 20, the applicant is entitled to one, but not both, of the components in paragraphs 21 and 22 if the applicant or his partner is entitled to a converted employment and support allowance.

20.—(1) The applicant has no entitlement under paragraph 21 or 22 if the applicant is entitled to the disability premium under paragraphs 9 and 10.

(2) Where the applicant and the applicant's partner each satisfies paragraph 21 or 22, the component to be included in the applicant's applicable amount is that which relates to the applicant.

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 £28.15.

24. The amount of the support component is £34.05.

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 or universal credit, unless the amount of the transitional addition calculated in accordance with paragraph 28 would be nil.

(2) The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following—

- (a) the support of the transitional addition to nil in accordance with paragraph 29; (b) the termination of the applicant's award of support under this scheme;
- (c) the relevant person ceasing to meet the requirements of sub-paragraph (1)(a) or (b), as the case maybe;
- (d) the applicant or the applicant's partner becoming entitled to an income-related employment and support allowance, an income-based jobseeker's allowance, universal creditor 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 support, under—

- (i) paragraph 25(2)(b);
 - (ii) sub-paragraph (3)(b); or
 - (iii) paragraph 27(3)(b);
- (b) within 12 weeks of that termination but before 5th April 2020 the applicant again becomes entitled to support under this scheme;
- (c) in the support week in which the applicant again becomes entitled to support under this scheme the relevant person is entitled to an employment and support allowance which is not income-related; and
- (d) at the date on which the applicant again becomes entitled to support 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 support 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 support of the transitional addition to nil in accordance with paragraph 29; (b) the termination of the applicant's award of support under this scheme;
- (c) the relevant person no longer being entitled to the employment and support allowance referred to in sub-paragraph (1)(c);
- (d) the applicant or the applicant's partner becoming entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support;
- (e) 5th April 2020.

27.—(1) This paragraph applies where—

- (a) the applicant's entitlement to a transitional addition ends, by virtue of the relevant person ceasing to be entitled to an employment and support allowance, under—
 - (i) paragraph 25(2)(c);
 - (ii) paragraph 26(3)(c); or
 - (iii) sub-paragraph (3)(c);
- (b) before 5th April 2020 the relevant person again becomes entitled to an employment and support allowance which is not income-related;
- (c) at the date on which the relevant person again becomes entitled to an employment support allowance which is not income-related regulation 145(1) of the Employment and Support Allowance Regulations 2008 applies to the relevant person; and
- (d) at the date on which the relevant person again becomes entitled to an employment support allowance which is not income-related, neither the applicant nor the applicant's partner is entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support.

(2) Where this paragraph applies, the applicant is entitled, with effect from the day that the relevant person's entitlement to employment and support allowance takes effect for the purposes of support 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 support of the transitional addition to nil in accordance with paragraph 29; (b) the termination of the applicant's award of support 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, the amount of the transitional addition is the amount by which Amount A exceeds Amount B.

(2) Where a conversion decision as described in regulation 5(2)(a) of the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No. 2) Regulations 2010 (“the 2010 Regulations”) is made in respect of the relevant person—

- (a) Amount A is the basic amount that would have applied on the day that decision took effect had that decision not been made; and
- (b) Amount B is the basic amount that applied on that day as a result of that decision.

(3) Where the relevant person is appealing a conversion decision as described in regulation 5(2)(b) of the 2010 Regulations and is treated as having limited capability for work by virtue of regulation 30 of the Employment and Support Allowance Regulations 2008 as modified by the 2010 Regulations—

- (a) Amount A is the basic amount that would have applied on the day the relevant person was first treated as having limited capability for work if the relevant person had not been so treated; and
- (b) Amount B is the basic amount that applied on that day as a result of the relevant person being so treated.

(4) In this paragraph and paragraph 29, “basic amount” means the aggregate of such amounts as may apply in the applicant's case in accordance with paragraph 26(1)(a) to (e) or paragraph 27(1)(a) to (f) (applicable amounts).

29.—(1) Subject to sub-paragraph (2), where there is a change of circumstances which leads to an increase in the applicant's basic amount, the transitional addition that applies immediately before the change of circumstances must be reduced by the amount by which Amount C exceeds Amount D.

(2) If Amount C exceeds Amount D by more than the amount of the transitional addition that applies immediately before the change of circumstances, that transitional addition must be reduced to nil.

- (3) Amount C is the basic amount that applies as a result of the increase.
- (4) Amount D is the basic amount that applied immediately before the increase.

SCHEDULE 4

Paragraph 31

Amount of alternative maximum council tax support: pensioners

1.—(1) Subject to paragraphs 2 and 3, the alternative maximum council tax support in respect of a day for the purpose of paragraph 31 (alternative maximum council tax support: pensioners

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and persons who are not pensioners) 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) (class C) or 18(2) (class F) (as the case maybe) applies; and

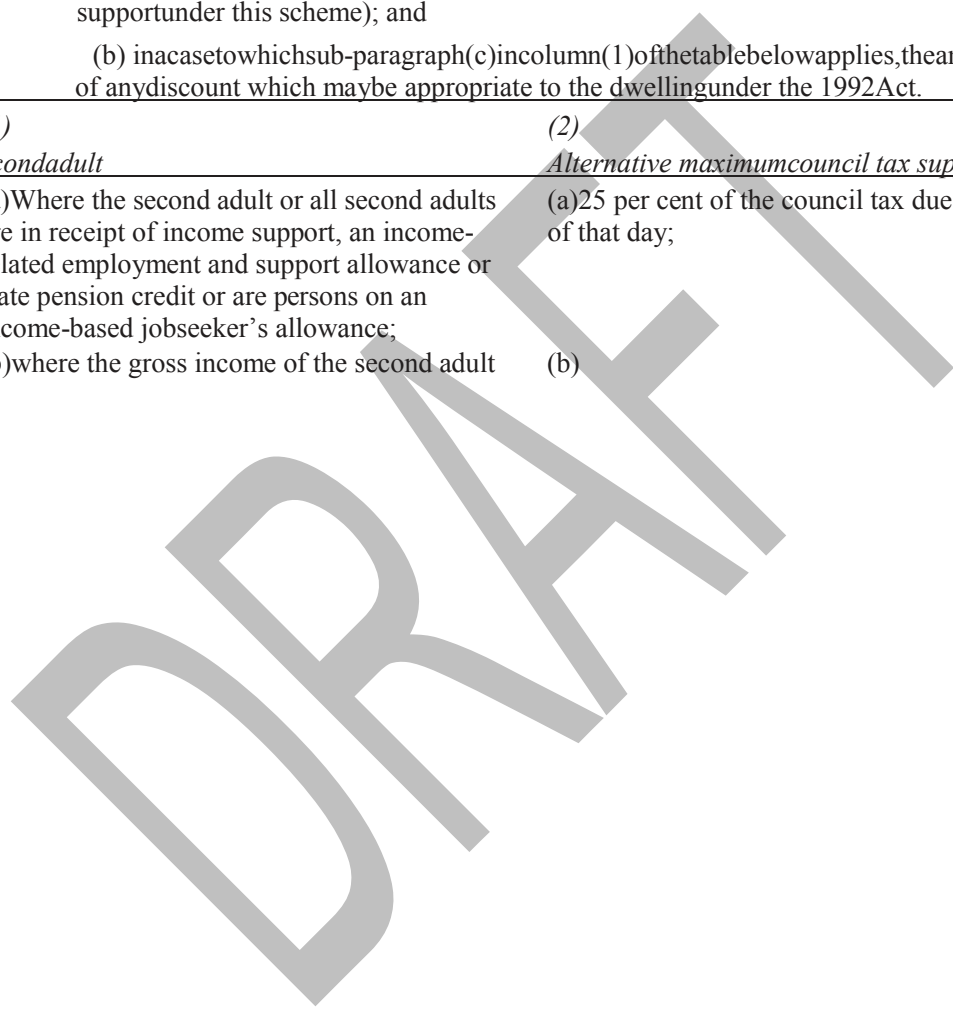
(b) “persons to whom paragraph 75(1) of this scheme applies” includes any person to whom that paragraph would apply were they, and their partner if they had one, below the qualifying age for state pension credit.

(2) In this Schedule “council tax due in respect of that day” means the council tax payable under section 10 of the 1992 Act less—

(a) any support made in consequence of any enactment in, or under, the 1992 Act (other than support 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 maybe appropriate to the dwelling under the 1992 Act.

<i>(1)</i> <i>Second adult</i>	<i>(2)</i> <i>Alternative maximum council tax support</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; (b) where the gross income of the second adult	(a) 25 per cent of the council tax due in respect of that day; (b)



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—

(i) is less than £180.00 per week;

(ii) is not less than £180.00 per week but less than £231.00 per week;

(c) where the dwelling would be wholly occupied by one or more persons to whom paragraph 75(1) of this scheme applies but for the presence of one or more second adults who are in receipt of income support, state pension credit, an income-related employment and support allowance or are persons on an income-

(i) 15 per cent of the council tax due in respect of that day;

(ii) 7.5 per cent of the council tax due in respect of that day;

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

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based jobseeker's allowance.

2. In determining a second adult's gross income for the purposes of this Schedule, the following must be disregarded from that income—

- (a) any attendance allowance, any disability living allowance, any personal independence payment under Part 4 of the Welfare Reform Act 2012 or an AFIP;
- (b) any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006) which, had his income fallen to be calculated under paragraph 54 (calculation of income other than earnings: persons who are not pensioners), would have been disregarded under paragraph 28 of Schedule 8 (income in kind); and
- (c) any payment which, had his income fallen to be calculated under paragraph 54, would have been disregarded under paragraph 41 of Schedule 8 (payments made under certain trusts and certain other payments).

3. Where there are two or more second adults residing with the applicant for support under this scheme and any such second adult fall to be disregarded for the purposes of discount in accordance with Schedule 1 to the 1992 Act, his income must be disregarded in determining the amount of any alternative maximum council tax support, 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 40

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 employment to which sub-paragraph (2) applies, £20.

(2) This paragraph applies to employment—

- (a) as a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;
- (b) as a part-time fire-fighter employed by a fire and rescue authority (as defined in section 1 of the Fire (Scotland) Act 2005(a)) 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;
- (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

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disregarded under sub-paragraph (1); and
(b) either of them has, or both of them have, other earnings,
so much of those other earnings as would not, in the aggregate with the earnings disregarded under that sub-paragraph, exceed £20.

4.—(1) If the applicant or, if he has a partner, his partner is a carer, or both are carers, £20 of any earnings received from his or their employment.

(2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings must for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) must not exceed £20 of the aggregated amount.

(3) In this paragraph the applicant or his partner is a carer if paragraph 14 of Part 3 of Schedule 3 (amount applicable for carers) is satisfied in respect of him.

5.—(1) £20 is disregarded if the applicant or, if he has a partner, his partner—

(a) is in receipt of—

(i) long-term incapacity benefit under section 30A of the SSCBA; (ii)

severe disablement allowance under section 68 of that Act;

(iii) attendance allowance under sections 64 of that Act;

(iv) disability living allowance;

(v) personal independence payment;

(vi) an AFIP;

(vii) any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983;

(viii) the disability element or the severe disability element of working tax credit under Schedule 2 to the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002; or

(ix) main phase employment and support allowance; or

(b) is or is 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

(a) 2005asp5.

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 support 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 support under a council tax support scheme; or
- (c) employment,

following the first day in respect of which that benefit is awarded under this scheme.

(4) £20 is the maximum amount which may be disregarded under this paragraph, notwithstanding that, where the applicant has a partner, both the applicant and his partner satisfy the requirements of this paragraph.

6.—(1) Where—

- (a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;
- (b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and
- (c) paragraph 35 (applicant in receipt of guaranteed credit: pensioners) does not apply,

the amount specified in sub-paragraph (7) (“the specified amount”).

(2) Where this paragraph applies, paragraphs 1 to 5 and 8 do not apply; but in any case where the applicant is a lone parent, and the specified amount would be less than the amounts specified in paragraph 2, then paragraph 2 applies instead of this paragraph.

(3) Notwithstanding paragraph 33 (calculation of income and capital of members applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple (“A”) it does not apply to the other member of that couple (“B”) except to the extent provided in sub-paragraph (4).

(4) Where A's earnings are less than the specified amount, there is also to be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.

- (5) This sub-paragraph applies to a person who is—
- (a) in receipt of a contributory employment and support allowance;
 - (b) in receipt of incapacity benefit;
 - (c) in receipt of severe disablement allowance;
 - (d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.

- (6) “Exempt work” means work of the kind described in—
- (a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations 2008; or (as the case may be); or
 - (b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,

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

(7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

7. Any amount or the balance of any amount which would fall to be disregarded under paragraph 18 or 19 of Schedule 6 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full amount disregarded thereunder.

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

- (a) £5 is to be disregarded if an applicant who has no partner has earnings; (b) £10 is to be disregarded if an applicant who has a partner has earnings.

9. Any earnings, other than earnings referred to in paragraph 40(9)(b), derived from employment which ended before the day in respect of which the applicant first satisfies the conditions for entitlement to support 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 fall to be disregarded under this Schedule is to be increased by £17.10.

(2) The conditions of this sub-paragraph are that—

- (a) the applicant, or if he has a partner, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 applies; or
- (b) the applicant—
 - (i) is, or any partner of his is, aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or
 - (ii) if he is a member of a couple—
 - (aa) at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and
 - (bb) his 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 57(1)(c) (deductions from income of certain child care charges); and
- (c) £17.10.

(4) The provisions of paragraph 10 (remunerative work) apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in sub-paragraph (1) of that paragraph was a reference to 30 hours.

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

SCHEDULE 6

Paragraph 40

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 widow's pension or war widower's pension;
- (b) a war widow's pension or war widower's pension;
- (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
- (d) a guaranteed income payment and, if the amount of that payment has been abated to less than £10 by a pension or payment falling within article 39(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011 (a), 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

(a) S.I. 2011/517.

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 sums 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 amounts 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 percent of such payments; or
- (b) where the aggregate of any such payments exceeds £20, £20 and 50 percent 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 percent 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 in so far as, section 369 of the Income and Corporation Taxes Act 1988 (mortgage interest payable under deduction of tax) applies to the payments of interest on the loan, the interest which is payable after deduction of a sum equal to income tax on such payments at the applicable percentage of income tax within the meaning of section 369(1A) of that Act;
- (ii) in any other case, the interest which is payable on the loan without deduction of such a sum.

12.—(1) Any payment, other than a payment to which sub-paragraph (2) applies, made to the applicant by Trustees in exercise of a discretion exercisable by them.

(2) This sub-paragraph applies to payments made to the applicant by Trustees in exercise of a discretion exercisable by them for the purpose of—

- (a) obtaining food, ordinary clothing or footwear or household fuel;
- (b) the payment of rent, council tax or water charges for which that applicant or his partner is liable;
- (c) meeting housing costs of a kind specified in Schedule 2 to the State Pension Credit Regulations 2002.

(3) In a case to which sub-paragraph (2) applies, £20 or—

- (a) if the payment is less than £20, the whole payment;
- (b) if, in the applicant's case, £10 is disregarded in accordance with paragraph 1(a) to (g), £10 or the whole payment if it is less than £10; or
- (c) if, in the applicant's case, £15 is disregarded under paragraph 7 or paragraph 8 and—
 - (i) he has no disregard under paragraph 1(a) to (g), £5 or the whole payment if it is less than £5;
 - (ii) he has a disregard under paragraph 1(a) to (g), nil.

(4) For the purposes of this paragraph, “ordinary clothing or footwear” means clothing or footwear for normal daily use, but does not include school uniforms, or clothing and footwear used solely for sporting activities.

13. Any increase in pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 paid in respect of a dependent other than the pensioner's partner.

14. Any payment ordered by a court to be made to the applicant or the applicant's partner in consequence of any accident, injury or disease suffered by the person or a child of the person to or in respect of whom the payments are made.

15. Periodic payments made to the applicant or the applicant's partner under an agreement entered into in settlement of a claim made by the applicant or, as the case may be, the applicant's partner for an injury suffered by him.

16. Any income which is payable outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.

17. Any banking charges or commission payable in converting to Sterling payments of income made in a currency other than Sterling.

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

- (a) under, or pursuant to regulations made under powers conferred by, section 22 of the Teaching and Higher Education Act 1998, that student's award;
- (b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or
- (c) the student's student loan,

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

19.—(1) Where the applicant is the parent of a student aged under 25 in advanced education who either—

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

and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 18, an amount specified in sub-paragraph (2) in respect of each week during the student's term.

(2) For the purposes of sub-paragraph (1), the amount is to be equal to—

- (a) the weekly amount of the payments; or
- (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),

whichever is less.

20.—(1) Where an applicant's applicable amount includes an amount by way of a family premium, £15 of any payment of maintenance, whether under a court order or not, which is made or due to be made by the applicant's spouse, civil partner, former spouse or former civil partner or the applicant's partner's spouse, civil partner, former spouse, or former civil partner.

(2) For the purposes of sub-paragraph (1), where more than one maintenance payment falls to be taken into account in any week, all such payments must be aggregated and treated as if they were a single payment.

21. Except in a case which falls under paragraph 10 of Schedule 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 capitals 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 capitals specified in Part 2 of Schedule 9, any actual income from capital.

24. Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No.3) Regulations 1999 as in force at that date, the whole of his income.

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 support under this scheme the employment has been terminated other than because of retirement, any earnings paid or due to be paid in respect of that employment except—
 - (i) any payment of the nature described in—
 - (aa) paragraph 51(1)(e) (retainer), or
 - (bb) section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds); and
 - (ii) any award, sum or payment of the nature described in—
 - (aa) paragraph 51(1)(g) or (i) (compensation etc. relating to employment), or
 - (bb) section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals),
 including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;
- (c) where before the first day of entitlement to support under this scheme—
 - (i) the employment has not been terminated, but
 - (ii) the applicant is not engaged in remunerative work,
 any earnings paid or due to be paid in respect of that employment except any payment or remuneration of the nature described in paragraph (b)(i) or (ii)(bb) or paragraph 51(1)(j) (statutory sick pay etc.).

2. In the case of an applicant who, before the first day of entitlement to support under this scheme—

- (a) has been engaged in part-time employment as an employed earner or, where the employment has been outside Great Britain, would have been so engaged had the employment been in Great Britain; and
- (b) has ceased to be engaged in that employment, whether or not that employment has been terminated,

any earnings paid or due to be paid in respect of that employment except—

- (i) where that employment has been terminated, any payment of the nature described in paragraph 1(b)(i) or (ii)(bb);
- (ii) where that employment has not been terminated, any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) or paragraph 51(1)(j) (statutory sick pay etc.).

3. In the case of an applicant who has been engaged in remunerative work or part-time employment as a self-employed earner or, had the employment been in Great Britain, would have been engaged and who has ceased to be so employed, from the date of the cessation of his employment, any earnings derived from that employment except earnings to which paragraph 53(3) and (4) (earnings of self-employed earners) apply.

4.—(1) In a case to which this paragraph applies and paragraph 5 does not apply, £20; but notwithstanding paragraph 33 (calculation of income and capital of members of an applicant's family and of a polygamous marriage) if this paragraph applies to an applicant it does not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £20.

(2) This paragraph applies where the applicant's applicable amount includes an amount by way of the disability premium, severe disability premium, work-related activity component or support component under Schedule 3 (applicable amounts: persons who are not pensioners).

(3) This paragraph applies where—

- (a) the applicant is a member of a couple and his applicable amount includes an amount by way of the disability premium under Schedule 3; and
- (b) he or his partner has not attained the qualifying age for state pension credit and at least one is engaged in employment.

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

6.—(1) In a case to which neither paragraph 4 nor paragraph 5 applies to the applicant and, subject to sub-paragraph (2), where the applicant's applicable amount includes an amount by way of the carer premium under Schedule 3 (applicable amounts: persons who are not pensioners), £20 of the earnings of the person who is, or at any time in the preceding eight weeks was, in receipt of carer's allowance or treated in accordance with paragraph 14(2) of that Schedule as being in receipt of carer's allowance.

(2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings must for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) must not exceed £20 of the aggregated amount.

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

- (a) specified in paragraph 9(1), so much of the other member's earnings as would not when aggregated with the amount disregarded under paragraph 6 exceed £20;
- (b) other than one specified in paragraph 9(1), so much of the other member's earnings from such other employment up to £10 as would not when aggregated with the amount disregarded under paragraph 5 exceed £20.

8. In a case where paragraphs 4, 6, 7 and 9 do not apply to the applicant and he is one of a couple and a member of that couple is in employment, £10; but, notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it must not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £10.

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

- (a) a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 (a) 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

- schememade under section 2(1)of that Act;
- (c) an auxiliarycoastguard in respect of coast rescueactivities;
- (d) a person engaged part-time in the manning or launchingof a life boat;
- (e) amemberofanyterritorialorreserveforceprescribedinPartIofSchedule6tothe SocialSecurity(Contributions) Regulations 2001;

but,notwithstandingparagraph33(calculationofincomeandcapitalofmembersofapplicant’s familyandofapolygamousmarriage),ifthisparagraphappliestoanapplicantitmustnotapply to his partner except to theextent specified in sub-paragraph (2).

(2)If the applicant’s partner is engaged inemployment—

- (a) specified in sub-paragraph (1), so much of his earnings as would not in aggregate with the amount of the applicant’s earnings disregardedunder thisparagraph 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.Wherethe applicantisengagedinoneormoreemploymentsspecifiedinparagraph9(1),but hisearningsderivedfromsuchemploymentarelessthan£20inany weekandheisalsoengaged inanyotheremployment,somuchofhisearningsfromthattotheremployment,upto£5ifheisa singleapplicant,orupto£10ifhehasapartner,aswouldnotinaggregatewiththeamountofhis earnings disregardedunder paragraph 9exceed £20.

11.In a case to which noneof the paragraphs 4 to 10 applies, £5.

12.—(1) Where—

- (a) theapplicant(oriftheapplicantisamemberofacouple,atleastonememberofthat couple) is a person to whomsub-paragraph (5) applies;
- (b) theSecretaryofStateissatisfiedthatthatpersonisundertakingexemptworkasdefined in sub-paragraph (6); and
- (c) paragraph14 does not apply,

theamount specified in sub-paragraph(7) (“thespecifiedamount”).

(2)Wherethisparagraphapplies,paragraphs4to11donotapply;butinanycasewherethe applicantisaloneparent,andthespecifiedamountwouldbelessthantheamountspecifiedin paragraph5, thenparagraph5 applies instead of this paragraph.

(3) Notwithstandingparagraph33(calculationofincomeandcapitalofmembersofapplicant’s familyandofapolygamousmarriage),ifsub-paragraph(1)appliestoone memberofacouple (“A”)itdoesnotapplytotheothermemberofthatcouple(“B”)excepttotheextentprovidedin sub-paragraph (4).

(4)WhereA’searningsarelessthanthespecifiedamount,theremustalsobedisregardedso much ofB’searningsaswouldnotwhenaggregatedwithA’searningsexceedthespecified amount;buttheamountofB’searningswhichmaybedisregardedunderthissub-paragraphis limitedtoamaximumof£20unless theSecretaryofStateissatisfiedthatBisalso undertaking exempt work.

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

- (a) in receipt of a contributoryemployment and support allowance;

(a) 2004c.21.

- (b) in receipt of incapacitybenefit;
- (c) in receipt of severe disablement allowance; or
- (d) beingcreditedwithearningsonthegroundsofincapacityforworkorlimitedcapability for work under regulation 8Bof theSocial 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 fall to be disregarded under paragraphs 4 to 12 must be increased by £17.10.

(2) The conditions of this sub-paragraph are that—

(a) the applicant, or if he is a member of a couple, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 applies; or

(b) the applicant—

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

(ii) is a member of a couple and—

(aa) at least one member of that couple, is engaged in remunerative work for on average not less than 16 hours per week; and

(bb) his applicable amount includes a family premium under paragraph 4 of Schedule 3; or

(iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or

(iv) is, or if he is a member of a couple, at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and—

(aa) the applicant’s applicable amount includes a disability premium under paragraph 9, the work-related activity component under paragraph 21 or the support component under paragraph 22 of Schedule 3 respectively;

(bb) where he is a member of a couple, at least one member of that couple satisfies the

qualifying conditions for the disability premium or either of the components referred to in paragraph (aa) above and is engaged in remunerative work for on average not less than 16 hours per week; or

- (c) the applicant is, or if he has a partner, one of them is, a person to whom regulation 18(3) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 (eligibility for 50 plus element) applies, or would apply if an application for working tax credit were to be made in his case.

(3) The following are the amounts referred to in sub-paragraph (1)—

- (a) the amount calculated as disregarded from the applicant's earnings under paragraphs 4 to 12;
(b) the amount of child care charges calculated as deductible under paragraph 57(1)(c); and
(c) £17.10.

(4) The provisions of paragraph 10 (remunerative work) apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in sub-paragraph (1) of that paragraph were a reference to 30 hours.

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

SCHEDULE 8

Paragraph 54

Sums disregarded in the calculation of income other than earnings: persons who are not pensioners

1. Any payment made to the applicant in respect of any child care, travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Work for Your Benefit Pilot Scheme.
2. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme.
3. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme.
4. Any amount paid by way of tax on income which is to be taken into account under regulation 30 (calculation of income other than earnings).
5. Any payment in respect of any expenses incurred or to be incurred by an applicant who is—
 - (a) engaged by a charitable or voluntary organisation, or
 - (b) a volunteer,if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under paragraph 56(5) (notional income: persons who are not pensioners).
6. Any payment in respect of expenses arising out of the applicant's participation in a service user group.
7. In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.
8. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his income.
9. Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker's allowance, the whole of the applicant's income.
10. Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so

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entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No.3) Regulations 1999^(a) as in force at that date, the whole of his income.

11. Any disability living allowance, personal independence payment or an AFIP.

12. Any concessionary payment made to compensate for the non-payment of—

- (a) any payment specified in paragraph 11 or 14;
- (b) income support;
- (c) an income-based jobseeker's allowance;
- (d) an income-related employment and support allowance.

13. Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.

14. Any attendance allowance.

15. Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.

16.—(1) Any payment—

- (a) by way of an education maintenance allowance made pursuant to—
 - (i) regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc.);
 - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);
 - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
- (b) corresponding to such an education maintenance allowance, made pursuant to—
 - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and the Welsh Minister 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,

(a) S.I. 1999/2734.

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(a) except a payment—

- (a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;
- (b) of an allowance referred to in section 2(3) of the Employment and Training Act 1973 or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or
- (c) intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.

(2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1)(c) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

19.—(1) Subject to sub-paragraph (2), any of the following payments—

- (a) a charitable payment;
- (b) a voluntary payment;
- (c) a payment (not falling within paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;
- (d) a payment under an annuity purchased—
 - (i) pursuant to any agreement or court order to make payments to the applicant; or
 - (ii) from funds derived from a payment made, in consequence of any personal injury to the applicant; or
- (e) a payment (not falling within paragraphs (a) to (d)) received by virtue of any agreement or court order to make payments to the applicant in consequence of any personal injury to the applicant.

(2) Sub-paragraph (1) does not apply to a payment which is made or due to be made by—

- (a) a former partner of the applicant, or a former partner of any member of the applicant's family; or
- (b) the parent of a child or young person where that child or young person is a member of the applicant's family.

20. Subject to paragraph 40, £10 of any of the following, namely—

- (a) an award of disablement pension (except in so far 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;

(a) 1990c.35.

- (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.

20A. Disregard in full any remaining sum of the following ;

- (a) a war disablement pension;
- (b) a war widow's pension or war widower's pension;

21. Subject to paragraph 40, £15 of any—

- (a) widowed mother's allowance paid pursuant to section 37 of the SSCBA; (b) widowed parent's allowance paid pursuant to section 39A of the SSCBA.

22.—(1) Any income derived from capital to which the applicant is or is treated under paragraph 70 (capital jointly held) as beneficially entitled but, subject to sub-paragraph (2), not income derived from capital disregarded under paragraphs 4, 5, 7, 11, 17 or 30 to 33 of Schedule 10.

(2) Income derived from capital disregarded under paragraphs 5, 7 or 30 to 33 of Schedule 10 but only to the extent of—

- (a) any mortgage repayments made in respect of the dwelling or premises in the period during which that income accrued; or
- (b) any council tax or water charges which the applicant is liable to pay in respect of the dwelling or premises and which are paid in the period during which that income accrued.

(3) The definition of "water charges" in paragraph 2(1) (interpretation) applies to sub-paragraph (2) of this paragraph with the omission of the words "in so far as such charges are in respect of the dwelling which a person occupies as his home".

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

- (a) under, or pursuant to regulations made under powers conferred by, section 22 of the Teaching and Higher Education Act 1998, that student's award;
- (b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or
- (c) the student's student loan,

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

24.—(1) Where the applicant is the parent of a student aged under 25 in advanced education who either—

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

and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 23, an amount specified in sub-paragraph (2) in respect of each week during the student's term.

(2) For the purposes of sub-paragraph (1), the amount must be equal to—

- (a) the weekly amount of the payments; or
- (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),

whichever is less.

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

26. Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person other than one to whom paragraph 25 or 27 refers and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family—

- (a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or
- (b) where the aggregate of any such payments is £20 or more per week, £20.

27. Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to—

- (a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20, 100 percent of such payments;
- (b) where the aggregate of any such payments exceeds £20, £20 and 50 percent of the excess over £20.

28.—(1) Any income in kind, except where paragraph 54(10)(b) (provision of support under section 95 or 98 of the Immigration and Asylum Act 1999 in the calculation of income other than earnings) applies.

(2) The reference in sub-paragraph (1) to “income in kind” does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.

29. Any income which is payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.

30.—(1) Any payment made to the applicant in respect of a person who is a member of his family—

- (a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978 (a) (schemes for payments of allowances to adopters) or in accordance with an adoption allowances 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);

(a) 2008c.28.

(d) in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special

guardianship support services);

(2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

31. Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made—

(a) by a local authority under—

- (i) section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),
- (ii) section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or
- (iii) regulations 33 or 51 of the Looked After Children (Scotland) Regulations 2009 (fostering and kinship care allowances and fostering allowances); or

(b) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).

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

- (a) a health authority;
- (b) a local authority but excluding payments of housing benefit made in respect of the person concerned;
- (c) a voluntary organisation;
- (d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;
- (e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or
- (f) a Local Health Board established under section 11 of the National Health Service (Wales) Act 2006.

33. Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

34.—(1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities’ duty to promote welfare of children and power 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 (a) or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.

(2) A payment referred to in sub-paragraph (1) is only to be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—

- (a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (1)(b); and
- (b) meet any amount due by way of premiums on—
 - (i) that policy; or
 - (ii) in a case to which sub-paragraph (1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).

36. Any payment of income which by virtue of paragraph 64 (income treated as capital: persons who are not pensioners) is to be treated as capital.

37. Any—

- (a) social fund payment made pursuant to Part 8 of the SSCBA (the social fund); or
- (b) occasional assistance.

38. Any payment under Part 10 of the SSCBA (Christmas bonus for pensioners).

39. Where a payment of income is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.

40. The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under paragraph 33(3) (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under paragraph 77(2)(b) and paragraph 78(1)(d) (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 81(2) (treatment of student loans), paragraph 82(3) (treatment of payments from access funds) and paragraphs 20 and 21 must in no case exceed £20 per week.

41.—(1) Any payment made under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership,

(a) 1974c.39.

the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at

the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) the person who is suffering from haemophilia or who is a qualifying person;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and
- (b) the payment is made either—
 - (i) to that person's parent or step-parent, or
 - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his education and has no parent or step-parent, to his guardian,

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

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and
- (b) the payment is made either—
 - (i) to that person's parent or step-parent, or
 - (ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian, but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose benefit a payment referred to in this paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts is to be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation and the London Bombings Relief Charitable Fund.

42. Any housing benefit.

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

44. Any payment to a juror or witness in respect of attendance at a court other than compensation for loss of earnings or for the loss of a benefit payable under the benefit Acts.

45. Any payment in consequence of a reduction of council tax under section 13 of the 1992 Act (reduction of liability for council tax).

46.—(1) Any payment or repayment made—

- (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);

- (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
- (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies).

(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers which is analogous to a payment or repayment mentioned in sub-paragraph (1).

47. Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of health start vouchers, milk tokens or the supply of vitamins).

48. Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.

49.—(1) Where an applicant's applicable amount includes an amount by way of family premium, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the applicant's former partner, or the applicant's partner's former partner.

(2) For the purpose of sub-paragraph (1) where more than one maintenance payment falls to be taken into account in any week, all such payments must be aggregated and treated as if they were a single payment.

(3) A payment made by the Secretary of State in lieu of maintenance must, for the purpose of sub-paragraph (1), be treated as a payment of maintenance made by a person specified in sub-paragraph (1).

50.—(1) Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the applicant's family, except where the person making the payment is the applicant or the applicant's partner.

(2) In sub-paragraph (1)—

“child maintenance” means any payment towards the maintenance of a child or young person, including any payment made voluntarily and payments made under—

- (a) the Child Support Act 1991 (a);
- (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 (b) to assist disabled persons to obtain or retain employment despite their disability.

(a) 1991c.48.

(b) 1944c.10.

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 sums specified in paragraph 1(c) of Schedule 4 to that Scheme.

56.—(1) Any payment which is—

(a) made under any of the Dispensing Instruments to a widow, widower or surviving civil partner of a person—

(i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and

(ii) whose service in such capacity terminated before 31st March 1973; and

(b) equal to the amounts 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 healthcare) or under regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).

60.—(1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person—

(a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;

(b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity,

in respect of which such assistance is or was received.

(2) Sub-paragraph (1) applies only in respect of payments which are paid to that person from the special account.

61.—(1) Any payment of a sports award except to the extent that it has been made in respect of anyone 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 support week exceeds the amount of income-based jobseeker's allowance that person would have received in that support 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(a).

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 63

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;

(a) S.I. 2001/1167.

(b) by the former partner of the applicant as his home; but this provision does not apply

where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.

5. Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.

6. Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from his former partner or the dissolution of a civil partnership with his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

7. Any premises where the applicant is taking reasonable steps to dispose of the whole of his interest in those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

8. All personal possessions.

9. The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner or, if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of those assets.

10. The assets of any business owned in whole or in part by the applicant if—

- (a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but
- (b) he intends to become engaged (or, as the case may be, re-engaged) as a self-employed earner in that business as soon as he recovers or is able to become engaged, or re-engaged, in that business,

for a period of 26 weeks from the date on which the application for support under this scheme is made or, if it is unreasonable to expect him to become engaged or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.

11. The surrender value of any policy of life insurance.

12. The value of any funeral plan contract; and for this purpose, “funeral plan contract” means a contract under which—

- (a) the applicant makes one or more payments to another person (“the provider”);
- (b) the provider undertakes to provide, or secure the provision of, a funeral in the United Kingdom for the applicant on his death; and
- (c) the sole purpose of the plan is to provide or secure the provision of a funeral for the applicant on his death.

13. Where an ex-gratia payment has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or internment of—

- (a) the applicant;
- (b) the applicant’s partner;
- (c) the applicant’s deceased spouse or deceased civil partner; or
- (d) the applicant’s partner’s deceased spouse or deceased civil partner,

by the Japanese during the Second World War, an amount equal to that payment.

14.—(1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or an applicant’s partner who is—

- (a) a diagnosed person;

- (b) a diagnosed person's partner or was a diagnosed person's partner at the time of the diagnosed person's death; or
- (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death.
- (2) Where a trust payment is made to—
- (a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;
- (b) a person referred to in sub-paragraph (1)(c), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending two years after that date.
- (3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or an applicant's partner who is—
- (a) the diagnosed person;
- (b) a diagnosed person's partner or was a diagnosed person's partner at the date of the diagnosed person's death; or
- (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death.
- (4) Where a payment such as referred to in sub-paragraph (3) is made to—
- (a) a person referred to in sub-paragraph (3)(a) or (b), that sub-paragraph applies for the period beginning on the date on which the payment is made and ending on the date on which that person dies;
- (b) a person referred to in sub-paragraph (3)(c), that sub-paragraph applies for the period beginning on the date on which the payment is made and ending two years after that date.
- (5) In this paragraph, a reference to a person—
- (a) being the diagnosed person's partner;
- (b) acting in place of the diagnosed person's parents,
- at the date of the diagnosed person's death includes a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home or an independent hospital.
- (6) In this paragraph—
- “diagnosed person” means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeldt-Jakob disease;
- “relevant trust” means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeldt-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;
- “trust payment” means a payment under a relevant trust.
- 15.** The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant's partner, the applicant's deceased spouse or civil partner or the applicant's partner's deceased spouse or civil partner—
- (a) was a slave labourer or a forced labourer;
- (b) had suffered property loss or had suffered personal injury; or
- (c) was a parent of a child who had died,
- during the Second World War.
- 16.—(1)** Any payment made under or by—
- (a) the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund,

the Caxton Foundation, 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 too 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 too 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 amounts specified in paragraph 19, 20, 21 or 25 for a period of one year beginning with the date of receipt.

19. Amounts paid under a policy of insurance in connection with the loss of or damage to the property occupied by the applicant as his home and to his personal possessions.

20. So much of any amounts paid to the applicant or deposited in the applicant's name for the sole purpose of—

- (a) purchasing premises which the applicant intends to occupy as his home; or
- (b) effecting essential repairs or alterations to the premises occupied or intended to be occupied by the applicant as his home.

21.—(1) Subject to paragraph 22 any amount paid—

- (a) by way of arrears of benefit;
- (b) by way of compensation for the late payment of benefit; (c) in lieu of the payment of benefit;
- (d) to rectify, or compensate for, an official error, as defined for the purposes of paragraph 22, being an amount to which that paragraph does not apply;
- (e) by a local authority out of funds provided under either section 93 of the Local Government Act 2000 (a) 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) an AFIP;
- (e) income support;
- (f) income-based jobseeker's allowance;
- (g) state pension credit;
- (h) housing benefit;
- (i) council tax benefit;
- (j) child tax credit;
- (k) an increase of a disablement pension under section 104 of the SSCBA (increase where constant attendance is needed), and any further increase of such a pension under section 105 of the Act (increase for exceptionally severe disablement);
- (l) any amount included on account of the applicant's exceptionally severe disablement or need for constant attendance in a war disablement pension or a war widow's or widower's pension;

(a) 2000c.22.

(m) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary

Financial Assistance Regulations 2001;

(n) working tax credit; or

(o) income-related employment and support allowance.

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 support under this scheme.

- (2) Subject to sub-paragraph (3), the total amount of any payments disregarded under— (a) paragraph 7(2) of Schedule 10 to the Income Support (General) Regulations 1987; (b) paragraph 12(2) of Schedule 8 to the Jobseeker's Allowance Regulations 1996; (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) has effect until the award comes to an end.

(4) In this paragraph—

“the award”, except in sub-paragraph (2), means—

- (a) the award of support under the authority's scheme during which the relevant sum or, where it is paid in more than one instalment, the first instalment of that sum is received; and
(b) where that award is followed by one or more further awards which, or each of which, begins immediately after the previous award ends, such further awards until the end of the last such award, provided that, for such further awards, the applicant—
(i) is the person who received the relevant sum;
(ii) is the partner of that person; or
(iii) was the partner of that person at the date of his death;

“official error”—

- (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(a); and
(b) where the error relates to any other relevant benefit, has the meaning given by regulation 1(3) of the Social Security and Child Support (Decisions and Appeals) Regulations 1999;

“the relevant date” means the date on which the application for support under this scheme was made;

“relevant benefit” means any benefit specified in paragraph 21(2); and

“the relevant sum” means the total amount referred to in sub-paragraph (1).

23. Where a capital asset is held in a currency other than Sterling, any banking charge or commission payable in converting that capital into Sterling.

24. The value of the right to receive income from an occupational pensions scheme or a personal pension scheme.

(a) S.I. 2001/1002.

25. Any arrears of supplementary pension which is disregarded under paragraph 4 of Schedule 6 (amounts to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 5 or 6 of that Schedule.

26. The dwelling occupied as the home; but only one dwelling is to be disregarded under this paragraph.

27.—(1) Subject to sub-paragraph (2), where an applicant falls within class C (alternative maximum council tax support: 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);
- (c) sections 12A to 12C of the National Health Service Act 2006 (direct payments for health care);
- (d) Article 15 of the Health and Personal Social Services (Northern Ireland) Order 1972^(a) (general social welfare); or
- (e) section 8 of the Carers and Direct Payments Act (Northern Ireland) 2002^(b) (direct payments).

PART 2

Capital disregarded only for the purposes of determining deemed income

30. The value of the right to receive any income under a life interest or from a life rent.

31. The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.

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

33. Where property is held under a trust, other than—

- (a) a charitable trust within the meaning of the Charities Act 1993; or
- (b) a trust set up with any payment to which paragraph 16 applies,

and under the terms of the trust, payments fall to be made, or the trustees have a discretion to make payments, too for the benefit of the applicant or the applicant's partner, or both, that property.

^(a) S.I. 1972/12656 (N.I.14).

^(b) 2002c.6.

SCHEDULE 10

Paragraph 63

Capital disregards: persons who are not pensioners

1. Any payment made to the applicant in respect of any childcare, travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Work for Your Benefit Scheme but only for 52 weeks beginning with the date of receipt of the payment.

2. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.

3. Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme but only for 52 weeks beginning with the date of receipt of the payment.

4. The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, but, notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), only one dwelling is to be disregarded under this paragraph.

5. Any premises acquired for occupation by the applicant which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.

6. Any sum directly attributable to the proceeds of sale of any premises formerly occupied by the applicant as his home which is to be used for the purchase of other premises intended for such occupation within 26 weeks of the date of sale or such longer period as is reasonable in the circumstances to enable the applicant to complete the purchase.

7. Any premises occupied in whole or in part—

- (a) by a partner or relative of a single applicant or any member of the family as his home where that person has attained the qualifying age for state pension credit or is incapacitated;
- (b) by the former partner of the applicant as his home; but this provision does not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.

8. Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, universal credit 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 asset 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 support under this scheme is made, or is treated as made, or, if it is unreasonable to expect him to become engaged or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or 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;
- (g) universal credit.

but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.

(2) In a case where the total of any arrears and, if appropriate, any concessionary payment referred to in sub-paragraph (1) relating to one of the specified payments, benefits or allowances amounts to £5,000 or more (referred to in this sub-paragraph and in sub-paragraph (3) as "the relevant sum") and is—

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

sub-paragraph (1) has effect in relation to such arrears or concessionary payment either for a period of 52 weeks from the date of receipt, or, if the relevant sum is received in its entirety during the period of an award of support 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 support under this scheme" means—

- (a) the award in which the relevant sum is first received (or the first part thereof where it is paid in more than one instalment); and
- (b) where that award is followed by one or more further awards which, or each of which, begins immediately after the end of the previous award, such further award provided that for that further award the applicant—
 - (i) is the person who received the relevant sum; or
 - (ii) is the partner of the person who received the relevant sum, or was that person's partner at the date of his death.

13. Any sum—

- (a) paid to the applicant in consequence of damage to, or loss of the home or any personal possession and intended for its repair or replacement; or
- (b) acquired by the applicant (whether as a loan or otherwise) on the express condition that it is to be used for effecting essential repairs or improvement to the home,

which is to be used for the intended purpose, for a period of 26 weeks from the date on which it was so paid or acquired or such longer period as is reasonable in the circumstances to effect the repairs, replacement or improvement.

14. Any sum—

- (a) deposited with a housing association as defined in section 1(1) of the Housing

Associations Act 1985 as a condition of occupying the home;

(b) which was so deposited and which is to be used for the purchase of another home, for the period of 26 weeks or such longer period as may be reasonable in the circumstances to enable the applicant to complete the purchase.

15. Any personal possession except those which have been acquired by the applicant with the intention of reducing his capital in order to secure entitlement to support under this scheme or to increase the amount of that support.

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 maybe, 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 maybe, 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 power to grant financial assistance to persons in, or formerly in, their care) to a person ("A") which A passes on to the applicant.

(2) Sub-paragraph (1) applies only where A—

(a) was formerly in the applicant's care, and

- (b) is aged 18 or over, and
- (c) continues to live with the applicant.

25. Any—

- (a) social fund payment made pursuant to Part 8 of the SSCBA (the social fund); or
- (b) occasional assistance.

26. Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.

27. Any capital which by virtue of paragraph 55 or 81 (capital treated as income: persons who are not pensioners, treatment of student loans) is to be treated as income.

28. Where any payment of capital is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.

29.—(1) Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund.

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) the person who is suffering from haemophilia or who is a qualifying person;
- (b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or
- (c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Sub-paragraph (3) does not apply if—

- (a) the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced, or
- (b) where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death.

(5) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

- (a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and

(b) the payment is made either—

(i) to that person's parent or step-parent; or

(ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

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

(6) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either—

(i) to that person's parent or step-parent; or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(7) In the case of a person to whom or for whose benefit a payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.

(8) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts is to be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, and the London Bombings Relief Charitable Fund.

30.—(1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

(2) In this paragraph "dwelling" includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, 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 council tax support under section 13 of the 1992 Act (support 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(a) or section 66 of the Housing (Scotland) Act 1988(b) (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 receives such a grant or such a 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);

(a) 1988c.50.
(b) 1988c.43.

- (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 health 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(a) 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(b) 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 support: 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

(a) 1944c.10.

(b) 1958c.3.

establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.

54.—(1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that payment except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family,

any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) “food” does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

55.—(1) Any payment—

- (a) by way of an education maintenance allowance made pursuant to—
 - (i) regulations made under section 518 of the Education Act 1996;
 - (ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;
 - (iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;
- (b) corresponding to such an education maintenance allowance, made pursuant to—
 - (i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and the Welsh Ministers to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or
 - (ii) regulations made under section 181 of that Act; or
- (c) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

(2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to—

- (a) regulations made under section 518 of the Education Act 1996;
- (b) regulations made under section 49 of the Education (Scotland) Act 1980; or
- (c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,

in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

56. In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.

57. Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of receipt of the payment.

58. Where an ex-gratia payment of £10,000 has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or internment of—

- (a) the applicant;
- (b) the applicant’s partner;
- (c) the applicant’s deceased spouse or deceased civil partner; or
- (d) the applicant’s partner’s deceased spouse or deceased civil partner,

by the Japanese during the Second World War, £10,000.

59.—(1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant’s family who is—

- (a) a diagnosed person;
- (b) the diagnosed person’s partner or the person who was the diagnosed person’s partner at the date of the diagnosed person’s death;
- (c) a parent of a diagnosed person, a person acting in place of the diagnosed person’s parents or a person who was so acting at the date of the diagnosed person’s death; or

- (d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.

(2) Where a trust payment is made to—

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

(3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is—

- (a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
- (b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
- (c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death,

but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.

(4) Where a payment as referred to in sub-paragraph (3) is made to—

- (a) a person referred to in sub-paragraph (3)(a), that sub-paragraph applies for the period beginning on the date on which that payment is made and ending on the date on which that person dies;
- (b) a person referred to in sub-paragraph (3)(b), that sub-paragraph applies for the period beginning on the date on which that payment is made and ending two years after that date; or
- (c) a person referred to in sub-paragraph (3)(c), that sub-paragraph applies for the period beginning on the date on which that payment is made and ending—
 - (i) two years after that date; or
 - (ii) on the day before the day on which that person—
 - (aa) ceases receiving full-time education; or
 - (bb) attains the age of 20,whichever is the latest.

(5) In this paragraph, a reference to a person—

- (a) being the diagnosed person's partner;
- (b) being a member of a diagnosed person's family;
- (c) acting in place of the diagnosed person's parents,

at the date of the diagnosed person's death includes a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home,

an

Abbeyfield Home or an independent hospital on that date.

(6) In this paragraph—

“diagnosed person” means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeld-Jakob disease;

“relevant trust” means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeld-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;

“trust payment” means a payment under a relevant trust.

60. The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant’s partner, the applicant’s deceased spouse or deceased civil partner or the applicant’s partner’s deceased spouse or deceased civil partner—

- (a) was a slave labourer or a forced labourer;
- (b) had suffered property loss or had suffered personal injury; or
- (c) was a parent of a child who had died,

during the Second World War.

61.—(1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.

(2) For the purposes of sub-paragraph (1) “local authority” includes in England a county council.

62. Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care).

63. Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

64. Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship reduction services).

SCHEDULE 11

Revisions and supersessions

Service of notices or documents

1.- Where, by, or in consequence of, any provision of this scheme any notice or other document is required to be given or sent to the authority, that notice or document shall be treated as having been so given or sent on the day that it is received by the authority; and any notice (including notification of a decision by the authority) or other document is required to be given or sent to any person other than the authority, that notice or document shall, if sent by post to that person's last known address, be treated as having been so given or sent on the day it was posted.

Date from which a revision takes effect

2. Where, on a revision the authority decides that the date from which a decision ("the original decision") took effect was erroneous, the decision shall take effect on the date the original decision would have taken effect had the error not been made.

Decisions superseding earlier decisions

3.

- (1) The authority may make a decision upon its own initiative or on an application made for the purpose on the basis that the decision to be superseded is a decision -
 - (a) in respect of which -
 - (i) there has been a change of circumstances since the decision had effect; or
 - (ii) it is anticipated that a change of circumstances will occur;
 - (b) which is erroneous in point of law or made in ignorance of, or was based upon a mistake as to, some material fact provided that the decision -
 - (i) cannot be revised on the basis of that error, ignorance or mistake
 - (c) of a valuation tribunal or court,
 - (i) that was made in ignorance of, or was based upon a mistake as to, some material fact
- (2) The reference to a change of circumstances in paragraph (1)(a) shall include changes of circumstances specified in rule 113 of this scheme.
- (3) Where the authority requires further evidence or information from the applicant in order to consider all the issues raised by an application under paragraph (1) ("the original application"), the authority shall notify the applicant that further evidence or information is required and, if it does so, the decision may be superseded -
 - (a) where the applicant provides further relevant evidence or information within one month of the date of notification or such longer period of time as the appropriate relevant authority may allow; or
 - (b) where the applicant does not provide such evidence or information within the time allowed under sub-paragraph (a), on the basis of the original application.
- (4) The authority may treat an application for a revision or a notification of a change of circumstances as an application for a supersession.
- (5) An application under this schedule shall be made in writing and delivered, by whatever means, to the authority.

Date from which a decision superseding an earlier decision takes effect

4.

- (1) Where the superseding decision is made on the grounds that there has been, or it is anticipated that there will be, a change of circumstances, the superseding decision shall take effect on the date on which the change of circumstances is to take effect in accordance with rule 105 of this scheme.
- (2) Where the superseding decision is advantageous to the claimant and is made on the ground that the superseded decision was made in ignorance of, or was based upon a mistake as to, some material fact, the superseding decision shall take effect from the first day of the benefit week in which -
 - (a) except where sub-paragraph (b) applies, the appropriate relevant authority first has information which is sufficient to show that the superseded decision was made in ignorance of, or was based upon a mistake as to, some material fact;
 - (b) where the superseding decision was made pursuant to an application, that application was received by the appropriate relevant authority.
- (3) Where a decision is made superseding a decision of a valuation tribunal, which-
 - (a) was made in ignorance of, or was based upon a mistake as to, some material fact; and
 - (b) was more advantageous to the claimant than it would otherwise have been but for that ignorance or mistake,
 that superseding decision shall take effect on the date on which the appeal decision took or was to take effect.
- (4) Where the decision is superseded in accordance with Schedule 11 3(1)(a)(i) and the relevant circumstances are that there has been a change in the legislation in relation to council tax support, the superseding decision shall take effect from the date on which that change in the legislation had effect.

Notice of a decision against which an appeal lies

5.

- (1) A person who has a right of appeal against a decision shall be given written notice-
 - (a) of the decision against which the appeal lies;
 - (b) in a case where that notice does not include a statement of reasons for the decision, that he may, within one month of the date of notification of that decision, request the authority to provide him with a written statement of the reasons for that decision; and
 - (c) of his right of appeal against that decision.
- (2) Where a written statement of the reasons for the decision is not included in the written notice of the decision and is requested under paragraph (1)(b), the authority shall, so far as practicable, provide that statement within 14 days.

Correction of accidental errors

6.

- (1) Accidental errors in a decision, or a revised decision, or the record of such a decision, may be corrected by the authority at any time.
- (2) A correction made to a decision, or a revised decision, or the record of such a decision, shall be deemed to be part of the decision, or of that record, and the authority shall give a written

notice of the correction as soon as practicable to the claimant.

Cases where a relevant authority may suspend

7.

- (1) The authority may suspend, in whole or in part—
 - (a) any support (by way of council tax support) in the amount that a person is or will become liable to pay in respect of council tax, in the circumstances prescribed in paragraph (2).
- (2) The prescribed circumstances are where—
 - (a) it appears to the authority that an issue arises whether—
 - (i) the conditions for entitlement to council tax support are or were fulfilled; or
 - (b) an appeal is pending against—
 - (i) a decision of the Valuation Tribunal, or a court; or
 - (ii) a decision given by a court in a different case, and it appears to the authority that if the appeal were to be determined in a particular way an issue would arise whether the award of council tax support in the case itself ought to be revised or superseded; or
 - (c) an issue arises whether—
 - (i) an excess payment of council tax support has occurred.

Making or restoring of payments of suspended council tax support

8

- (1)
 - (a) in a case to which paragraph 7(2)(a) applies, where the authority is satisfied that the council tax support so suspended is properly payable and no outstanding issues remain to be resolved;
 - (b) in a case to which paragraph 7(2)(b) applies, an appeal is no longer pending and the council tax support suspended remains payable following the determination of that appeal.
- (2) Where any of the circumstances in paragraph (1) is satisfied, the relevant authority shall, so far as practicable, restore the support within 14 days of the decision to restore that support

Suspension for failure to furnish information etc.

9.

- (1) The authority may suspend in whole—
 - (a) any support (by way of council tax support) in the amount that a person is or will become liable to pay in respect of council tax, in relation to persons who fail to comply with the information requirements (as defined in Part 14, paragraph 111 of this scheme)
- (2) For the purposes of this scheme the prescribed persons are—
 - (a) a person in respect of whom payment of support has been suspended under paragraph 7(2)(a);

- (b) a person who has made an application for a decision of the authority to be revised or superseded;
 - (c) a person in respect of whom a question has arisen in connection with his council tax support and who fails to comply with Part 14, paragraph 111 of this scheme
- (3) The authority shall notify any person to whom paragraph (2) refers of the requirements of this scheme.
- (4) A person to whom paragraph (2) refers must—
- (a) furnish the information or evidence needed within a period of—
 - (i) one month beginning with the date on which the notification under paragraph (3) was sent to him; or
 - (ii) such longer period as the relevant authority considers necessary in order to enable him to comply with the requirement; or
 - (b) satisfy the relevant authority within the period provided for in paragraph (4)(a) that—
 - (i) the information or evidence so required does not exist; or
 - (ii) it is not possible for him to obtain the information or evidence so required.
- (5) Where a person satisfies the requirements in paragraph (4), the relevant authority shall, so far as practicable, make, or as the case may be restore, the payment within 14 days of the decision to make or restore that payment.

Termination in cases of a failure to furnish information

10.

- (1) A person in respect of whom payment of council tax support has been suspended—
- (a) under paragraph 7 and who subsequently fails to comply with an information requirement; or
 - (b) under paragraph 9 for failing to comply with such a requirement,
- shall cease to be entitled to support from the date on which the payments or support were so suspended, or such earlier date on which entitlement to support ceases.
- (2) Paragraph (1) does not apply—
- (a) subject to sub-paragraph (b), before the end of the period under Schedule 11 paragraph 9 (4) for the provision of information;
 - (b) where payment of benefit or a support has been suspended in part under paragraph 7 or paragraph 9.

(This note is not part of the scheme)

Section 13A of the Local Government Finance Act 1992 (c. 14) (“the 1992 Act”), substituted by section 10 of the Local Government Finance Act 2012 (c. 17) (“the 2012 Act”), requires each billing authority in England to make a scheme specifying the reductions which are to apply to amounts of council tax payable by persons, or classes of person, whom the authority considers are in financial need. Paragraph 4 of Schedule 1A to the 1992 Act, inserted by Schedule 4 to the 2012 Act, requires the Secretary of State to prescribe by regulations a “default scheme”. The default scheme is to take effect, in respect of dwellings situated in the area of a billing authority, if the authority fails to make its own scheme on or before 31st January 2013.

The default scheme prescribed by the Secretary of State is set out in the Schedule to these Regulations. Parts 1 and 2 contain introductory provisions and definitions of keywords and phrases. Part 3 and Schedule 1 contains the procedure for support applications and appeals. Parts 4 and 5 specify the classes of person entitled and not entitled to support under the scheme, respectively.

Parts 6 to 9 and Schedules 2 to 4 set out matters relevant to determining eligibility for support and the amount of support under the scheme.

Part 10 and Schedules 5 to 10 set out how income and capital of the applicant and others is treated in calculating eligibility for support, including in cases where an applicant or partner has an award of universal credit. Part 11 provides for the application of the scheme to students. Part 12 provides for extended support in certain circumstances and Part 13 sets out when entitlement begins and how a change in circumstances affects any support.

Part 14 of the scheme provides for the making of an application for support. Part 15 sets out the time within which an authority must make its decision on the application and provides for notification of the decision. Part 16 makes provisions about the payment of a support in certain circumstances.

An impact assessment of the effect that section 13A of the 1992 Act will have on the public sector is available at https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/8465/2158675.pdf. It is also published with the Explanatory Memorandum alongside this instrument on www.legislation.gov.uk.

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TEMPLATE 2 - Full Equality Impact Assessment (EqIA)

In order to carry out this assessment, it is important that you have completed the EqIA E-learning Module and read the Corporate Guidelines on EqIAs. Please refer to these to assist you in completing this form and assessment.

<p>What are the proposals being assessed? (Note: 'proposal' includes a new policy, policy review, service, function, strategy, project, procedure, restructure)</p>	<p>A new localised Council Tax support scheme in place of the existing national Council Tax Benefit scheme.</p>
<p>Which Directorate / Service has the responsibility for this?</p>	<p>Collections and Housing Benefits</p>
<p>Name and job title of lead officer</p> <p>43 435 Name & contact details of the other persons involved in the EqIA:</p>	<p>Fern Silverio, Divisional Director, Collections and Housing Benefits Sheila Seymour-Howell, Project Member Sheila.seymour-howell@harrow.gov.uk Tel: 020 8424 1806 Ext 2806 Bernie Beckett, Consultation Project Manager BBeckett@harrow.gov.uk Tel: 020 8424 7640 Ext 7640</p> <p>A multi-agency group has been developed to oversee the development of the Equality Impact Assessment. This group has membership from the Voluntary Sector including CAB, Mind in Harrow, Harrow Mencap, Harrow Carers, Harrow Association of Disabled People (HAD), Age UK, HASVO, Harrow Equalities Centre, Landlords Association, Tenants and Residents Association, Councillors, Unions, Representatives from Harrow Council Services.</p>
<p>Date of assessment:</p>	<p>EqIA was opened on the 7th February, 2012. The document has been monitored and updated on a regular basis by a multi-agency Steering Group. The current document is at Version 22</p>

Stage 1: Overview

The Welfare Reform Act received Royal Assent on 8th March 2012, abolishing the current system for Council Tax Benefit. The Local Government Finance Act received Royal Assent on the 31st October, 2012 and includes legislation to give Local Authorities the responsibility for the development of localised Schemes for providing support for Council Tax with 90% of the funding that is currently provided.

The timescales are very tight with implementation of a new scheme required in April 2013. The grant settlement is expected to be provided on the 17th December, 2012 and therefore the schemes have initially been shaped using estimated grant allocation provided by the Department of Communities and Local Government (DCLG).

Harrow Council's aim is to implement a localised Council Tax Reduction Scheme that initially covers the first two years of delivery – 2013/14 and 2014/15 in Harrow within budget and on time, whilst mitigating any future financial risk. Within Harrow and thereafter in this Equality Impact Assessment this scheme is to be known as a Council Tax Support Scheme.

§ Within the Act Council Tax Support claimants who are pensioners will be protected by draft prescribed requirements regulations. Local Authorities must develop approaches to meet their local needs but should consider the impact on the most vulnerable when designing their schemes

A multi-agency Steering Group has been developed to work with the council to ensure the scheme is developed to reflect the needs of the local community.

Following a steer from the Leadership Group and CSB, and subsequent confirmation from the Portfolio Holder, it was agreed that savings cannot be found from elsewhere within the Council. A new scheme will therefore be developed that manages the funding gap of approximately £3.8m in the year 2013-2014 and approximately £5.1m in the year 2014-2015. These savings figures have increased since consultation following receipt of expected grant figures for Council Tax Support from Department of Communities and Local Government.

1. What are the aims, objectives, and desired outcomes of your proposals?

(Explain proposals e.g. reduction / removal of service, deletion of posts, angling criteria etc)

	<p>The consultation was based on the following principles:</p> <ul style="list-style-type: none"> o The scheme design will be developed within the statutory framework o The scheme will be developed to meet the resources made available from the Government o The scheme will provide support to the most vulnerable groups in Harrow within the funding available o The scheme will encourage people into work and will not provide any disincentives to work <p>The consultation materials gave examples of the main rules within Council Tax Benefit that could be changed to meet these principles. The consultation booklet and survey are an appendix to the Cabinet Report.</p> <p>As a result of the consultation three model schemes are being put to Cabinet for consideration and their details are included within the Cabinet Report. Council Tax Support Schemes 1 and 2 have been shaped through feedback from the consultation activity and both sit within the resources available to deliver Council Tax Support. Scheme 3 has been developed following the announcement from the DCLG that a transitional fund is available providing Local Authorities implement a scheme to meet with the Governments criteria and would require an overspend if implemented.</p>
<p>2. What factors / forces could prevent you from achieving these aims, objectives and outcomes?</p>	<ul style="list-style-type: none"> - Not being able to meet the timescales that have been proposed by the Government - New Scheme not adopted by 31 January 2013 as required by the Government. - IT not in place by 31st January, 2013 - Lack of funding and resources to support implementation. - The Council is taking the risk that there will be an increase in claimants in the next two years. . - Risk of challenge
<p>3. Who are the customers? Who will be affected by this proposal? For example who are the external/internal customers, communities, partners, stakeholders, the workforce etc.</p>	<p>The Department of Communities and Local Government have developed an EqIA on the proposals and this document highlights the following customers that may be affected by the proposal:</p> <ul style="list-style-type: none"> - Working age claimants - The existence of other vulnerable groups amongst working age claimants e.g. carers or disabled - Low income claimants

	<ul style="list-style-type: none"> - Local Authorities <p>The following customers/stakeholders within Harrow were identified initially through modelling of Council Tax Benefit data and activity carried out with the Steering Group:</p> <ul style="list-style-type: none"> - Existing Council Tax Benefit claimants - Future Council Tax Benefit claimants - Workforce – Housing Benefit, Council Tax Teams and Access Harrow - Other Council Services - Voluntary Organisations supporting vulnerable people - Precepting Authorities (GLA, Police, Fire) - Council Tax payers - Residents (if funding has to be found elsewhere could affect other services) - Families with children - Lone parents - Carers - Part time and full time workers and are claiming Council Tax Benefits - People who are disabled and are claiming Council Tax Benefits - Single people and couples without children - People with mental health issues - People who are on a low income and do not have a good education and therefore unable to earn more - young people leaving care - low paid workers <p>Harrow Council's Housing and Council Tax Benefits Department has the overall responsibility for developing and delivering the scheme</p> <p>Council Tax Department</p> <p>Harrow's partners are the precepting authorities – police, fire, Greater London Authority (GLA)</p>
<p>4. Is the responsibility shared with another department, authority or organisation? If so:</p> <ul style="list-style-type: none"> • Who are the partners? • Who has the overall responsibility? 	

The Local Government Finance Bill states that precepting authorities must be consulted before the draft scheme is published and therefore meetings were held with representatives to agree how this consultation was taken forward. In line with Government advice the formal consultation was carried out with the GLA before the public consultation started on the 11th June, 2012. The GLA provided their formal response to the consultation which has been included as an appendix to the Cabinet Report.

Representatives from the GLA and Harrow Council are included in the pan London Council Tax Reduction Working Group hosted by London Councils. This group is working together to understand the proposals and how they can be implemented across London.

The precepting authorities including GLA, Police and Fire Services are members of Harrow's Consultation Steering Group that has been developed to oversee the consultation ensuring it is open, transparent and feedback shapes the new scheme. The representatives have agreed to remain on the distribution list and will attend meetings where specifically requested due to limited resources. The GLA are also part of the West London Council's Council Tax Support workshop hosted by Harrow Council and as a result meet with West London Authorities on a monthly basis.

Harrow Service Managers also attend London Council's Benefit Managers and pan London Council Tax Support meetings.

The Council Tax Section were given the opportunity to give their view through the consultation process and the Divisional Director of Benefits and Collections is a member of the Steering Group.

The Multi Agency Sub Group, with membership from the Steering Group, has met monthly to update the Equality Impact Assessments for the changes to Council Tax Benefits.

Stage 2: Monitoring / Collecting Evidence / Data

(The data quoted in this section was derived from analysis of Council Tax Benefit caseload as at 1/9/12)

5. What information is available to assess the impact of your proposals? Include the actual data, statistics and evidence (including full references)

4a. How are/will they be involved in this assessment?

<p>was reviewed to determine the potential impact on each equality group (protected characteristic). This can include results from consultations and the involvement tracker, customer satisfaction surveys, focus groups, research interviews, staff surveys, workforce profiles, service users profiles, local and national research, evaluations etc</p> <p>(Where possible include data on the nine protected characteristics. Where you have gaps, you may need to include this as an action to address in the action plan)</p>	<p>63% of the current Council Tax Benefit caseload are working age (all data is to be audited before final report and will be included as an end note to ensure clarity)</p> <p>Analysis of current Council Tax Benefit caseload for working age customers shows 3.89% are aged 18-24, 19.69% between 25-34, 34.76% between 35-44, 29.62% between 45-54 and 12.04% are 55-60.</p> <p>67% of the caseload are families with children (of the 67%, 68% are from smaller families and 32% are larger families (3+ children))</p>
<p>440 sability (including carers of disabled people)</p>	<p>Analysis of current Council Tax Benefit caseload for working age customers shows that 15.4% are disabled (as per definition of Group A) and 1.6% are carers (shown as receiving Carers Allowance within current caseload)</p>
<p>Gender Reassignment</p>	<p>This information is not currently collected within the current IT system. Efforts were made to capture this information through the consultation activity however completion of the monitoring elements of the form was not consistent and therefore the information could not be relied upon.</p>
<p>Marriage / Civil Partnership</p>	<p>Data is provided for 'couples, analysis of current Council Tax Benefit caseload for working age customers shows that 37.79% are couples. Efforts were made to capture further information specifically regarding marriage/civil partnerships through the consultation activity however completion of the monitoring elements of the form was not consistent and therefore the information could not be relied upon.</p>
<p>Pregnancy and Maternity</p>	<p>This information is not currently collected as the IT system and claim forms need updating. Efforts were made to capture this information through the consultation activity however completion of the monitoring</p>

	elements of the form was not consistent and therefore the information could not be relied upon.
Race	This information is not currently collected as the data is incomplete. Efforts were made to capture this information through the consultation activity however completion of the monitoring elements of the form was not consistent and therefore the information could not be relied upon.
Religion and Belief	This information is not currently collected as the IT system and claim forms need to be updated. Efforts were made to capture this information through the consultation activity however completion of the monitoring elements of the form was not consistent and therefore the information could not be relied upon.
Sex / Gender	Analysis of current Council Tax Benefit caseload for working age customers shows that, of the person making the claim, 42% are male and 58% are female. Where there is a couple claiming the sex of the claimant has been used in these statistics. 34% of people claiming Council Tax Benefit are lone parents, of these 96% are female.
Sexual Orientation	This information is not currently collected as the IT system and claim forms need to be updated. Efforts were made to capture this information through the consultation activity however completion of the monitoring elements of the form was not consistent and therefore the information could not be relied upon.
6. If you have insufficient data on any of the protected characteristics, is there any other (local, regional, national research, reports, media) data sources that can inform this assessment? Include this data (facts, figures, evidence, key findings) in this section.	<p>The following EqIAs have been developed on a national basis:</p> <p>Department of Communities and Local Government (DCLG) – Local Finance Bill (updated version released June 2012): Localising Council Tax - identifies the impacts of the proposals on a national basis. This EqIA does identify the net impact the overall policy may have on the following groups:</p> <ul style="list-style-type: none"> - Working age council tax benefit claimants - Council tax payers - Any recipients of local services that may be reduced in order to meet any funding shortfall. <p>Race Equality Foundation – Housing benefit and welfare reform: impact of all</p>

the proposed changes for Welfare Reform on black and minority ethnic communities. This EqIA identifies the proposals for Housing benefit and welfare reform will impact Black and Ethnic Minority groups as they are disproportionately represented in low-income working and non-working households. .

Department of Work and Pensions (DWP) – Impact assessment for the Household Benefit Cap – identifies the impacts on the proposal to restrict the total amount of welfare a household can receive to meet with the average take-home pay of working households. Whilst Council Tax Benefit is excluded from these proposals, the impacts of these proposals will identify with those that will be impacted by the Localisation of Council Tax Support. This EqIA identifies the net impact of the overall policy on the following groups:

- Families who are both out of work and are either
 - Larger than average, in the most part with three or more children and are therefore receiving larger than average Child Tax Credit payments and Child Benefit payments; or
 - Situated in high rent areas and thereby receiving large Housing Benefit payments; or
 - Both of these factors combined.
- Harrow is identified as having approximately 700 households that will be affected by this policy in the year 2013/14.
- The Steering Group are working to integrate the Health Impact Assessment (Appendix 2) and the Equality Impact Assessment and a draft template has been produced that is at Appendix 1. This activity is in progress and further work will be required to identify relevant data to help inform both Impact Assessments.

The consultation included both quantitative and qualitative activity to bridge gaps.		Yes	To be carried out	No
<p>NOTE: If you have not undertaken any consultation as yet, you should consider whether you need to. For example, if you have insufficient data/information for any of the protected characteristics and you are unable to assess the potential impact, you may want to consult with them on your proposals as how they will affect them. Any proposed consultation needs to be completed before progressing with the rest of the EqIA. Guidance on consultation/community involvement toolkit can be accessed via the link below http://harrowhub/info/200195/consultation/169/community_involvement_toolkit</p>				
Who was consulted?	What consultation methods were used?	What do the results show about the impact on different equality groups (protected characteristics)?	What action are you going to take as a result of the consultation? This may include revising your proposals, steps to mitigate any adverse impact. <i>(Also Include these in the Improvement Action Plan at Stage 5)</i>	
<p>The Steering Group (multi agency partnership) brought together a calendar of activity which ensured all key stakeholders were given the opportunity to give their view and shape the new Council Tax Support scheme. Regular reviews were carried out throughout the consultation process to ensure gaps in the consultation were bridged by further activity.</p>	<p>The consultation included the following activity:</p> <ul style="list-style-type: none"> • Telephone survey with 1010 residents including 310 Council Tax Benefit claimants • Written survey with members of Harrow Council's Residents Panel – 1130 were distributed and 616 (55%) completed surveys returned. • Consultation booklet and survey circulated widely 	<p>The proposals for the development of the Council Tax Support Scheme in Harrow have been shaped as a result of the feedback collected throughout the consultation. The detailed feedback reports are attached as appendices to the Cabinet Report.</p> <p>The adverse impacts have been summarised below:</p> <p>Feedback from the telephone survey – focussed solely on vulnerability asking residents for their views on which and to what extent different groups in the population might be affected by the changes. The results of this survey were weighted in line with the population statistics for Harrow.</p> <p>Respondents were asked to identify the groups they felt would be most</p>		

<p>All residents within Harrow have been made aware of the consultation and various levels of activity have taken place to ensure all groups identified in Section 3 have been given the opportunity to give their view.</p>	<p>across Harrow with the opportunity to respond by telephone, email and freepost. The consultation booklet was also provided in easy read – 346 surveys were returned</p> <ul style="list-style-type: none"> • Specific web pages that gave the opportunity to complete the survey on line – 152 were completed on line • Facebook and Twitter • 71 Road shows, 'Go to' days, Events, workshops, face to face meetings which included specific events/ workshops/ Meetings and discussion groups. Over 4000 people were spoken to. • Letters sent out over an 8 week period inviting residents to these events <p>All engagement mechanisms used (bar the telephone survey that focussed only on identifying and impacts on vulnerable groups) asked the same questions to ensure consistency.</p> <p>The feedback has been collated, written up and analysed and a meeting of the Steering Group has been held to discuss the feedback and draft schemes that</p>	<p>impacted by the changes – these responses are listed under 'Unprompted'. Respondents were also provided with a list of groups of people that have been identified as being affected by the changes through the data modelling and their responses are listed under 'prompted'.</p> <p>The groups identified through both of these questions in order of impact are:</p> <table border="0"> <tr> <td>Unprompted</td> <td>Prompted</td> </tr> <tr> <td>Household including</td> <td>People who are registered disabled</td> </tr> <tr> <td>Somebody who is registered</td> <td>Lone parents</td> </tr> <tr> <td>Disabled</td> <td>Carers</td> </tr> <tr> <td>People on a low income</td> <td>Families with children</td> </tr> <tr> <td>Unemployed</td> <td>Part time workers</td> </tr> <tr> <td>Lone parents</td> <td></td> </tr> </table> <p>There was a recognition that all Council Tax Benefit claimants would be impacted by the changes as they are likely to have to pay more towards their Council Tax.</p> <p>People were generally consistent in their responses regardless of the demographic group of the respondent.</p> <p>Feedback from the Residents Panel survey - A written postal survey was carried out with members of Harrow's Residents Panel. The survey was consistent with the questionnaire used on the web and in hard copy within the Consultation Booklet and therefore asked questions both on the groups that may be impacted by the change and specific questions relating to the different ways the rules could be changed to make the required savings.</p> <p>The Residents Panel was recruited to be as representative of the boroughs population as possible however the respondents, in the main, were white British (65.1%), male (54.7%) and over 55 (approx. 70%). Only</p>	Unprompted	Prompted	Household including	People who are registered disabled	Somebody who is registered	Lone parents	Disabled	Carers	People on a low income	Families with children	Unemployed	Part time workers	Lone parents	
Unprompted	Prompted															
Household including	People who are registered disabled															
Somebody who is registered	Lone parents															
Disabled	Carers															
People on a low income	Families with children															
Unemployed	Part time workers															
Lone parents																

have been shaped following the outcomes of the consultation.

6.1% of the Residents Panel have reported that they receive Council Tax Benefit.

When asked about the impact of the changes on groups the following were mentioned:

Unprompted

- Disabled people
- Single parents
- Carers
- Elderly people
- Low paid workers

Prompted

- People who are disabled
- Carers
- Lone parents
- Families with children
- Single people and couples without children
- Part time and full time workers

Feedback from the survey (web and hard copy) - The survey was included both within the Consultation Booklet and also available on the Consultation website for completion online. People were given the opportunity to respond either by freepost, telephone or the consultation email address. The questions were consistent with those included in the Residents Survey

When asked about the impact of the changes on groups the following were mentioned:

Unprompted

- People with a disability
- Lone parents
- People on a low income
- Pensioners
- Carers

Prompted

- People with a disability
- Lone parents
- Families with children
- Carers
- Part time/full time workers
- Children
- Single/couples without children

Feedback from the face to face activity

The face to face activity gave the opportunity to discuss the changes in detail to understand the impacts of the changes.

Many groups agreed that there would be groups in the community who would be affected more than other groups. The majority highlighted people with disabilities as being a group that will be impacted by many changes. Other impacted groups included lone parents, carers, large families and people with mental health issues.

Formal response from Harrow Association of Disabled People (HAD)

HAD raised concern that disabled people will be disproportionately affected by having to pay more council tax because of the cumulative effects of the Welfare Reforms. The full response is available as an appendix to the Cabinet Report.

Formal response from Harrow Mencap Harrow Mencap's response was collated from a focus group as well as the Charity's experience of working with families, carers and users of their services. Their key concerns related to the adverse impact that people with disabilities experience because of the cumulative effects of the Welfare Reforms particularly as they felt that people with disabilities are more likely to live in poverty. The full response is available as an appendix to the Cabinet Report.

Formal response from the Greater London Authority – a formal response has been received from the Greater London Authority. This contains no feedback in relation to equalities however the full document is attached to the Cabinet Report.

(The data quoted in this section (unless otherwise stated) was derived from analysis of Council Tax Benefit caseload as at 1/9/12)

8. What does your information tell you about the impact on different groups? Consider whether the evidence shows potential for differential impact, if so state whether this is an adverse or positive impact? How likely is this to happen? How you will mitigate/remove any adverse impact?

Protected Characteristic	Positive	Adverse	Explain what this impact is, how likely it is to happen and the extent of impact if it was to occur.	What measures can you take to eliminate or reduce the adverse impact(s)? E.g. consultation, research, implement equality monitoring etc. (Also Include these in the Improvement Action Plan at Stage 5)
Age (including carers of young/older people)			<p>The Government have protected Council Tax Benefit claimants who are pensioners from the changes to Council Tax Benefit and therefore these proposals will impact all working age claimants. There are currently 10,882 working age claimants and all will be on a low income as Council Tax is a means tested benefit and uses the Governments needs allowance which is dependent upon family circumstances.</p> <p>Through all three proposed schemes working age Council Tax Support claimants will be required to pay more or something towards their Council Tax in the future.</p> <p>It was recognised by the majority of people that responded to the consultation that these changes would impact 'low income' working age families with children. All families that receive Council Tax Benefit are on a low income and therefore all Council Tax Benefit claimants have been highlighted across the board.</p> <p>Currently 64% of Council Tax Benefit working age</p>	<p>All of the three schemes continue to not take Child Benefit and Child Maintenance into account as income when assessing for Council Tax Support to mitigate the impact of the changes upon families with children.</p> <p>Awareness Campaign - includes activity to reach all Council Tax Benefit claimants especially targeting the group of people who receive 100% Council Tax Benefit. This will include the following:</p> <ul style="list-style-type: none"> - Guidance booklet for Voluntary Organisations and staff - Training sessions for relevant departments. Staff and Voluntary Organisations - Initial letter with booklet that will be sent to all Council Tax claimants detailing the support that is available - Information sessions for claimants at Access Harrow - Articles/inserts in local press, Harrow People, Homing In and all other appropriate newsletters etc. - Help pages being developed by Communications on the Web - Information in Council Tax Bills

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<p>claimants receive 100% Council Tax Benefits, all of whom will have to pay something towards their Council Tax under all the proposed schemes.</p> <p>The level of contribution could be seen as low however in relation to this group's overall income the increase could be a substantial percentage.</p>	<p>67% of Council Tax Benefit claimants are working age families with children of which:</p> <ul style="list-style-type: none"> - 68% are smaller families (2 children and under) - 32% are larger families (3+ children) <p>Within this protected characteristic the consultation has identified that the changes to Council Tax Benefit could have a particularly high impact on working age large families including lone parents because large families are more likely to live in larger properties which fall into higher Council Tax banding and to be cumulatively impacted by the overall Welfare Reforms. More information is given under cumulative impacts.</p> <p>Children's Services have also identified that young children could be disproportionately affected by these changes because poverty levels would increase in those families with children. Where there is a risk of unemployment evidence shows families are at higher risk of turning to substance/alcohol misuse.</p>	<ul style="list-style-type: none"> - Envelope highlighting changes to ensure opened - Posters on inside of bus routes in Harrow - Messages sent out via social media <p>Hardship fund to be developed with criteria to support the most vulnerable.</p> <p>Collection policy to be reviewed to mitigate the risk of non collection</p> <p>The new operating model within Children & Families Services will deliver improved co-ordination of services, earlier identification of problems and swift effective early help.</p> <p>Housing delivering 1:1 support with families who are hardest hit by the benefit caps.</p> <p>Work programmes specifically targeted at Council Tax Support claimants</p> <p>Working alongside the mitigations workstream within the Welfare Reform Project Group. The proposed mitigations include the following:</p> <ul style="list-style-type: none"> - Debt and financial advice including benefit check - Development of a foodbank in Harrow - Co-ordination of second hand school uniform schemes - Recycled and reuse of furniture
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		<p>Children's Services have also identified that care leavers who could be moving from supported living arrangements into their own accommodation could be adversely affected by having to pay more towards their Council Tax. There are approximately 30 care leavers annually that accessed Council Tax Benefits through their move into independent accommodation.</p>	
<p>449 ability including carers of disabled people)</p>		<p>15.42% of people currently claiming Council Tax Benefit are shown as having a known disability (this will not include some disabled people on passported benefits as this information has not been required when completing an assessment for Council Tax Benefit however will be input within the new Support Scheme).</p> <p>All the surveys received a response rate of at least 15% from people with disabilities however both the web and telephone surveys received response rates of over 25%.</p> <p>The face to face activity included events/discussion groups with users of Harrow Advisory Disability Services, Harrow Mencap, MIND in Harrow and Bentley Day Centre. Discussion groups were also held with the Deaf Drop in sessions and all Neighbourhood Resource Centres where people with disabilities also participated in much of the face to face activity held.</p> <p>There was a strong feeling within some of the activity that the Government should not be targeting vulnerable people and should be making</p>	<p>Within Council Tax regulations there are already protections in the form of discounts and exemptions. These include:</p> <ul style="list-style-type: none"> § People who have a severe mental health disability that appears to be permanent. This includes people with Alzheimer's disease, strokes and other similar illnesses. IF all the residents in the household fall into this category the property could be exempt from Council Tax otherwise some charge will still be levied. § People with disabilities whose homes have been adapted for their use may be entitled to a disabled band reduction. This means that their Council Tax will be calculated as if their property is one band lower than it would normally be. <p>Model Scheme 1 helps to reduce the effects of the changes by giving additional support to people with disabilities by having a higher level cap on the Council Tax liability (90% instead of 81.5% for all others). Criteria for the protected group is included within the Cabinet Report.</p> <p>All three schemes will mitigate the impact of the changes on people with disabilities by:</p>

		<p>the savings elsewhere.</p> <p>Within the consultation the majority of respondents highlighted people with disabilities as the group they felt would be impacted the most because of the cumulative impacts of the welfare reforms and because they felt that people with a disability are more likely to find it more difficult to access employment due to their illness/employer prejudice/accessibility to work programmes.</p> <p>Both Harrow Mencap and Harrow Association of Disabled People provided feedback relating to the disproportionate effect these changes would have on people with disabilities because of other changes which include changes to work related benefits, having to contribute to all care costs, loss of concessionary travel especially if DLA was taken into account as income. They also raised concern regarding the potential loss of DLA through the new PIP Scheme which would then have an impact on the amount of Council Tax Support if the household no longer fell into the protected category. Both organisations state that people with disabilities are less likely to be able to equally access good education and employment.</p> <p>Approximately 1.6% of Council Tax Benefit Claimants are carers (shown as receiving Carers Allowance within current caseload)</p> <p>Through all the survey activity at least 4% of people that responded stated they were a carer however through the hard copy survey we received 25% who stated they were carers.</p>	<ul style="list-style-type: none"> - continuing to not take Disability Living Allowance into account when assessing income for Council Tax Support <p>continuing to take no non dependant deductions where the claimant or partner is receiving care component of Disability Living Allowance</p> <p>Awareness Campaign - includes activity to reach all Council Tax Benefit claimants especially targeting the group of people who receive 100% Council Tax Benefit. This will include the following:</p> <ul style="list-style-type: none"> - Guidance booklet for Voluntary Organisations and staff - Training sessions for relevant departments. Staff and Voluntary Organisations - Initial letter with booklet that will be sent to all Council Tax claimants detailing the support that is available - Information sessions for claimants at Access Harrow - Articles/inserts in local press, Harrow People, Homing In and all other appropriate newsletters etc. - Help pages being developed by Communications on the Web - Information in Council Tax Bills - Envelope highlighting changes to ensure opened
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		<p>The face to face activity was held through events, meetings and discussion groups with carers at all the Neighbourhood Resource Centres, Harrow Mencap event, Carers Revival Meetings and the CNWL Carers event.</p> <p>Throughout the majority of the consultation activity feedback suggested that carers were identified as one of the groups who would be highly impacted because of the proposed changes. People felt they would be impacted because they had limited household income and limited employment options because of their caring duties. People also felt that carers already have extra outgoings as a result of their caring duties. There was a strong feeling, particularly in the face to face activity, that carers save the Government and Local Authorities money because they are providing the care for those in need however receive little or no help to carry out this responsibility.</p>	<ul style="list-style-type: none"> - Posters on inside of bus routes in Harrow - Messages sent out via social media <p>Hardship fund to be developed with criteria to support the most vulnerable.</p> <p>Collection policy to be reviewed.</p> <p>Work programmes specifically targeted at Council Tax Support claimants</p> <p>Working alongside the mitigations workstream within the Welfare Reform Project Group. The proposed mitigations include the following:</p> <ul style="list-style-type: none"> - Debt and financial advice including benefit check - Development of a foodbank in Harrow - Co-ordination of second hand school uniform schemes - Recycled and reuse of furniture
Gender Reassignment		<p>Households claiming Council Tax benefit who have non dependants who are disabled or are carers could be liable for a decrease in their Council Tax Benefit due to the proposed changes to the non-dependant deductions. This would have an effect on the non- dependants, who would be expected to contribute more towards the household's Council Tax bill.</p> <p>No information to suggest specific adverse or positive impact</p>	<p>Request has been put to the current IT provider for Council Tax Benefits to update their system to monitor all nine protected characteristics.</p>
Marriage and		<p>No information to suggest specific adverse or</p>	

Civil Partnership				positive impact No information to suggest specific adverse or positive impact	Request has been put to the current IT provider for Council Tax Benefits to update their system to monitor all nine protected characteristics.
Pregnancy and Maternity				Monitoring information is not currently collected on this specific characteristic in relation to claimants of Council Tax Benefits however the monitoring information was included on the telephone survey/residents panel/web and hard copy surveys. Many people did not complete this element of the information however the numbers of those that completed this information are as follows: Telephone Survey <ul style="list-style-type: none"> - Asian or Asian British – 34% - Black or Black British – 8% - Mixed background – 3% - White or White British – 51% - Other background – 2% - Refused – 3% Residents Panel <ul style="list-style-type: none"> - Asian or Asian British – 19% - Black or Black British – 3.2% - Mixed background – 2% - White or White British – 68.5% - Other background – 1.5% - Refused to say – 6% Hard copy survey <ul style="list-style-type: none"> - Asian or Asian British – 35% - Black or Black British – 13% - Mixed background – 3% 	<p>Awareness Campaign - includes activity to reach all Council Tax Benefit claimants especially targeting the group of people who receive 100% Council Tax Benefit. This will include the following:</p> <ul style="list-style-type: none"> - Guidance booklet for Voluntary Organisations and staff - Training sessions for relevant departments. Staff and Voluntary Organisations - Initial letter with booklet that will be sent to all Council Tax claimants detailing the support that is available - Information sessions for claimants at Access Harrow - Articles/inserts in local press, Harrow People, Homing In and all other appropriate newsletters etc. - Help pages being developed by Communications on the Web - Information in Council Tax Bills - Envelope highlighting changes to ensure opened - Posters on inside of bus routes in Harrow - Messages sent out via social media <p>We will work with the Voluntary Sector to ensure all materials are accessible to those whom English is a second language.</p>

		<ul style="list-style-type: none"> - White or White British – 33% - Other background – 3% - Refused to say – 0% <p>Web</p> <ul style="list-style-type: none"> - Asian or Asian British – 28% - Black or Black British – 5% - Mixed background – 3% - White or White British – 65% - Other background – 5% - Refused to say – 0% <p>Overall the responses to the surveys reflect the diverse population within Harrow which is approximately 46.6% White British and 53.4% Black, Asian and other minority ethnic groups.</p> <p>Face to face activity with specific communities included events/meetings/discussion groups held with Harrow Elders, Hayaan project (Somalian Elders), Afro Caribbean Association, Afghan events, Harrow Women’s Centre, Tamil Association drop in, Afghan Payaan AGM, Harrow Women’s Association (meeting of Asian women)</p> <p>There has also been concern raised that many large families of low income may be of ethnic origin and therefore may be adversely affected by the changes because of the cumulative impact of all the welfare reform changes. We do not have the monitoring information to be able to substantiate this however families with children have been highlighted both in the ‘Age’ protected</p>	<p>Hardship fund to be developed with criteria to support the most vulnerable.</p> <p>Collection policy to be reviewed.</p> <p>Work programmes specifically targeted at Council Tax Support claimants</p> <p>Working alongside the mitigations workstream within the Welfare Reform Project Group. The proposed mitigations include the following:</p> <ul style="list-style-type: none"> - Debt and financial advice including benefit check - Development of a foodbank in Harrow - Co-ordination of second hand school uniform schemes - Recycled and reuse of furniture
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			characteristic and cumulative impacts and therefore have been considered within both proposed schemes. Some claimants may be impacted through language barriers and therefore Awareness Campaign needs to consider this. No information to suggest specific adverse or positive impact	
Religion or Belief			There are 42% male and 58% female Council Tax Benefit claimants. Where there is a couple claiming the sex of the claimant has been used in these statistics. Within the consultation the following information has been captured: Overall there were more responses from women than men, the only exception being the Residents Panel survey where 55% of the responses were from men. 34% of people claiming Council Tax Benefit are lone parents. 96% of lone parents that are currently claiming Council Tax Benefit are women and therefore there is an impact for this protected characteristic. All surveys highlighted lone parents as one of the adversely impacted groups and the reasons given were because lone parents may have limited ability to be able to access work and do not have other means of accessing money to pay their	Request has been put to the current IT provider for Council Tax Benefits to update their system to monitor all nine protected characteristics. All of the three schemes continue to not take Child Benefit and Child Maintenance into account as income when assessing for Council Tax Support to mitigate the impact of the changes upon lone parents. Awareness Campaign - includes activity to reach all Council Tax Benefit claimants especially targeting the group of people who receive 100% Council Tax Benefit. This will include the following: <ul style="list-style-type: none"> - Guidance booklet for Voluntary Organisations and staff - Training sessions for relevant departments. Staff and Voluntary Organisations - Initial letter with booklet that will be sent to all Council Tax claimants detailing the support that is available - Information sessions for claimants at Access Harrow - Articles/inserts in local press, Harrow People, Homing In and all other appropriate

Council Tax.

<p>newsletters etc.</p> <ul style="list-style-type: none">- Help pages being developed by Communications on the Web- Information in Council Tax Bills- Envelope highlighting changes to ensure opened- Posters on inside of bus routes in Harrow- Messages sent out via social media- Online benefits calculator <p>All materials will be made available in other languages as required</p> <p>Hardship fund to be developed with criteria to support the most vulnerable.</p> <p>Collection policy to be reviewed.</p> <p>Work programmes specifically targeted at Council Tax Support claimants</p> <p>Working alongside the mitigations workstream within the Welfare Reform Project Group. The proposed mitigations include the following:</p> <ul style="list-style-type: none">- Debt and financial advice including benefit check- Development of a foodbank in Harrow- Co-ordination of second hand school uniform schemes- Recycled and reuse of furniture <p>The council will work with the voluntary sector to ensure that the awareness campaign is inclusive</p>
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			<p>Request has been put to the current IT provider for Council Tax Benefits to update their system to monitor all nine protected characteristics.</p> <p>Housing delivering 1:1 support with families who are hardest hit by the benefit caps.</p> <p>The new operating model within Children & Families Services will deliver improved coordination of services, earlier identification of problems and swift effective early help.</p>
Sexual Orientation		No information to suggest specific adverse or positive impact	Request has been put to the current IT provider for Council Tax Benefits to update their system to monitor all nine protected characteristics.
<p>(The data quoted in this section was derived from analysis by the Corporate Performance Team using a snapshot of data from the Council Tax Benefit and Housing Benefit caseload data at June 2012</p> <p>456</p> <p>7. Cumulative impact – Are you aware of any cumulative impact? For example, when conducting a major review of services. This would mean ensuring that you have sufficient relevant information to understand the cumulative effect of all of the decisions.</p> <p>Example:</p> <p><i>A local authority is making changes to four different policies. These are funding and delivering social care, day care, and respite for carers and community transport. Small changes in each of these policies may disadvantage disabled people, but the cumulative effect of changes to these areas could have a significant effect on disabled people's participation in public life. The actual and potential effect on equality of all these proposals, and appropriate mitigating measures, will need to be considered to ensure that inequalities between different equality groups, particularly in this instance for disabled</i></p>		<p>The Government's analysis does not show the effects of other changes to parts of the local government finance or welfare system.</p> <p>There is likely to be a cumulative impact as the Welfare Reform Act 2012 proposes to make major changes to the Benefits system. This project is a workstream of the Welfare Reform Project Board where Harrow Council services and partners are working together to identify the impacts of all the proposed changes. These will be identified and any mitigating factors recorded and included within this EqIA.</p> <p>Technical Reforms for Council Tax – Changes under the Local Government Finance Act 2012 allow Councils to charge full Council Tax on second homes and to abolish Class A and C exemptions. This could result in higher costs for Landlords which may be passed on to tenants who could also be affected by the changes to Council Tax Benefits.</p> <p>Community Health and Wellbeing (Adults) – possibility of a cumulative impact as a result of the introduction of the Contributions Policy. A snapshot of Adult Social Care client data was taken on the 12th October</p>	

people, have been identified and do not continue or widen. This may include making a decision to spread the effects of the policy elsewhere to lessen the concentration in any one area.

and this information has been used to inform the data. There has been difficulty in matching the data and therefore these figures are approximate.

Within the snapshot there are 4001 clients of Adult Social Care. Of this number there are approximately 1,266 who are in community based settings and in a household receiving Council Tax Benefit however approximately 75% of these are pensioners. The remaining 25% working age Adult Social Care clients are living in a household that is receiving Council Tax Benefit and therefore could be affected by the changes. Approximately 1.8% of Adult Social Care users who are community based, receiving CTB and making a contribution towards their care. These changes could affect access to care if care users are unable to make a contribution because of lack of money.

Over 50% of these Adult Social Care users that are impacted by the changes to Council Tax Benefits live in social housing so could be affected by multiple benefit impacts.

The Council is looking at ensuring increased Council Tax charges are taken into account when assessing for contribution towards Adult Social Care.

Duty to prevent homelessness - Impact of Council Tax Benefit changes could contribute to Harrow's homelessness duties if Council Tax Benefit Claimants are made homeless

- Because of additional financial pressure due to multiple changes
- Because of recovery of Council Tax Benefit arrears or inability to pay rent because prioritise Council Tax payment.

Groups identified as being most likely to be impacted by these changes could be:

- Large families
- Ethnic minority families; and
- Lone parents

	<p>The mitigations for the wider welfare reforms are being developed through the Welfare Reform Project Board which include representation from all Directorates. The mitigations include:</p> <ul style="list-style-type: none"> - Government funding via Discretionary Housing Payment (DHP) - New welfare provision following abolition of Social Fund - Hardship fund to be provided as a direct result of the consultation
<p>10. How do your proposals contribute towards the requirements of the Public Sector Equality Duty (PSED), which requires the Council to have due regard to eliminate discrimination, harassment and victimisation, advance equality of opportunity and foster good relations between different groups.</p>	<p>(Include all the positive actions of your proposals, for example literature will be available in large print, Braille and community languages, flexible working hours for parents/carers, IT equipment will be DDA compliant etc)</p>
<p>Eliminate unlawful discrimination, harassment and victimisation and other conduct prohibited by the Equality Act 2010</p>	<p>Advance equality of opportunity between people from different groups</p>
<p>45 Policy decision was taken by the portfolio Holder to design a scheme that met the funding available from the Government for the Localisation of Council Tax Support to protect other service budgets.</p>	<p>Modelling has been carried out to ensure the schemes protect the most vulnerable whilst balancing the need to make savings to avoid cuts in other services.</p>
<p>Extent of consultation with different groups and inclusion of the Voluntary Sector within the Steering Group has ensured wide opportunity to respond and much commonality in relation to concerns about who would be most affected regardless of whether respondents came from that protected group or not.</p> <p>Discussions are being held with the Steering Group in relation to their ongoing involvement in the wider implementation of the</p>	<p>Foster good relations between people from different groups</p>
	<p>Are there any actions can you take to meet the PSED requirements? <i>(List these here and include them in the Improvement Action Plan at Stage 5)</i></p>
	<p>Please see Action Plan that has been developed at Stage 5 which includes all mitigations.</p>

	Welfare Reforms. As part of this ongoing role the Steering Group have advised that they want to be involved in the ongoing monitoring of Council Tax Support.								
<p>11. Is there any evidence or concern that your proposals may result in a protected group being disadvantaged (please refer to the Corporate Guidelines for guidance on the definitions of discrimination, harassment and victimisation and other prohibited conduct under the Equality Act)?</p>									
	Age (including carers)	Disability (including carers)	Gender Reassignment	Marriage and Civil Partnership	Pregnancy and Maternity	Race	Religion and Belief	Sex	Sexual Orientation
Yes	x	x				x		x	
No			x	x	x		x		x
<p>If you have answered "yes" to any of the above, set out what justification there may be for this in Q12a below - link this to the aims of the proposal and whether the disadvantage is proportionate to the need to meet these aims. (You are encouraged to seek legal advice, if you are concerned that the proposal may breach the equality legislation or you are unsure whether there is objective justification for the proposal)</p>									
<p>If the analysis shows the potential for serious adverse impact or disadvantage (or potential discrimination) but you have identified a potential justification for this, this information must be presented to the decision maker for a final decision to be made on whether the disadvantage is proportionate to achieve the aims of the proposal.</p>									
<p>459 If there are adverse effects that are not justified and cannot be mitigated, you should not proceed with the proposal. (select outcome 4)</p>									
<p>If the analysis shows unlawful conduct under the equalities legislation, you should not proceed with the proposal. (select outcome 4)</p>									
<p>Stage 4: Decision</p>									
<p>12. Please indicate which of the following statements best describes the outcome of your EqIA (tick one box only)</p>									
<p>Outcome 1 – No change required: when the EqIA has not identified any potential for unlawful conduct or adverse impact and all opportunities to enhance equality are being addressed.</p>									
<p>Outcome 2 – Minor adjustments to remove / mitigate adverse impact or enhance equality have been identified by the EqIA. <i>List the actions you propose to take to address this in the Improvement Action Plan at Stage 5</i></p>									
<p>Outcome 3 – Continue with proposals despite having identified potential for adverse impact or missed opportunities to enhance equality. In this case, the justification needs to be included in the EqIA and should be in line with the PSED to have 'due regard'. In some cases, compelling reasons will be needed. You should also consider whether there are sufficient plans to reduce the adverse impact and/or plans to monitor the impact. (explain this in 12a below)</p>									
<p>Outcome 4 – Stop and rethink: when there is potential for serious adverse impact or disadvantage to one or more protected groups.</p>									

(You are encouraged to seek Legal Advice about the potential for unlawful conduct under equalities legislation)

12a. If your EqIA is assessed as **outcome 3**, explain your justification with full reasoning to continue with your proposals. N/A

Stage 5: Making Adjustments (Improvement Action Plan)

13. List below any actions you plan to take as a result of this impact assessment. This should include any actions identified throughout the EqIA.

Area of potential adverse impact e.g. Race, Disability	Action proposed	Desired Outcome	Target Date	Lead Officer	Progress
Age - All working age Council Tax Benefit Claimants/families with children/lone parents/children	Develop Council Tax Support Schemes that take account of feedback from consultation and meet the principles for the scheme including to continue to not take Child Benefit into account when assessing for Council Tax Support.	<ul style="list-style-type: none"> - Minimising the impact for working age families with children Council Tax Support claimants - Providing some protection for families with children/lone parents/children - Scheme implemented within the resources available from the Government therefore avoiding additional reductions in 	31.1.13	Fern Silverio	Schemes developed and being put to December Cabinet alongside this EqIA

	<p>An awareness campaign is to be developed to ensure all Council Tax Benefit claimants understand why the changes are taking place and what it means for the individual. This will include signposting and information on support available. All of this information will be developed to be inclusive to all Council Tax Benefit claimants.</p> <p>There will be an opportunity for people to carry out a benefit check including for CTS using an online calculator.</p> <p>The Awareness Campaign will include a feedback report.</p>	<p>other services</p> <ul style="list-style-type: none"> - Raise awareness of the changes - Feedback to residents how their views have shaped the new scheme - Manage expectations to ensure that all Council Tax Benefit claimants understand they will have to pay towards their Council Tax Bill 	1.12.12 – 30.4.13	Nicola Rae/Bernie Beckett	Communications and Awareness Campaign finalised.
	<p>Hardship Fund is being developed, this will be used to help those experiencing genuine hardship as a result of the changes to Council Tax</p>	<ul style="list-style-type: none"> - Hardship fund developed with clear criteria that supports the most vulnerable - Policy developed 	31.3.13	Jenny Townsley/Bernie Beckett	Multi agency sub group set up to take forward development of Hardship Fund as part of overall mitigations for wider

	Support pay their Council Tax bills	that aligns with other mitigations from welfare reforms			welfare reforms
	An action plan is being developed to include all mitigations developed by both the Steering Group and Welfare Reform Project Board.	<ul style="list-style-type: none"> - Impact minimised for groups affected by Welfare Reforms 	Ongoing	Welfare Reform Project Board	Action plan currently being developed
	Ability to monitor all nine protected characteristics for equality monitoring which will require upgrade of IT system and update of claim form	<ul style="list-style-type: none"> - Ability to adhere to equality requirements for monitoring service delivery 	31.3.13	Jenny Townsley/Susan Hopkins	Request has been put to the current IT provider for Council Tax Benefits to update their system to monitor all nine protected characteristics. User group is meeting to update claims form – date to be confirmed
Disability	Model Scheme 1 has been developed to help reduce the effects of the changes by giving additional support to people with disabilities by having a higher level cap on the Council Tax liability (90% instead of 81.5% for all others). Criteria for this group is	<ul style="list-style-type: none"> - Minimising the impact for people with disabilities who are Council Tax Benefit claimants - Scheme implemented within the 	31.1.13	Fern Silverio	<ul style="list-style-type: none"> - Schemes developed and being put to December Cabinet alongside this EqIA

	<p>included within the Cabinet Report.</p> <p>All three schemes have continued to disregard DLA when assessing for Council Tax Support and do not take non dependant deductions where the claimant or partner is receiving DLA care component and the disability premiums will remain.</p>	<p>resources available from the Government therefore avoiding additional reductions in other services</p>	<p>Ongoing</p>	<p>Mark Billington</p>	<p>Currently in operation</p>
	<p>People with disabilities are able to access elements within work programmes and can also volunteer for Work Choice which is run by CTEC</p>	<p>- Providing the opportunity for people to be able to access work programmes</p>			<p>-</p>
<p>Race</p>	<p>All as age</p>				
<p>Sex</p>	<p>All as age</p>				

Stage 6 - Monitoring

The full impact of the decision may only be known after the proposals have been implemented, it is therefore important to ensure effective monitoring measures are in place to assess the impact.

<p>14. How will you monitor the impact of the proposals once they have been implemented? How often will you do this? <i>(Also Include in Improvement Action Plan at Stage 5)</i></p>	<p>Proposing to monitor through the following mechanisms:</p> <ul style="list-style-type: none"> - Complaints - Appeals - Applications to the Hardship Fund/Welfare Assistance Scheme - Level of arrears 		
<p>15. Do you currently monitor this function / service? Do you know who your service users the service?</p>	<p>Yes</p>	<p>x</p>	<p>No</p>
<p>16. What monitoring measures need to be introduced to ensure effective monitoring of your proposals? <i>(Also Include in Improvement Action Plan at Stage 5)</i></p>	<p>- Collection of monitoring information relating to nine protected characteristics in relation to four areas of monitoring as above.</p>		
<p>17. How will the results of any monitoring be analysed, reported and publicised? <i>(Also Include in Improvement Action Plan at Stage 5)</i></p>	<p>- Monitoring reports will be developed and put to the multi-agency Steering Group for discussion on a quarterly basis.</p>		
<p>18. Have you received any complaints or compliments about the policy, service, function, project or proposals being assessed? If so, provide details.</p>	<p>- the GLA have complimented the extensive consultation process used to inform the policy</p>		

Stage 7 – Reporting outcomes

The completed EqJA must be attached to all committee reports and a summary of the key findings included in the relevant section within them.

EqJA's will also be published on the Council's website and made available to members of the public on request.

A summary of the impacts is provided in the table below. Officers are recommending that Scheme 1 is adopted as the Council Tax Support scheme because:

- It meets the principles of the scheme
- Maintains the existing protections in relation to disregarding DLA and Child Benefit; and
- Minimises the effect of the cap for people with disabilities

Table 4

Protected Characteristic	Impacted group
Age	<ul style="list-style-type: none"> § All working age claimants will be required to contribute towards their Council Tax Bill § 7,001 working age claimants currently receive 100 Council Tax Benefit – all will be required to contribute towards their Council Tax Bill § Working age large families will be adversely impacted due to the cumulative impact of Welfare Reforms § Working age lone parents will be adversely impacted as they have a limited ability to be able to access work and they also could have a lack of support. § Children could be adversely impacted due to increased poverty levels § Young people leaving care who are moving into their own accommodation § Non-dependants would be expected to contribute more towards the households Council Tax bill
Disability	<ul style="list-style-type: none"> § People with disabilities due to cumulative impacts Welfare Reforms and difficulties in accessing employment § Carers because likely to have extra outgoings and likely to be able to access full time employment
Race	<ul style="list-style-type: none"> § Large families may be of ethnic origin and therefore may be affected by the changes
Gender	<ul style="list-style-type: none"> § Lone parents are more likely to be women and those claiming Council Tax Benefit 96% are female lone parents.
No specific adverse effect has been identified for the following groups: <ul style="list-style-type: none"> § Pregnancy and maternity § Gender reassignment § Religion or belief § Sexual orientation 	

19. Summary of the assessment

NOTE: This section can also be used in your reports, however you must ensure the full EqIA is available as a background paper for the decision makers (Cabinet, Overview and Scrutiny, CSB etc)

What are the key impacts – both adverse and positive?
 Are there any particular groups affected more than others?
 Do you suggest proceeding with your proposals although an adverse impact has been identified? If yes, what are your justifications for this?
 What course of action are you advising as a result of this EqIA?

<p>20. How will the impact assessment be publicised? E.g. Council website, intranet, forums, groups etc</p>	<p>The impact assessment will be publicised on the Council website and through the Steering Group.</p>	
<p>Stage 8 - Organisational sign Off (to be completed by Chair of Departmental Equalities Task Group) The completed EqIA needs to be sent to the chair of your Departmental Equalities Task Group (DETG) to be signed off.</p>		
<p>21. Which group or committee considered, reviewed and agreed the EqIA and the Improvement Action Plan?</p>		
<p>Signed: (Lead officer completing EqIA)</p>		<p>Signed: (Chair of DETG)</p>
<p>Date:</p>		<p>Date:</p>

Determinants of health	Specific influences	Protected Characteristics	Age (including carers of young/older people)	Disability (including carers of disabled people)	Gender Reassignment	Marriage and Civil Partnership	Pregnancy and Maternity	Race	Religion or Belief	Sex	Sexual Orientation
1. Social & economic environment	Employment: paid/ unpaid opportunities for individuals and/or communities										
	Income: creation & distribution of income and/or wealth										
	Education & skills: lifelong learning & training opportunities; knowledge & skills held in the community										
	Family cohesion: levels of family contact; family support										
	Social cohesion: levels of community interaction & support; neighbourliness, opportunities for meaningful social contact; spiritual participation										
	Community safety: crime or fear of crime; actual or perceived personal & property safety										
	Access to affordable healthy food: quality, supermarkets, local shops										
	Housing: chance to live in decent affordable home										
	Discrimination										
	Appearance of the area (real or perceived differences in characteristics)										
2. Physical environment	Sites/locations which have significance in people's lives										
	Air quality (in buildings or externally) & pollutant										
	Water quality & pollution										
	Built Environment: quality and/or use										
	Land use: availability/ quality of open space & environmental amenity										
	Noise										
	Safety: accidental injuries, physical safety & security										
	Working conditions										
	Transport: accessibility, mobility, accidents										
	Diet & eating habits										
3. Lifestyle-related variables, & personal experiences	Exercise & physical activity										
	Recreation: chances for leisure activities & experiences; leisure & cultural amenities										
	Substance abuse: tobacco, alcohol, drugs										
	Risk-taking (sexual) behaviour										
	Individuals' feeling of control over their own lives, or ability to influence their lives & locality										
	Feelings of anxiety, fear or distress: stress at home/ work										
	Health care services										
	Child care services										
	Social services										
	Voluntary services										
4. Access to (location/ disabled access/ changes in contacts with) services (costs), quality & use of variables, & personal experiences	Housing services										
	Leisure facilities										
	Adult education										
	Police										

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Health Impact assessment on Council Tax Benefit changes

Background

Central Government are proposing changes to Council Tax Benefit which will come into effect from 1st April 2013. These changes will not apply to Council Tax Benefit claimants of pension credit age but can be applied to any of the other working age groups that currently receive a Council Tax Benefit. A public consultation on these changes took place between June and September 2012.

Aim and scope of the HIA

The aim of this health impact assessment (HIA) is to identify the possible impacts on health, both negative and positive, of the proposed changes to council tax benefits. The HIA will inform the policy makers of these potential impacts and whether they are evenly spread within the population or whether certain groups will be more affected than others.

Methodology

A group had been established to undertake the equalities impact assessment (EqIA) and the health impact assessment was conducted as part of this group. The initial questions were thought to be similar and while the HIA looked at the impacts and whether they affected the whole population or specific groups, the EqIA considers the defined groups from equalities legislation and asks how they might be affected. It was agreed that by using these two templates a matrix could be used for the assessment. (See Appendix)

Impacts and Groups Affected

Social and Economic Impacts

Social and economic impacts of this policy include employment, income, access to affordable healthy food and housing. The primary impact will be on the income of the person and their family. This in turn will affect other aspects of their social and economic environment. To replace the extra expenditure it is likely that people will try to supplement their income – either by trying to find a job, a second job or increasing hours in existing jobs. Individuals will make decisions about how their household will cope with less income. This could be moving to smaller properties or renting out rooms in existing ones; decisions to cut down on other bills such as fuel bills, leading to colder properties and fuel poverty; or reducing the spend on food or other essentials.

In addition, a reduction in household income is known to cause lifestyle changes. Increased stress due to money worries does not only have a negative impact in terms of mental health but it also increases the rate of unhealthy behaviours and reduces the ability to make healthy

lifestyle choices. Increased smoking rates, increased alcohol consumption and poorer diet are features of communities in recession. Lack of disposable income reduces ability to travel and access services especially those “non-essential” services such as libraries and leisure services. The positive impact on having a reduced income could be an increase in the use of active methods of transport (cycling and walking) which could increase fitness levels.

As there can be no change to Council Tax Support to claimants of pension credit age, they will not be affected by this change. However, age is a consideration as the working age population will be affected and they are likely to have children who will also be affected.

People of working age

The likelihood of limiting longstanding illness or disability increases as income decreases. For example, two-fifths of all adults aged 45-64 on below-average incomes have a limiting longstanding illness or disability, one-and-a-half times the rate for those on average incomes and three times the rate for those on high incomes. Note that the causation between limiting longstanding illness or disability and income may well run in both directions. Socio economic differences also affect the rate of death. Men aged 25 to 64 from routine or manual backgrounds are twice as likely to die as those from managerial or professional backgrounds. Such social class differences exist for all the major causes of death, the two biggest of which are cancers and circulatory diseases (including heart disease). Women aged 25 to 59 from routine or manual backgrounds were also much more likely to die as those from managerial or professional backgrounds.

Mitigation:

- To minimise the impact, those on the lowest incomes should be protected as much as possible within the resources available

Around 16% of working-age people are at high risk of developing a mental illness with women being slightly more at risk than men. Adults in the poorest fifth are much more likely to be at risk of developing a mental illness as those on average incomes: around 24% compared with 14%. People from manual backgrounds are at somewhat higher risk of developing a mental illness than those from non-manual backgrounds.

Mitigation:

- Raise awareness of mental ill health in poorest populations and how to access services.

People who are in fuel poverty are either paying a high proportion of their income for the essential purposes of keeping their homes warm, cooking, etc or are not using the amounts of fuel that are required to keep their home in a satisfactory living condition. Fuel poverty is most common for those living in the private rented sector. The risk of fuel poverty increases as income falls. However, many households in the lowest income group are not in fuel poverty and some households in the highest income group are.

The direct impacts of living in a cold home can be considered as those that cause a higher risk of death and those that have a higher risk of suffering from a disease or condition. There is a strong relationship between cold temperatures and cardiovascular disease and respiratory disease. Cold weather and cold indoor temperatures are associated with an increase in deaths from heart attacks, strokes and chronic respiratory disease. It is also associated with an increase in chest infections, colds, exacerbations of arthritis and similar conditions and of home accidents due to reduced dexterity due to cold. Cold indoor temperatures affect older people, children and those with long-term illness or disability as they spend more time in the house and therefore require more heating. Cold also negatively affects feelings of well-being and mental health.

Mitigation:

- Action on fuel poverty – warm homes schemes.
- Raise awareness of additional risk in those with long-term conditions and actions to reduce likelihood of impact of cold weather.

Another impact related to reduced income and fuel poverty is that of diet and nutrition. Studies have shown that families with reduced income that need to spend more on fuel to heat their homes will often reduce the spend on food and clothing. This can have seemingly opposite impacts of obesity and malnutrition depending on the actions that the families take. Increases in cheap but calorie-rich foods and reductions in fresh fruit and vegetables is one action which may increase levels of obesity while a reduction in all foods to maintain a balanced diet can ultimately reduce the caloric intake resulting in malnutrition. This impacts on ability to concentrate both at school and at work.

Mitigation:

- Consider food banks, community cafes and school breakfast clubs for families in need.
- Consider “cooking on a budget” classes/information/ menu cards

Smoking rates, consumption of alcohol and drug misuse often increase in times of recession and both of the former are higher in people in more deprived communities. Although this seems a paradoxical, spending a diminished income on expensive habits, this is more about control and reduced ability to quit in these groups.

Mitigation:

- Promotion of stop smoking services
- Improve access to drug and alcohol services

Children & Young people

Children living in cold homes are twice as likely to suffer from a wide variety of respiratory problems as those living in warm homes. It also affects infant weight gain, development

status, hospital admission rates and the severity and frequency of asthmatic symptoms. It also affects their educational attainment, their emotional wellbeing and resilience.

Mitigation:

- Reducing the impact of benefit changes to deprived families with children as much as possible within the resources available
- Possible after school/homework clubs in libraries to minimise impact on education of young people.

Children from deprived backgrounds are more likely to die in accidents than other children. As with infant deaths, therefore, there is a marked difference by social class and, while the numbers are coming down for all, the difference remains the same. With less disposable income, children are more likely to spend more time in the home rather than going out or going to child minders and therefore accidents in the home are more likely.

Mitigation:

- Action on home accidents in children

Mental health is negatively affected fuel poverty and cold homes. More than 1 in 4 young people living in cold homes suffer mental health problems compared to 1 in 20 for those who live in warm homes. Children and young people who live in cold homes also report more family tensions and unhappiness than those in warm homes. This is thought to be due to a lack of privacy and space for respite from other family members. Suicide is now the second most common cause of death of young men after accidents, claiming more lives than cancer. What makes suicide an issue, in terms of poverty and social exclusion, is the connection between suicide and socio-economic conditions. The unemployment rates of a sample of males and females who attempted suicide during the 1980s were considerably higher than the average unemployment rates for the age group.

Mitigation:

- Action in schools and colleges to raise awareness of child and adolescent mental health issues, coping strategies and improving emotional wellbeing

People with a disability

The biggest group of people who are economically inactive but want paid work are the long-term sick and disabled and the prevalence of such illness or disability is much greater among those on lower incomes than among those on higher incomes. However, the availability of paid employment to this group is limited due to a variety of factors not least due to the lack of availability of posts suitable for people with specific disabilities. It therefore seems unlikely that this group would be able to increase their income to cover council tax payments outside of their benefits.

Mitigation:

- People with disability should be protected from the changes to council tax benefit changes as much as possible within the resources available.
- Job centre Plus and other employment services need to be more aware of issues in getting jobs for people with a physical, learning or sensory disability.

Ethnicity

Some ethnic groups are disproportionately affected. Black African and Caribbean families in Harrow have higher rates of unemployment and higher rates of poverty and a reduction in household income will affect them more than other groups. The largest families in Harrow are from BME groups and therefore more children in these groups will be affected by any changes in household income.

Mitigation:

- Although impact will be greater in some ethnic groups, this should be addressed by mitigating against impact on children and families

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October 2012

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