

Agenda Item 2

NORTHUMBERLAND COUNTY COUNCIL

At a meeting of the **Northumberland County Council** held on Wednesday 1 September 2021 at County Hall, Morpeth at 3.00 pm.

PRESENT

Councillor B. Flux
(Business Chair of the Council) in the Chair

MEMBERS

Ball, C.	Murphy, M.
Beynon, J.	Nisbet, K.
Bowman, L.	Parry, K.
Carr, D.J.	Pattison, W.
Cartie, E.	Ploszaj, W.
Castle, G.	Purvis, M.
Clark, T.	Reid, J.
Dale, P.A.M.	Renner-Thompson, G.
Daley, W.	Richardson, M.
Darwin, L.	Riddle, J.R.
Dickinson, S.	Robinson, M.
Dodd, R.R.	Sanderson, H.G.H.
Dunbar, C.	Scott, A.
Dunn, L.	Scott, P.
Ezhilchelvan, P.D.	Seymour, C.
Ferguson, D.	Sharp, A.
Foster, J.	Simpson, E.
Grimshaw, L.	Stewart, G.
Hardy, C.R.	Swinbank, M.
Hill, G.	Swinburn, M.
Horncastle, C.W.	Taylor, C.
Humphrey, C.	Thorne, T.N.
Hunter, I.E.	Towns, D.
Hutchinson, J.I.	Waddell, H.
Jones, V.	Wallace, A.
Kennedy, D.	Watson, A.
Lang, J.A.	Watson, J.G.
Lee, S.	Wearmouth, R.W.
Mather, M.	Wilczek, R.
Morphet, N.	

OFFICERS

Hadfield, K.	Democratic and Electoral Services Manager
Hunter, P.	Service Director, Policy
Lally, D.	Chief Executive
Masson, N.	Deputy Monitoring Officer
McEvoy-Carr, C.	Executive Director of Adult Social Care and Children's Services

Morgan, L.
O'Farrell, R.

Mitchell, A.
Roll, J.

Taylor, M.

Director of Public Health
Interim Executive Director Place
and Regeneration
Head of Corporate Governance
Head of Democratic and Electoral
Services
Director, Business Development

One member of the press was present

32. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Bawn, Bridgett, Cessford, Gallacher, Homer, Jackson and Oliver.

33. MINUTES

Councillor Foster commented that she was still waiting for tech support from IT. The Business Chair suggested that she needed to make an appointment to get this sorted.

RESOLVED that the minutes of the meeting of County Council held on Wednesday 7 July 2021 as circulated, be confirmed as a true record, signed by the Business Chair and sealed with the Common Seal of the Council.

34. DISCLOSURE OF MEMBERS' INTERESTS

Councillor Grimshaw declared an interest as an Advance Board member and advised she would not participate in any discussion.

35. ANNOUNCEMENTS

The Business Chair was sad to report the death of former county councillor John Smith who had passed away on Saturday 28 August 2021. He had been elected to the Council in November 1999 for the Wansbeck Hirst Electoral Division and served until May 2008. He had also been a Portfolio Holder.

The Leader advised that he had nothing further to report on the plans for increasing the combined authority area though officers were talking to Government. He also wanted to make clear that the County was open to those seeking refuge from Afghanistan and the Authority was currently looking at three schemes. He hoped all members would be supportive.

36. MEMBER QUESTIONS

Question 1 from Councillor Ezhilchelvan to Councillor Riddle

Sycamore trees are uniquely susceptible to attacks from tree Aphids or tree lice. When such an attack happens, the tree gives out a sticky sap or honeydew throughout the season which can fall on parts of properties as far as 7-9 meters away from the tree. This sticky stuff brings in dirt and covers roof-tops and walls; Expensive conservatories closer to affected trees can be seen in many parts of Cramlington to lose their appearances and being rendered less effective. Research also shows that aphids can stay on a single tree for years.

These are not a few isolated cases but many wards, such as Cramlington South East, have too many houses affected by these problems. NCC, from what I enquired, does not treat aphids nor respond by thinning affected trees with an urgent priority. Would the council formulate a policy that protects residents' properties and also preserves the green environments? Given that sycamores are widely recognised as not suitable for being in residential areas, can the Woodlands Team officers be permitted to replace the aphids-affected ones with trees more suited to residential areas? Isn't it time to consider formulating residents-friendly change of policies on this front and allot additional funds to carry through these policies?

Councillor Riddle advised that the Authority was aware of the problems associated with aphid infestations in trees, and officers did occasionally receive complaints. Aphid infestations were variable and were present only in a few species of tree. Consequences of an infestation would usually be mild, but on rare occasions could be significant.

All requests for tree work were assessed in line with Northumberland County Council's Trees and Woodland Strategy 2015-2020 (Growing Together) and all required tree work was prioritised and carried out according to the identified hazards and risks. Any tree work identified as non-urgent was categorised as either medium or low priority and works programmed accordingly. Problems relating to aphid infestations were generally either categorised as not requiring any action, or deemed a low priority and, as such, any remedial works could only be undertaken when resources allowed. In exceptional circumstances where infestations and their effects were severe and recurrent, remedial works would be considered. Sometimes it was possible to treat the aphids themselves rather than prune or remove the tree; removal of the tree would only be considered only as an action of last resort.

It was acknowledged that historical planting of street trees in residential areas had on occasions resulted in species of trees being planted which would not now be considered appropriate. It was policy now to carefully consider the species, location and position of trees to be planted and to take into consideration possible after effects such as honeydew from aphids, as well as damage to footways and impacts on adjoining properties. However, the Council was not supportive of the proposal for a large scale programme of removal for poorly selected species of urban trees, as this would require significant additional resources and the large scale removal of established healthy trees would have a significant adverse environmental impact on the local amenity, street scene and habitat within the affected communities.

Councillor Ezhilchelvan commented that “as resources allow” meant things would never happen and additional priority needed to be given. Some residents were taking councils to court over damage to their properties and he felt the Authority needed to look at the priority allocated to this issue to make sure it was legally covered. Councillor Riddle replied that any recurring cases causing significant damage would be investigated.

Question 2 from Councillor Robinson to Councillor Horncastle

The last Administration had the ambition of ‘building’ 1000 new social housing units. How many were actually delivered and if possible, what were they, new builds, affordable homes, conversions etc?

Councillor Horncastle replied that the Council remained committed to the delivery of affordable homes and one of his priorities was to bring forward a plan for delivering, in partnership with all sectors, new, affordable homes across the County. The covid pandemic and the associated ongoing challenges within the construction industry and supply chain had impacted the ability to bring forward new homes at the rate he would have wished. At the current time, there was a pipeline of 629 units, with approval for the delivery of 194 units, made up of new build homes, the acquisition of S.106 units. A further 25 homes had been acquired or were planned to acquire by exercising the right of first refusal when people wished to sell their home they had bought through the right to buy scheme.

Officers were working on a number of schemes to deliver 145 units and a number of other sites had been identified which could deliver a further 290 affordable homes. £900k of grant funding had been secured from Homes England.

The Authority had also facilitated the delivery of community led housing and had provided just over £300k of capital funding to support community organisations to develop their own housing with plans to help further.

Councillor Robinson asked whether there was a commitment from the Administration to do the same again. Councillor Horncastle replied that he would like to fulfil the 1050 commitment from the previous Administration and exceed that but he could not give a definitive number. The Leader advised that a ringfenced fund for affordable housing would be created this financial year.

Question 3 from Councillor Robinson to the Leader

We have seen a veritable plethora of investigations started over the last few years, the last one I was personally questioned about. We seem to offer up righteous indignation at the time and insist they are independent and autonomous and they will do this and that but we never seem to hear the outcomes? I was interviewed about the probe into the recent leaks of confidential information, so have we at least got an update on what’s happened and if the source has been identified?

The Leader agreed that there had been a lot of concern about the leaks which had taken place and it had been bad for morale, reputation and teamworking. Those in leadership had been very disappointed at the breaches which had

been designed to cause damage. A full investigation had taken place and the Police were involved so he couldn't say anything further at the moment, but he urged all members to think about the wider implications of leaking documents for political gain, which also had a detrimental effect on staff and reputation.

Councillor Robinson asked for the Leader's commitment to make public the findings of the internal investigation and/or the Police investigation. The Leader could not give that commitment at this time but acknowledged it was a reasonable request. If he could do that in future, he would.

Question 4 from Councillor Hill to Councillor Riddle

Despite the good efforts of individuals within the Local Services team, there is still a huge gulf between public expectation and the reality of the tidiness and maintenance of our streets, green spaces, estates, cemeteries and public toilets in the Berwick area and elsewhere in Northumberland. Do you agree that this points to fundamental issues with resourcing and service delivery models ?

Councillor Riddle advised that the Council's public open spaces were maintained by a dedicated team who ensured that the local environmental quality in Berwick and Northumberland was kept to a good standard. The core resource for delivering these services was sufficient to maintain a good standard of local environmental quality, the service delivery model was effective and consisted of area-based multi skilled teams supported by an integrated management model structured around Local Area Council boundaries, with all staff having clear responsibilities and accountabilities for the standards of service being achieved in their area.

There had been a significant increase in demand on a range of Neighbourhood Services during the last 18 months as a result of the Covid pandemic, with more people staying at home and accessing their local open spaces more, and a significant increase in visitors and tourists in the county due to 'staycation' holidays. However, the Council had proactively responded to these challenges and deployed additional resources to meet increased demand, such as significantly increasing the frequency for daily cleansing of public conveniences (now being undertaken three times per day) and increasing the frequency of litter picking/emptying of litter bins particularly at busy locations such as town centres, parks/country parks and along the Northumberland coast.

In addition to normal supervisory spot checks, the environmental standards being achieved by the teams was regularly monitored through well established and documented performance management arrangements with supervisory staff undertaking inspections and recording their findings via 'Local Environmental Quality' (LEQ) surveys.

These surveys are undertaken across the County following nationally recognised Keep Britain Tidy standards and measured the presence of factors such as detritus, litter and dog fouling. Since January 2021, 510 surveys had been undertaken countywide. 96% of these sites were predominantly free of detritus, 98% were predominantly free of litter and 100% were predominantly free of dog fouling. These were all on or better than the performance targets set in the service plan, (92% target for detritus, 95% for litter and

99% for dog fouling), indicating that the service was meeting its LEQ targets and delivering a good standard of service.

90 of those inspections were in Berwick and surrounding areas, 96% of these sites were predominantly free of detritus, 100% were predominantly free of litter and 100% were predominantly free of dog fouling. Since January 2021 the Council's customer relationship management system

'Lagan' had also recorded 396 customer enquiries / complaints, which had included the following topics:- weeds, litter, detritus, rubbish, waste, mess, bins, sweep, dog mess and glass. Only 6 of the enquiries had been from residents in the Berwick area.

The service performance information and customer feedback being received would therefore suggest that there was not a significant gulf between public expectations over the quality of their local environment and the maintenance standards being achieved by the Council. However, the importance of maintaining a high quality local environment across the whole County for both residents and visitors alike was recognised and the Council remained committed to working with local communities and other key stakeholder organisations to seek continuous improvements in the physical appearance and quality of life. A good example of this was the Neighbourhood Services Partnerships with Town & Parish Councils, including Berwick Town Council who worked with the Council to enhance environmental quality in the town.

Councillor Hill queried whether he accepted that members were contacted every day or saw comments on social media about the state of the cemeteries, toilets, green spaces etc. She acknowledged that the team were very responsive to reports but the service wasn't good enough. She suggested it would be more effective for there to be discrete areas of responsibility.

Councillor Riddle agreed that the staff did a first class job. When he had visited Berwick recently looking at cemeteries he had also looked at the public toilets and he had not seen anything that caused him concern. He pointed out that only 6 enquiries had come from Berwick.

Question 5 from Councillor Hill to Councillor Horncastle

A number of Local Authorities, across the Country, have committed to taking refugees from Afghanistan. Has NCC discussed, agreed or communicated any position on this?

Councillor Horncastle responded that Northumberland had a long history of supporting those in need from other countries and had to date helped forty-four families settle in Northumberland from Syria. Prior to the current situation in Afghanistan, in response to a request from Government to support resettlement of locally employed staff (LES) through the Afghanistan Relocations and Assistance Policy (ARAP), the Council had agreed to support six families. The first three families had already been received and a further three families would follow shortly. At this time, the Council had not been formally asked to increase or accelerate this offer.

The Council was currently awaiting further information from Government about the new resettlement scheme recently announced, known as the Afghan Citizen's Resettlement Scheme. In its first year the scheme would welcome

5,000 Afghans with up to 20,000 over a five-year period. Priority would be given to women and girls, and religious and other minorities who were most at risk of human rights abuses. This scheme was in addition to the current scheme launched in April. There would therefore be two schemes in operation and the response within the region was being coordinated by the North East Migration Partnership.

In recognition of the current crisis, and that many Afghan citizens had already been transported to this country, discussions had been held with internal and external partners, and in advance of a formal request, an “offer” of support was being developed which would be discussed with the North East Migration Partnership.

Councillor Hill commented that the Authority struggled with social housing in certain areas, including in Berwick and particularly larger houses, and asked whether Councillor Horncastle agreed this was another reason that this needed to be addressed. Councillor Horncastle agreed that there was a shortage of affordable housing in the County but as much accommodation would be provided as possible for the Afghan refugees. He referred to a third scheme which had been mentioned that morning but the Authority did have time to find suitable accommodation whilst necessary checks and quarantine was undertaken on those arriving in to the country. Not every part of the County was suitable but the Authority would not turn its back.

Question 6 from Councillor Taylor to the Leader

Work seems to have stopped on Bedlington's Town Centre redevelopment are there any problems or issues holding this up?

The Leader replied that the works were progressing as planned on the Aldi store development and associated seller works including Advance Northumberland car park, footpath and highway works. There was a delay with the demolition due to resolving a party wall matter and suspected contamination in the floor slab. A revised programme was being developed, and it was expected that the demolition works would continue into October. The new build was on target to start later this year.

Councillor Taylor asked for a copy of the plans so that these could be displayed in the community centre and the Leader agreed this could be done.

Question 7 from Councillor Grimshaw to the Leader

Does the Leader think the Scrutiny meeting of Corporate Scrutiny on the 9th of August was a good way for this Council to conduct its business, and has he reviewed the footage following members' complaints?

The Leader replied that he believed Scrutiny could work well at times. He had not managed to look at all of the footage from the meeting though he understood there were some serious issues there which were being dealt with.

Councillor Grimshaw understood that her Group Leader had raised the matter with the Leader and was disappointed if the Leader had not seen all of the footage. She thanked the Leader for his response and did believe that he was addressing the behaviour of his members towards officers. However, some Conservative members did not seem to feel that their Leader's instructions

applied to them, whilst at the same time holding senior positions within the Group. She asked if the Leader agreed that such councillors should be held to account and what action he would be taking as Leader to ensure that such behaviour ceased, as it was continuing.

The Leader advised that the members' Code of Conduct should be observed by members. It placed a duty on members to treat all officers with respect and dignity and vice versa. His Group had been requested to observe the Code by himself, the Business Chair and the Deputy Leader.

Question 8 from Councillor Nisbet to the Leader

Can the Leader confirm the cost of the Call-In Meeting at the Holiday Inn, inclusive of officer time at the event and preparation, room booking, members and officer travel, and IT equipment?

The Leader advised that the cost of the call-in meeting held at the Holiday Inn on 18 August was as follows:

Room Hire for meeting : £500 - another meeting was held after the call-in meeting to take advantage of the booking.

Hire of room for set up on previous day: £200

Audio visual costs £750

Officer time was difficult to estimate as officers would have been working anyway and travel costs have not yet been determined as claims may not have been submitted as yet. The Holiday Inn had been booked as there was no suitable room at County Hall large enough to accommodate the numbers socially distanced. A room was now available within County Hall for larger meetings.

Question 9 from Councillor Dickinson to the Leader

Does the Leader anticipate any further challenges from his own members on any items he has recently made a decision on, and could any such internal disputes be dealt with internally to avoid the great cost and stop the diminishing value of the call-in procedures?

The Leader advised that he did anticipate and welcome challenge on his decisions. It was important for Scrutiny to be able to challenge the leadership, and if that was from the same party, that should not stop that happening.

Councillor Dickinson asked if the Leader could clarify that there was no imminent leadership change within the Conservative Group. The Leader advised he wasn't aware of any.

Question 10 from Councillor Dale to the Leader

Work will be commencing on the County Council's budget proposals for 2022/23. Please could you inform this new Council of the programme for the development of these proposals over the coming months.

The Leader detailed some of the key dates and advised that he could provide Councillor Dale with the full response. He referred to the online public consultation which had been undertaken the previous year and which had received a good response. That would be followed again this coming year.

Councillor Dale commented that many new members would not have an idea what was involved in budget setting and suggested that a briefing be set up for that. The Leader agreed to take this on board.

Question 11 from Councillor Dale to Councillor Wearmouth

Please could you give this Council an update on the County Hall refurbishment programme and when will the work be completed.

Councillor Wearmouth advised that the following elements had been completed:

- External fabric refurbishment of Blocks 1, 2, 3 and 4.
- Internal refurbishment of Blocks 2, 3 and 4.
- Formation of a new coroner's court

Works were continuing on Phase 1 of the Front-of-House (kitchen, restaurant, council chamber), Phase 2 (reception area) and Block 1 with anticipated completion dates as follows:

- Phase 1 (kitchen, restaurant, council chamber): end September 21
- Block 1 Top Floor : end September 21
- Block 1 First Floor : end September 21
- Block 1 Ground Floor (conference suite): end October 21
- Phase 2 (reception area): end November 21

The external fabric works to Blocks 5 and 6, and the basement refurbishment of Block 3 (changing rooms and shower area) would follow on from January 22 and all works were expected to be complete by September 22. Consideration was still being giving to the internal refurbishment of blocks 5 and 6.

Councillor Dale commented that the overall costs were of concern. The original plan to move to Ashington would have had social and economic impact on local residents and would have contributed to the levelling up the Government was promoting. She asked what social and economic impact the refurbishment of County Hall would have on the residents and businesses of Morpeth and whether Councillor Wearmouth thought this would be good value for money.

Councillor Wearmouth replied that the forecast outturn for the project was around £14m which was significantly less than any figure placed on the alternative project for Ashington. He did not have the information asked for on the socio economic benefits to Morpeth but he would try to get it. Regarding Ashington, the Administration had a really exciting agenda for the town with much added value in evidence.

37. CABINET MINUTES

Councillor Reid declared an interest as a Director of Advance and would not vote on any matters relating to that.

RESOLVED that:-

- (a) the following minutes be received;

County Council, 1 September 2021

- (1) Tuesday 13 July 2021**
- (2) Tuesday 3 August 2021**
- (3) Tuesday 17 August 2021 and**

(b) the following resolution be approved as it involved budget and policy framework matters requiring Council approval:-

(1) Minute No.14 of the 13 July 2021 meeting relating to the Blyth Welding & Fabrication Training Centre

38. COMMITTEE MINUTES

(1) Corporate Services and Economic Growth OSC

These were presented by Councillor Dunn, who highlighted that the minutes of 2 August did not include her in the attendance. This was not correct. She also looked forward to seeing the minutes from 9 August 2021 on the next Council agenda which she had a number of concerns about.

With regard to Minute No. 6 and the briefings for ward councillors on Borderlands, Councillor Robinson asked if there was a firmer time frame than that identified in the report as he would hate to see any slippage. The Leader replied that any slippage was not due to the County Council. It was a complex procedure but he assured members the programme would be delivered.

With regard to Minute No. 7 and the review of the whistleblowing policy, Councillor Dickinson asked if there had been any progress on this. The Chief Executive advised that the policy at the Scrutiny Committee had been in relation to staff issues and was considered as part of the workforce report. There had been some confusion at the meeting where the Chair had asked for a report back on issues in relation to members and complaints that members wished to make. Those issues were considered at the Member Services Working Group.

RESOLVED that the minutes of the CSEG OSC be received.

(2) Family and Children's Services OSC

These were presented by Councillor Daley.

RESOLVED that the minutes of the FACS OSC be received.

(3) Communities and Place OSC

These were presented by Councillor Mather.

RESOLVED that the minutes of the Communities and Place OSC be received.

(4) Health and Wellbeing OSC

These were presented by Councillor Reid.

RESOLVED that the minutes of the H&W OSC be received.

(5) Health and Wellbeing Board

These were presented by Councillor Flux.

Councillor Dale commended the work done by staff during the pandemic. This was echoed by both the Business Chair and the Leader and agreed that it should be acknowledged and recorded.

RESOLVED that the minutes of the H&W Board be received.

(6) Audit Committee

These had been circulated to members the day before the meeting. At Councillor Dickinson's request, it was agreed that they should be deferred to the next meeting to allow for proper consideration.

(7) Member Services Working Group

These were presented by Councillor Sharp who drew members' attention to the recommendations detailed at Minute No. 4(a). Mr Masson advised that the changes specified at the Working Group had not been attended to as yet as the recommendation was that Council adopt the policy, subject to the four bullet points revising the policy, which would also be subject to the recommendations of the Independent Remuneration Panel. It was at that point that those amendments would be made.

RESOLVED that the minutes of the Member Services Working Group be received and the recommendation detailed at Minute No. 4(a) be approved.

39. MOTIONS

Motion No.1

In accordance with Council Rules of Procedure No.10, Councillor S. Dickinson moved the following motion, received by the Democratic Services Manager on 7 July 2021, with an amendment to the final paragraph at the bottom of page 3 so that it read as set out in bold below:-

To bring Northumberland County Council into the 21st century and provide equality to Councillors as well as staff, it notes the following research findings:

That analysis of the 2019 Local Election results by the Fawcett Society found that only 35% of councillors in England are women, up 1% since 2018. Of the seats that were up for election in 2018, 38% went to women, up just 3 percentage points on 2014 when these seats were last contested;

That the role of a councillor should be open to all, regardless of their background, and that introducing a parental leave policy is a step towards encouraging a wider range of people to become councillors, and is also a step to encourage existing councillors who may want to start a family to remain as councillors;

That parental leave must apply to parents regardless of their gender, and that it should also cover adoption leave to support those parents who choose to adopt.

Northumberland County Council resolves:

To adopt the parental leave policy drafted by the Member Services Working Group.

To ensure that councillors with children and other caring commitments are supported as appropriate;

To notify the LGA Labour Group that this Council has passed a motion at full Council to adopt the parental leave policy .

Councillor Dickinson commented that this motion was about diversity, about ensuring that becoming a parent did not prevent a person from being a councillor and making it equally possible for any councillor of working age to represent their community through the implementation of a policy which 40 other councils had adopted, giving them the same rights as other employees.

Councillor Wilczek commented that since the creation of the Council in 2009, she was only the second pregnant member. She seconded the motion which was first drawn up by the LGA Labour Group's Women's Taskforce, and modified by the Member Services Working Group to ensure that women came forward to stand for Council positions. 32 Councils had adopted the motion, including Newcastle City Council and 7 other councils had adopted their parental leave policy and she hoped that Northumberland County Council would lead the way for business to do the same in Northumberland. A woman councillor was not entitled to any maternity leave or support after having a baby and councillors needed to encourage and empower women parents and carers to become local councillors and take on leadership positions. She urged members to support it.

A number of comments were made by members including:

- Councillor Reid commented that a lack of parental leave policy had never been raised with him in 30 years of recruiting people to stand in local elections. Councillors were not employees and did not have employee rights under the terms and conditions of employment. Any member could not attend a meeting for six months and there would be no come back about that. He queried who would grant parental leave, what evidence would need to be provided and did not feel that it was necessary. Also, extensions beyond six months' absence could be granted by Council.
- Councillor Dale commented that this was an attempt to get more women into politics which was fair. Of 34 Conservative places, only 9

were women. Labour had 21 and 13 were women. She would have liked to have become a councillor earlier than she had done, but this had not been possible due to her family commitments. If this helped to bring more women into politics then it had her support.

- Councillor Foster commented that for a long time in the workplace it was very hard for women to get into senior positions in case they became pregnant. Things had moved on since then and she felt the Council needed to do the same. Having a policy in place brought certainty for those who were adopting and would encourage more women into politics. She also hoped it would encourage more younger people into politics, people who would be more in need of such a policy. This was a positive move and she fully supported it.
- Councillor Ezhilchelvan commented that members were spinning the motion into some kind of instrument to bring more women into politics, which was not correct. He was the first minority group councillor and this was not because of some special provisions from the Conservative party, this had happened for organic reasons. There were many factors involved in bringing more women into politics and this motion may or may not help. He urged members to look at the merits of the motion as a tool for bringing councillors into line with staff, as that was all it could reasonably do.
- Councillor Murphy commented that her job was to assess adopters and part of that assessment involved how supportive employers were. The private sector was very supportive in this regard and local government was not the same. She urged members to be trailblazers on this, and not dismiss it as some members had done.
- Councillor Dodd commented that a lot had changed in local government since he had been elected a councillor and maybe the time was a right for a change to the six month rule.
- Councillor Reid reiterated his earlier comments that councillors were not employees and had no contract of employment. They could not take leave, let alone parental leave. He was fully supportive of achieving a diverse council and felt being a councillor was workable around family life. He was against the motion because it was unnecessary. A member could not attend a meeting for six months without recourse. If an extension to this was required, then the whole Council had to decide on that request, which he felt was intrusive.
- Councillor Dickinson responded that being a councillor was seen as employment in life whether members liked it or not. Just not turning up to meetings was not an option for his Group. This motion was about equality across the Council and he was disappointed at some members' reactions. His Group had been very co-operative in amending the motion to make it acceptable to all members, it had been reviewed from HR and Legal point of view and he was disappointed at the response it had received. He asked for a named vote on the motion, which was supported by the required number of members.

The Deputy Monitoring Officer sought clarification that the amended motion adopted the recommendations of the Member Services Working Group. Councillor Dickinson confirmed this was the case.

On the motion, as amended, being put to the vote the votes were cast as follows:-

FOR: 57

Ball, C.	Murphy, M.
Beynon, J.	Nisbet, K.
Bowman, L.	Parry, K.
Carr, D.	Pattison, W.
Cartie, E.	Ploszaj, W.
Castle, G.	Purvis, M.
Clark, T.	Renner Thompson, G.
Dale, P.A.M.	Richardson, M.
Daley, W.	Riddle, J.
Darwin, L.	Robinson, M.
Dickinson, S.	Sanderson H.G.H.
Dodd, R.	Scott, A.
Dunbar, C.	Scott, P.
Dunn, L.	Seymour, C.
Ezhilchelvan, P.	Sharp, A.
Ferguson, D.	Simpson, E.
Flux, B.	Stewart, G.
Foster, J.	Swinbank, M.
Grimshaw, L.	Swinburn, M.
Hardy, C.	Taylor, C.
Hill, G.	Thorne, T.
Horncastle, C.	Towns, D.
Humphrey, C.	Waddell, H.
Hutchinson, J.I.	Wallace, A.
Jones, V.	Watson, A.
Kennedy, D.	Watson, J.
Lang, J.	Wearmouth, R.
Mather, M.	Wilczek, R.
Morphet, N.	

AGAINST: 2

Lee, S.	Reid, J.
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ABSTENTIONS: 1

Hunter, E.I.	
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It was therefore **RESOLVED** that:-

- (a) the County Council adopt the parental leave policy drafted by the Member Services Working Group;
- (b) councillors with children and other caring commitments will be supported as appropriate; and

- (c) the LGA Labour Group be notified that the Council had passed a motion at full Council to adopt the parental leave policy.

Motion No.2

In accordance with Council Rules of Procedure No.10, Councillor I. Hutchinson moved the following motion, received by the Democratic Services Manager on 31 July 2021, noting that the platinum jubilee was actually 70 years, not 75

*“The Queen's Platinum Jubilee, marking 75 years of being our reigning monarch, is to be celebrated on the weekend of 3rd to 6th June next year. Many of the County's residents and communities will wish to celebrate this remarkable achievement, and to help them do this, Northumberland County Council **Resolves** to waive road closure fees for one day events on one occasion organised by Town and Parish Councils held during that weekend”.*

This was seconded by Councillor Castle who commented that the Town and Police Clauses Act allowed processions to take place without charge, and some of these events would be processions.

Member comments included:-

- Councillor Dale suggested that member small schemes funding could be used to help out town and parish councils who wanted to host such events. She also asked if the motion could be amended to extend the fee waiver to community organisations in areas where town or parish councils were not doing anything. However, Councillor Hutchinson felt it was safer to restrict it to town and parish council applications so things could be kept controlled.
- Councillor Hill suggested that organisations approved by town or parish councils could be a way forward and she supported the motion. Councillor Hutchinson replied that organisations would have to go through the town or parish council to apply to benefit from the exemption.
- Councillor Reid quoted from the Town and Police Clauses Act which permitted processions for free. If the event was being held under the Road Traffic Act 1984 then the cost was £550 which covered the cost of advertising. He would have preferred a motion which urged the press to carry the adverts for free. He was also concerned about the cost to the Council, depending on take up, and felt it would have been better allocated to the LACS.
- Councillor Dickinson queried where the funding would come from if many town or parish councils applied. He asked whether community organisations could apply for the waiver and he asked the Deputy Monitoring Officer to confirm whether the types of events which were being envisaged here would be caught by the Town and Police Clauses Act or the Road Traffic Regulation Act.
- Mr Masson advised that the circumstances of the event would determine which category it fell into.
- The Leader commented that this was a proposal to help celebrate the jubilee. He felt it would be appropriate to get some definitive legal

advice and some idea of the potential costs and bring the motion back to Council.

Councillor Hutchinson agreed to withdraw his motion to allow these matters to be considered in more detail by officers and the portfolio holder, and be brought back to the next meeting.

RESOLVED that the motion be withdrawn to allow this additional work to be done, and brought back to the November Council meeting.

40. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF LOCAL SERVICES AND REGENERATION

Northumberland Line Project: Transport and Works Act Order Resolution

The report sought confirmation from the Council under section 239 of the Local Government Act 1972 for the continuation of the formal process associated with the Transport and Works Act Order (TWAO) application (the Application) submitted to the Secretary of State on 26 May 2021 in connection with the Northumberland Line project.

Councillor Ball sought clarification of the position regarding planning permissions being sought for each of the 22 bridges involved, or for any where there were public concerns. Councillor Ploszaj confirmed that all planning applications would go through the normal process.

RESOLVED that for the purposes of section 239 of the Local Government Act 1972 (as applied by section 20 of the Transport and Works Act 1992), the resolution of the Council that was passed at a meeting of the Council held on 24 February 2021 which approved the submission of the Application on 26 May 2021, be confirmed by this resolution.

41. REPORT OF THE HEAD OF DEMOCRATIC AND ELECTORAL SERVICES AND DEPUTY MONITORING OFFICER

Protocols for the appointment of Honorary Aldermen and Alderwomen and for Freemen/Freewomen of Northumberland County Council

The purpose of the report was to:

(i) reinstate the practice of appointing Honorary Aldermen/Alderwomen, and to discuss and agree a protocol for conferring the title on past Councillors from the 2021 elections onwards, subject to specific criteria. No appointments will be made at this meeting as by law, a special Council is required to be convened should this be agreed.

(ii) to consider and approve a protocol for conferring the title of Freemen and Freewomen of Northumberland.

The Leader introduced the report and thanked the Democratic and Electoral Services Manager for her work on this report. Group Leaders had contributed to its content and it would be taken forward on a cross party basis.

Councillor Reid agreed that there had been good joint working on this. He suggested that a commemorative medal should be cast to mark the occasion which could be funded from the underspend in member expenses.

Councillor Kennedy agreed this had been a good piece of work and thanked the Leader for involving Opposition Group Leaders. He agreed that something tangible should be presented to recipients.

Councillor Hill hoped that the criteria would recognise the significant and outstanding contributions of individuals and nothing less. She felt there was a danger that the awards could be seen as patronage by the public and that they might feel the Council had better things to discuss. She felt that the most rewarding thing about being a councillor was getting things done.

Councillor Morphet commented that the report was not clear about where nominations could come from for aldermen/alderwomen and that a sufficient degree of support was too vague. The Leader replied that there were two different schemes, the internal one to recognise the long service of councillors and the other to acknowledge the outstanding contributions of those to their communities, which should be recognised with the freedom of Northumberland award.

Councillor Dickinson commented that every member sacrificed a lot to be a councillor and it came at a cost. Those members who had held high office, where additional pressure was involved, should receive recognition. The criteria allowed for these circumstances and it should not be assumed that members who had simply been re-elected many times would get recognition.

RESOLVED that:-

- (a) the Council agree to the reinstatement of the practice of appointing Honorary Aldermen/Alderwomen from the 2021 election onwards;
- (b) a special Council be convened to confer the title of Honorary Aldermen/Alderwomen on those past councillors meeting the criteria;
- (c) a system to appoint Freemen and Freewomen of Northumberland be agreed; and
- (d) the Protocols attached to the report be approved.

42. REPORT OF THE SENIOR MANAGER AND DEPUTY MONITORING OFFICER

Members' Allowances Scheme/Independent Remuneration Panel

The Leader requested at the Annual Council Meeting a review of members' allowances, these having last been reviewed in 2015. The report set out;

- the legal background to the process,
- details of the last review within the Council,
- recommendations and suggested next steps

The report was presented by the Deputy Monitoring Officer.

Councillor Dickinson asked for further detail about the proposed £600 remuneration for Panel members, and whether the additional portfolio roles would be remunerated or not. The Deputy Monitoring Officer advised that the £600 fee was per review to cover any future review needs. The Business Chair advised that the portfolio assistant roles would be remunerated.

Members raised other issues which they felt should be considered including a sickness policy, impact on the parental leave policy, remuneration for electric car use and remuneration for representing the Council at external meetings. Members were advised that these were all matters which the IRP could look at as part of its deliberations and any others should be raised with the Deputy Monitoring Officer.

RESOLVED that:-

- (a) Council note the steps taken so far within the process;
- (b) Council approve the re-establishment of an Independent Review Panel (IRP) of three members for a duration of four years;
- (c) Council endorse the appointment of John Anderson CBE as Chair of the Panel;
- (d) Council endorse the appointment of Allison Thompson as Panel Member;
- (e) authority be delegated to the Head of Democratic Services and the Monitoring Officer/Deputy Monitoring Officer in consultation with the political group leaders, to agree the process of and appointment of a third Panel Member;
- (f) Council approve the suggested Terms of Reference of the Panel namely;
 - a) To consider issues and representations relating to members' remuneration and expenses including a review of current Members' Allowances Scheme and a number of new matters not specifically provided for within the Scheme at present namely;
 - i) A proposed Parental Leave Policy
 - ii) The proposed payment of a special responsibility allowance to new deputy cabinet members
 - iii) The provision of payment of broadband allowances
 - b) To make recommendations and provide advice to the Council with regard to the above;

- (g) Council agree a remuneration rate of £600 per panel member, payable upon this review and any other reviews which are needed within the next four years of their appointment; and
- (h) Council receive and consider a report of the IRP after the Panel has met and prepared a report.

43. REPORT OF THE DEPUTY MONITORING OFFICER

Proposed Constitutional Changes

The purpose of the report was to review and update the Constitution and make related appointments. The report set out;

- the legal background to the process,
- details of the recent issues which needed consideration
- recommendations

The report was introduced by the Deputy Monitoring Officer.

The Leader welcomed the proposed appointment of Mr Hunter and paid tribute to Mrs Kelly Angus who had performed the role extremely well.

A number of members spoke on this including:-

- Councillor Reid suggested that the Constitution should only refer to job titles, not individuals. Mr Masson confirmed this would be the case.
- Councillor Daley echoed the Leader's comments regarding Mrs Angus. He had found her excellent to work with and she would be a huge loss to the Authority.
- The Business Chair agreed that Mrs Angus had been of great support to himself and Councillor Dodd at an extremely difficult time. She was a first rate officer.
- Councillor Dickinson commented that it had been a pleasure to see Mrs Angus develop into her role and deliver an excellent election after the previous one in 2017. It had been one of the best organised counts in the middle of a pandemic and she would be very much missed not just for her skills in this area, but across the board.
- Councillor Cartie commented that Mrs Angus had always been available to members when needed. Her expertise would be a great loss to the Council and she hoped that the Council could retain the good staff that it had.
- Councillor Hill commented that she had always found Mrs Angus a brilliant and very helpful officer. She hoped that there had been an exit interview and that the reason why a good member of staff had left was taken on board in order to prevent the loss of other good officers, if it was something that was preventable.

RESOLVED that Part 4.2 of the Constitution - Proper and Authorised Officers be amended in the following manner:

- to appoint the Council's Senior Service Director, Philip Hunter, as Returning Officer and Electoral Registration Officer and Proper Officer in respect of the functions specified at para 6 below; and
- the Council's Constitution be amended to reflect this appointment in the list of Proper and Authorised Officers.

44. EXCLUSION OF PRESS AND PUBLIC

RESOLVED:

- (a) That under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item on the Agenda as it involves the likely disclosure of exempt information as defined in Part I of Schedule 12A of the 1972 Act, and
- (b) That the public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:-

Agenda Item	Paragraph of Part I of Schedule 12A
--------------------	--

15	1, 3 and 4 Information relating to Information relating to any individual, information relating to the financial or business affairs of any particular person (including the authority holding that information) and information relating to any consultations or negotiations, or contemplated consultations or negotiations in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the Authority..
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AND	The public interest in maintaining this exemption outweighs the public interest in disclosure because disclosure would adversely affect the Authority's ability to conduct its affairs.
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The meeting adjourned at 17.40 and reconvened at 17.50

45. REPORT OF THE CHIEF EXECUTIVE

Interim Executive Management Arrangements and Progress with Review of Future Structure

The report set out information from the County Council's Head of Paid Service regarding the interim executive management arrangements and an update on the review of the Authority's Executive Officer Team. The report set out arrangements that the Head of Paid Service had made to ensure that there was appropriate executive cover pending the completion of the ongoing formal review of the Authority's staffing structure.

The Chief Executive advised that Penna had been appointed to carry out the review and it was hoped to bring proposal forward to Council in November. The report set out some potential areas of responsibility but further discussions were needed at Executive Team. A revised interim structure would be issued following those discussions. A number of officers had identified themselves for further responsibility. The Leader advised members that he supported the proposed interim structure.

Members raised a number of questions around specific areas of responsibility. The Chief Executive advised that further information would be sent to all members to provide clarity on specific areas and Executive Director leads once ongoing work was completed.

With regard to paragraph 4.9.7 of the report, Councillor Kennedy queried whether this issue had now been resolved. Ms Mitchell advised members that external legal counsel had been received on this matter and members of the Committee involved would be informed of that counsel, but it would not be appropriate to discuss the matter at full Council. The information contained in the report was a statement of fact for members' information and could not be changed in light of the legal advice which had been received.

Clarity was sought by members on what they were being asked to do in the report. The responsibility for the organisation, appointment and management of the Authority's staff lay with the Head of Paid Service under the Local Government and Housing Act 1989, but the report's recommendations asked Council to note and agree the content of the report. The Deputy Monitoring Officer confirmed that it was not a function of Council to agree the staffing arrangements. The report provided information for members only to note.

The Chief Executive advised that the interim arrangements in the report were to ensure that the Authority could function with appropriate officer support in place, which it was her responsibility to do. However, she had no issue with sharing it with members for comments.

The Leader added that he completely supported the report's proposals. These needed to be put in place as soon as possible.

Councillor Dickinson moved the report's recommendations which was seconded by Councillor Hill, who then moved that Council move to the vote on those recommendations.

On the required number of members supporting a named vote, the votes were cast as follows:-

FOR: 54

Bowman, L.	Morphet, N.
Carr, D.	Nisbet, K.
Cartie, E.	Parry, K.
Castle, G.	Pattison, W.
Clark, T.	Ploszaj, W.
Dale, P.A.M.	Purvis, M.

Daley, W.	Reid, J.
Darwin, L.	Renner Thompson, G.
Dickinson, S.	Richardson, M.
Dodd, R.	Riddle, J.
Dunbar, C.	Robinson, M.
Dunn, L.	Sanderson H.G.H.
Ezhilchelvan, P.	Scott, A.
Ferguson, D.	Seymour, C.
Flux, B.	Sharp, A.
Foster, J.	Simpson, E.
Grimshaw, L.	Stewart, G.
Hardy, C.	Swinbank, M.
Hill, G.	Swinburn, M.
Horncastle, C.	Taylor, C.
Humphrey, C.	Thorne, T.
Hunter, E.I.	Towns, D.
Hutchinson, J.I.	Waddell, H.
Jones, V.	Wallace, A.
Kennedy, D.	Watson, A.
Lee, S.	Watson, J.
Mather, M.	Wearmouth, R.

AGAINST: 0

ABSTENTIONS: 0

It was therefore **RESOLVED** that:-

- (a) Council note and agree the contents of the report, in particular the interim management arrangements set out at paragraph 4.9; and
- (b) Council note the progress on the formal review of the County Council's executive / management arrangements being led by the Head of Paid Service as set out in a report to Council in July 2021.

The Common Seal of the County Council
of Northumberland was hereunto affixed
in the presence of:-

.....
Chair of the County Council

.....
Duly Authorised Officer

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Agenda Item 7

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the **Cabinet** held at County Hall, Morpeth on Wednesday 25 August 2021 at 11.30 am.

PRESENT

Councillor G. Sanderson
(Leader of the Council, in the Chair)

CABINET MEMBERS

Horncastle, C.
Pattison, W.
Ploszaj, W.

Renner Thompson, G.
Watson, J.G.
Wearmouth, R.

OTHER MEMBERS

Dunbar, C.
Flux, B.

Seymour, C.

OFFICERS IN ATTENDANCE

Bridges, A.
Hadfield, K.

Lally, D.
Lancaster, H.
McEvoy-Carr, C.

Morgan, L.
O'Farrell, R.

Roll, J.

Willis, J.

Head of Communications
Democratic and Electoral Services
Manager
Chief Executive
Deputy Monitoring Officer
Executive Director of Children's
Services and Adult Social Care
Director of Public Health
Interim Executive Director of Local
Services and Regeneration
Head of Democratic and Electoral
Services
Interim Executive Director of
Finance and S151 Officer

27. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Riddle and Scott.

Ch.'s Initials.....

28. REPORT OF THE EXECUTIVE DIRECTOR OF CHILDREN'S SERVICES AND ADULT SOCIAL CARE

Proposed Partnership Arrangement with Harrogate and District NHS FT

The report sought a decision about the proposal to enter into a partnership under Section 75 of the NHS Act 2006 with Harrogate and District NHS Foundation Trust (HDFT), under which HDFT would deliver health visiting and school nursing services on the Council's behalf.

The report was introduced by Mrs McEvoy Carr who detailed the key points of the report regarding the consultation, staff and the draft partnership arrangement.

Councillor Pattison understood the staff concerns which were expressed in the report but felt that the proposals would ultimately be good for both residents and staff. She was supportive of them.

Councillor Renner Thompson added that he had met with the Board of the Trust and he was confident that they could deliver what was required. Users would see very little change day to day.

In response to a query from the Leader regarding a comment made in the consultation about local staff and local knowledge, Mrs McEvoy Carr advised that services would be delivered by the same people, locally based and managed by the same people.

Councillor Watson commented that the Authority had had no choice in this matter but he was satisfied with the arrangements which were being put in place and fully supported them.

In response to a query from the Leader regarding comments about a local provider, Ms Morgan replied that Harrogate provided a 0-19 service for a number of other authorities in the north east, so they were a north east provider. The same staff and management team would be delivering the same service and Harrogate would provide a locally recruited corporate support team.

Councillor Wearmouth commented that a lot of work had gone into this and it was clear that it wasn't a hasty decision. Regarding the concerns expressed in the report, he queried whether there were any areas the Authority needed to focus on as the year went on and how the arrangements would be monitored to make sure they were satisfactory.

Mrs McEvoy Carr advised that the Authority would be regularly engaged with the Trust and a Board had been set up to deal with both strategic and operational issues. The Trust had been through this process a number of times and were familiar with staff concerns. Detailed support arrangements would be in place for staff and she was able to say that as the process had gone on, staff concerns had diminished.

Councillor Wearmouth asked whether there was an opportunity for members to be involved in ongoing monitoring and was advised that Health and Wellbeing OSC had asked for six monthly updates, and there would be reports to Health and Wellbeing Board. The Leader asked for an update report to Cabinet in six months.

Councillor Wearmouth asked whether the costs associated with the proposals would be the same as they were now, and whether the one off start up costs would come back to members for approval or be delegated.

Mrs McEvoy Carr advised that this would be agreed between herself and Councillor Renner Thompson, as previously agreed.

RESOLVED that:-

- (a) the issues raised during the consultation about the proposed partnership with HDFT, and the discussion of those issues in the report, be noted;
- (b) the views on the proposal of the Director of Public Health, attached as Appendix 1 to the report be noted;
- (c) Cabinet confirm its wish to proceed with the proposal;
- (d) the draft partnership agreement, attached as Appendix 2 to the report; be endorsed as the basis of the partnership arrangement and
- (e) the Executive Director of Adult Social Care and Children’s Services be authorised to agree with HDFT a final version of the partnership agreement, provided that any additions or modifications made to the draft version in Appendix 2 did not materially increase the risks or costs to the Council.

CHAIR.....

DATE.....

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NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the **Cabinet** held at County Hall, Morpeth on Tuesday 7 September 2021 at 10.00 am.

PRESENT

Councillor G. Sanderson
(Leader of the Council, in the Chair)

CABINET MEMBERS

Horncastle, C.
Pattison, W.
Renner Thompson, G

Riddle, J.
Watson, J.G.
Wearmouth, R.

OTHER MEMBERS

Dunbar, C.
Flux, B.

Seymour, C.

OFFICERS IN ATTENDANCE

Bradley, N.
Hadfield, K.
Lally, D.
Lancaster, H.
McEvoy-Carr, C.
Mitchell, A.
O'Farrell, R.
Sanderson, J.
Stewart, J.
Taylor, M.
Willis, J.

Service Director: Strategic
Commissioning and Finance
Democratic and Electoral Services
Manager
Chief Executive
Deputy Monitoring Officer
Executive Director of Children's
Services and Adult Social Care
Head of Corporate Governance
Interim Executive Director of Local
Services and Regeneration
Strategic Services Manager
Strategic Housing Manager
Director of Business Development
and Communities
Interim Executive Director of
Finance and S151 Officer

One member of the press was present

29. APOLOGIES FOR ABSENCE

Ch.'s Initials.....

Apologies were received from Councillors Ploszaj.

30. MINUTES

RESOLVED that the following minutes be confirmed as a true record and signed by the Chair:-

(a) Tuesday 17 August 2021.

(b) Wednesday 25 August 2021

31. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF LOCAL SERVICES AND REGENERATION

The Northumberland Line

The report provided Cabinet with an update on progress on the Northumberland Line project in the last 12 months including the achievement of several significant milestones and an overview of the next stages of the project and their funding implications (copy attached to the signed minutes as Appendix A, along with the report of the CSEG OSC circulated at the meeting).

Mr O'Farrell introduced the report and explained the rationale for proposing free parking at the stations for two years, which would encourage modal shift and prevent displacement of parking into local streets. He also updated members on progress with the project, which had been significant.

Councillor Watson queried why there were to be no parking charges when charges were levied at other rail stations including Berwick and Morpeth. Mr O'Farrell advised that some stations belonged to Network Rail who did charge, but historically the County Council had charged at its stations. This was a new initiative to encourage a shift away from cars. Usage would be monitored for two years.

Councillor Wearmouth agreed on the need for free parking and felt that demand for parking would need to be managed carefully across all of the stations in Northumberland.

Councillor Scott welcomed the report and congratulated officers for their work on it. He agreed on the need for car parking to be monitored to ensure that local streets were not affected.

Councillor Watson commented that if the recommendation on car parking charges was changed to "free of charge for an initial period" then he would support it because his experience was that people would park their cars where it was free and leave them for extended periods.

Councillor Seymour commented on the reference to infrastructure links in the Scrutiny report and hoped this would be taken on board. Mr O'Farrell advised

that a report would be coming to Cabinet on consultation on the local cycling and walking improvement plans, which would reflect the location of the new stations. The Authority was also working with partners in the region on the new bus partnerships and as part of that, the NE Joint Transport Committee had recently published the NE Travel Plan which placed emphasis on integrated public transport systems so these points would be picked up.

The Leader summarised the points which had been made and proposed a change to the recommendation to say that the “proposed station car parks will be free of charge subject to a review” with a review to come back to Cabinet within 12 months from the start of the operation which would look at all station car parks, and at progress made on public transport to and from the stations, the cycling and walking network and building an infrastructure to those stations. This was supported by members.

RESOLVED that:-

- (a) Cabinet notes progress on the project since February 2020 including the achievement of a number of significant milestones;
- (b) Cabinet confirms receipt of £17.1m Rail Network Enhancements Pipeline (RNEP) funding for the next stage of project;
- (c) Cabinet approves an allocation of £21.15m from the Medium-Term Financial Plan (MTFP) to support project development, including £4.05m from the Council’s contribution;
- (d) Cabinet approves the reprofiling to the budget within the Council’s MTFP for 2021-22 of £19.0m to 2022-23 to reflect the anticipated expenditure levels of £15.52m in 2021-22;
- (e) Cabinet confirms that proposed station car parks will be free of charge subject to a review, with a review to come back to Cabinet within 12 months from the start of the operation looking at all station car parks, and at progress made on public transport to and from the stations, the cycling and walking network and infrastructure to those stations;
- (f) approvals be delegated to the Head of Paid Service or nominated Executive Director to execute all contracts relating to the Northumberland Line project, through to entry into service, subject to confirmation of associated funding being in place and the appropriate procurement processes being followed;
- (g) Cabinet approves, subject to confirmation of funding, the commencement of two procurement activities that exceed £2m - The integrated Programme Management forecast at £6.6m and the Network Rail Asset Protection Agreement forecast at £3m. Both figures are inclusive of VAT; and
- (h) the report of the CSEG OSC be noted.

32. REPORT OF THE CHIEF EXECUTIVE

Private Sector Housing Strategy 2021 – 2023

The report presented Cabinet with the draft **Private Sector Housing Strategy 2021-2023**, providing details of the proposed strategic objectives for the Council's Private Sector Housing Service for the following three years (copy attached to the signed minutes as Appendix B, along with the report of the Communities and Place OSC).

The report was introduced by Councillor Horncastle and he reminded members that one of the Administration's priorities was quality affordable housing. He referred to the points made in the Scrutiny report regarding problem areas and confirmed that the Authority would be doing what it could in this area. Also, regarding the impact of the Government's green agenda, members needed to be aware that this would cause issues for older houses in terms of the investment needed to bring them up to scratch.

Mrs Stewart then gave members an overview of the main points of the report.

- Councillor Riddle queried whether there was a team to tackle rogue or irresponsible landlords. Mrs Stewart advised that there was a dedicated private sector housing team who worked closely with the fraud team in council tax and revenue and benefits. They also worked closely with Environmental Health colleagues so a co-ordinated approach was taken, but there were additional opportunities to develop this further.
- Councillor Wearmouth commented that there were sometimes difficult tenants to deal with and that required work with landlords and difficult decisions to ensure that there was a cohesive community. This did not seem to be covered much in the report but was a fundamental issue. Also, he felt there was a need for a wider strategy to deal with the number of void properties. Finally, regarding management of the private rented sector, he noted that other local authorities had adopted a particular model for this and he queried whether this was something Northumberland would consider. Mrs Stewart replied that the first point was covered under Priority 3 which ensured both tenants and landlords were aware of their responsibilities. Regarding point two, there were some ideas coming forward to deal with the areas which needed a more focussed approach, and work had already started on this. The last point was about a neighbourhood management scheme and if it was felt that this was the appropriate model to follow, then it would be considered further at that point.
- Councillor Wearmouth commented that there was a need to ensure that any future iterations of the Local Plan would tackle the issue of affordable housing in small communities. Mrs Sanderson replied that in planning, the Authority was limited to new homes coming forward. In the emerging Local Plan and Neighbourhood Plans already made there were policies to protect new houses in perpetuity as permanent

residences and affordable homes where possible. However, there was nothing in planning legislation to protect existing properties. The emerging Local Plan also contained policies on affordable housing.

RESOLVED that Cabinet approve the content of the draft Private Sector Housing Strategy and agree its adoption.

33. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND SECTION 151 OFFICER

Financial Performance 2021-22 - Position at the end of June 2021

The report informed Cabinet of the current financial position for the Council against the Budget for 2021-22 (copy attached to the signed minutes as Appendix C).

Mrs Willis highlighted the main points of the report for members including the projected underspend, covid funding and the reprofiling of the capital programme. There was still some way to go on delivering the budget savings detailed on page 15 of the report, and this would be looked at in closer detail as the budget setting time for 2022-23 approached. Further updates would be made to Cabinet on that.

The Leader thanked officers for their work in very difficult circumstances.

RESOLVED that:-

- (a) the report be noted;
- (b) Cabinet note the projected underspend of £1.950 million and the assumptions outlined in the report;
- (c) Cabinet note the pressures currently identified, including the impact of Covid-19;
- (d) Cabinet note that it is anticipated that the Council will receive further funding in relation to the income that the Council has “lost” as a result of Covid-19. Further guidance is expected to be issued in the near future;
- (e) Cabinet approve the adjustments to the capital programme of £2.527 million (net) reduction to reflect the confirmation of grant allocations for the Local Transport Plan and Disabled Facilities grants;
- (f) Cabinet approve a net re-profiling of £40.024 million to the capital programme; £46.034 million from 2021-22 to 2022-23; and £6.010 million from 2022- 23 to 2021-22 to reflect estimated expenditure levels in the current financial year;

- (g) Cabinet approve the new grants and amendments to existing grants at Appendix A and the required changes to the budgets;
- (h) Cabinet note the progress on the delivery of the approved savings at Appendix B;
- (i) Cabinet note the use of the contingency shown at Appendix P;
- (j) Cabinet note the use of reserves shown at Appendix Q; and
- (k) Cabinet note the virements requested by services shown at Appendix R.

34 . REPORT OF THE CHIEF EXECUTIVE

Seaton Valley Neighbourhood Plan

The report sought approval to formally 'make' the Seaton Valley Neighbourhood Plan. The Plan passed independent examination in May 2021. A local referendum held in the Parish of Seaton Valley on 29 July 2021 returned a majority vote in favour of using the Plan to make decisions on planning applications. The Council was now obliged by statute to make the Neighbourhood Plan unless it considered that doing so would breach European Union obligations (copy attached to the signed minutes as Appendix D).

The report was introduced by Councillor Horncastle and Mrs Sanderson detailed the main points for members.

Councillor Scott welcomed the protection of green space in the Seaton Valley area. He asked that progress with Neighbourhood Plans in the County be featured in the County magazine so that the process could be promoted to the public and they could see what it actually entailed. Mrs Sanderson agreed to take this back.

RESOLVED that:-

- (a) Cabinet notes the referendum outcome of 29 July 2021;
- (b) Cabinet agrees to formally 'make' the Seaton Valley Neighbourhood Plan in accordance with section 38A(4)(a) of the Planning and Compulsory Purchase Act 2004;
- (c) Cabinet approves the decision statement (attached at Appendix 1) required under Regulation 19 of the Neighbourhood Planning (General) Regulations 2012, as amended, and
- (d) Cabinet agrees that both the Seaton Valley Neighbourhood Plan and the decision statement are published on the Council's website and publicised elsewhere in order to bring it to the attention of people who

live, work or carry out business in the neighbourhood area; and for the decision statement to be sent to the qualifying body and anyone else who asked to be notified of the decision.

35. REPORT OF THE SERVICE DIRECTOR, STRATEGIC COMMISSIONING AND FINANCE

The report summarised proposed amendments to the Capital Programme considered by the officer Capital Strategy Group via email on 6 August 2021 (copy attached to the signed minutes as Appendix E).

35.1 Kielder Observatory Radio Astronomy Equipment

Councillor Riddle spoke in support of this. The Leader asked that acknowledgement be sought from the Observatory of the Council's contribution, and that feedback be sought on the educational benefits of the project. Mr Bradley confirmed this would be done.

RESOLVED that Cabinet approve a capital contribution of £24,596 towards the installation of radio astronomy equipment at Kielder Observatory to be met from the Strategic Regeneration Reserve within the 2021-24 Medium Term Financial Plan.

35.2 Horton Grange LED Lighting (Salix Loan)

RESOLVED that Cabinet approve a project to upgrade all of the school's lighting to more energy efficient LED technologies at a cost of £40,960 funded by the school through a Salix Loan, and this project be included in the Council's Medium Term Financial Plan for 2021-24.

36. EXCLUSION OF PRESS AND PUBLIC

RESOLVED that under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the Agenda as they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the 1972 Act, and

(b) That the public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:-

Agenda Item	Paragraph of Part I of Schedule 12A
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11	3 Information relating to the financial or business affairs of any particular person (including the authority holding that information).
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AND The public interest in maintaining this exemption outweighs the public interest in disclosure public interest in disclosure because of the commercially sensitive

nature of the content.

12 **3**
Information relating to the financial or business affairs of any particular person (including the authority holding that information).

AND The public interest in maintaining this exemption outweighs the public interest in disclosure public interest in disclosure because of the importance of ensuring that the Council is able to make use of commercially sensitive information shared by care providers, and because of the need to ensure that the fairness of the forthcoming procurement process is not compromised.

37. MINUTES

RESOLVED that's the confidential minutes of the meeting of Cabinet held on Tuesday 17 August 2021, as circulated, be confirmed as a true record and signed by the Chair.

38. REPORT OF THE SERVICE DIRECTOR, STRATEGIC COMMISSIONING AND FINANCE

Tender Approval for Statutory Maintenance Contracts

Property Services currently engages a number of maintenance contractors to provide statutory maintenance services for the Council's property portfolio. These contracts were last tendered in April 2016 for a period of 4 years with a 2 year extension and therefore are due to expire on 31st March 2022. The report sought authorisation to re-tender these contracts in readiness for 1st April 2022 (copy attached to the signed minutes as Appendix F, coloured pink and marked Not for Publication).

RESOLVED that the three recommendations in the report be approved.

CHAIR.....

DATE.....

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the **Cabinet** held at County Hall, Morpeth on Tuesday 12 October 2021 at 10.00 am.

PRESENT

Councillor G. Sanderson
(Leader of the Council, in the Chair)

CABINET MEMBERS

Horncastle, C.	Riddle, J.
Pattison, W.	Watson, J.G.
Ploszaj, W.	Wearmouth, R.
Renner Thompson, G.	

OTHER MEMBERS

Dunbar, C.	P. Scott
Flux, B.	

OFFICERS IN ATTENDANCE

Aviston, S.	Head of School Organisation and Resources
Bradley, N.	Service Director: Strategic Commissioning and Finance
Hadfield, K.	Democratic and Electoral Services Manager
Lally, D.	Chief Executive
Masson, N.	Deputy Monitoring Officer
McEvoy-Carr, C.	Executive Director of Children's Services and Adult Social Care
Murfin, R.	Interim Executive Director of Local Services and Regeneration
O'Farrell, R.	Head of Democratic and Electoral Services
Roll, J.	
Taylor, M.	Director of Business Development and Communities
Willis, J.	Interim Executive Director of

Ch.'s Initials.....

One member of the press was present

39. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Seymour.

40. MINUTES

RESOLVED that the minutes of Cabinet held on 7 September 2021 as circulated, be confirmed as a true record and signed by the Chair.

41. DISCLOSURES OF INTEREST

Councillors Dunbar and Scott declared an interest in item 8 on the agenda (East Cramlington Nature Reserve Car Park) having made contributions from their small schemes funding to this project.

42. REPORTS OF THE EXECUTIVE DIRECTOR OF CHILDREN'S SERVICES AND ADULT SOCIAL CARE

(1) Proposal to Amalgamate Seaton Sluice Middle School and Whytrig Middle School

The report set out the request of the Governing Body of the Seaton Valley Federation to the Council to carry out informal consultation on a proposal to amalgamate Seaton Sluice Middle School and Whytrig Middle School on the current Whytrig and Astley Community High School site in Seaton Delaval or alternative site, should one be identified as part of the site option appraisal. This proposal had arisen in the light of the capital project to reprovide new buildings for Astley and Whytrig Middle School on their current site, these two schools already being co-located on the high school's site in Seaton Delaval. Although the initial project was limited to the reprovision of new buildings for Astley and Whytrig, in the course of planning this project the federated Governing Body had identified a number of significant educational and financial benefits for all students within the Seaton Valley Federation to be co-located on one site in new buildings, and these were included in the report.

Furthermore, the proposal would require the expansion of the capacity of the planned new buildings for Whytrig in order to accommodate students relocated from Seaton Sluice and this would be included within the informal consultation. Therefore, the report also noted that Cabinet may be requested to permit the publication of a statutory proposal in line with the requirements of *The School Organisation (Establishment and Discontinuance of Schools) Regulations 2013* and *The School Organisation*

(Prescribed Alterations to Maintained Schools) (England) Regulations 2013 following the outcomes of informal consultation at a future date (copy attached to the signed minutes as Appendix A, along with the report of the FACS OSC circulated at the meeting).

The report was introduced by Councillor Renner Thompson. This was the first stage in the large investment programme into schools in this part of the County and he encouraged all parents and stakeholders to get involved in the consultation process.

Mrs Sue Aviston highlighted the key parts of the report for members.

Councillor Stewart presented the report from FACS OSC in place of Councillor Daley who had another meeting. The Committee had supported the report.

Comments from members included:-

- Councillor Scott supported the report. This was a significant development for the area and the request from the Governing Body was very much in line with the Administration's established plans. He encouraged residents and stakeholders to get involved in the consultation. There were many positives, but also one or two challenges, particularly on school closures, where residents' views would be welcomed. A merged middle school in Seaton Delaval would also need careful thought as regards sufficient infrastructure to support it.
- Councillor Wearmouth referred to the amount of work being done to support economic growth and opportunity in the County. Securing educational facilities which were geared up to the demands of the 21st century was key to this. Schools needed the ability to access the jobs that were being created.

In response to a question from the Leader, Mrs Aviston advised members that in the last 24 months, the overall spend on schools and academies in Northumberland had been just over £103m to grow capacity and improve school buildings. The Leader commented that this showed the Council's commitment to improving schools in the County and he thanked all those involved.

RESOLVED that:-

- (a) the proposal outlined in Key Issues be noted;
- (b) Cabinet approve informal consultation on the proposal to amalgamate Seaton Sluice Middle School with Whytrig Middle School in planned new buildings shared with Astley High School;
- (c) Cabinet agree to delegate the power to extend the informal consultation period if necessary to the Cabinet Member

for Children's Services and the Executive Director of Adult Social Care and Children's Services, should it be necessary;

- (d) Cabinet note that a further report following informal consultation will be submitted to a meeting of the Cabinet at which a decision on whether to progress to the issue of a Statutory Proposal may be requested;
- (e) it be noted that should Cabinet agree to the publication of a Statutory Proposal, Cabinet would be required to determine the proposal on behalf of the County Council at a later date; and
- (f) the report of the FACS OSC be noted.

(2) Proposals for Atkinson House

The report set out proposals for Atkinson House Special School in Seghill, a secondary provision for boys with Social, Emotional and mental health (SEMH) needs in Northumberland, to relocate the school to a new site at the former Richard Coates CE Primary School building in Ponteland and at the same time to change the designation of the school from single sex provision to co-educational provision in light of the growing number of girls who are being assessed as having SEMH needs in Northumberland. The proposals would be with effect from 1 September 2022.

The nature of these proposals required a statutory process to be undertaken prior to any final decision being made by Cabinet. Cabinet was therefore also asked to permit the initiation of the statutory process, beginning with approval for a six week informal public consultation process. Cabinet may be requested to permit the publication of a Statutory Proposal in relation to these proposals at a future date following the outcome of consultation (copy attached to the signed minutes as Appendix B, along with the report of the FACS OSC circulated at the meeting).

The report was introduced by Councillor Renner Thompson. SEND was a huge priority for the Council and the proposals would meet the increasing demand in this area. Mrs Aviston detailed the key points of the report for members.

Member comments included:-

- Councillor Watson referred to the issue in the OSC report relating to travelling distances and queried how long it would take to get a child from Berwick or Haltwhistle to this school. Mrs Aviston replied that children from Berwick would not necessarily be placed in Ponteland as provision closer to home to meet their needs would be found. Only in exceptional circumstances would they have travelled to Seghill. Individual transport arrangements would be reported back following consultation with parents. Having a school in Ponteland would also bring provision closer to families in the west of the County.

- Mrs McEvoy Carr added that there were clear requirements on maximum travel times which the Authority had to abide by. In addition, officers were looking at the availability and capacity of places across Northumberland to prevent long travel times.
- Councillor Stewart reported that FACS OSC had welcomed the continued investment by the Administration.

RESOLVED that:-

- (a) the proposals outlined in Key Issues be noted;
- (b) Cabinet approve consultation on;
 - a. The relocation of Atkinson House School to the former site of Richard Coates CE Primary School with effect from 1 September 2022;
 - b. The change of designation of Atkinson House School from a single sex provision to a co-educational provision with effect from 1 September 2022;
- (c) Cabinet agree to delegate, if necessary, the power to extend the consultation period to the Member for Children's Services and the Executive Director of Adults and Children's Services, as outlined in para. 10 of the report;
- (d) Cabinet note that a further report following consultation (if approved) would be submitted to a meeting of Cabinet, at which a decision on whether or not to publish a statutory proposal in relation to the proposals set out in this report would be made; and
- (e) the report of the FACS OSC be noted.

(3) School Organisation Plan 2021-2024

The report asked Cabinet and FACS to note the second iteration of the School Organisation Plan 2021-2024 for Northumberland, the first iteration being for 2018-2021. The report also asked Cabinet to approve the circulation of the plan to schools and academies for information and feedback prior to its subsequent publication.

This latest version of the plan covered the period 2021 to 2024, but would be subject to annual update in order to capture changing information or circumstances relating to schools and academies as appropriate (copy attached to the signed minutes as Appendix C, along with the report of the FACS OSC circulated at the meeting).

The report was introduced by Councillor Renner Thompson. This was a very important and valuable document. There was no longer a statutory need to produce it but the Authority had chosen to do this as it fed into other Council services and provided valuable information on surplus places, which then informed the school investment programme.

Mrs Aviston detailed the key points for members, including the changes introduced in the latest version.

Councillor Stewart advised that OSC had been pleased to receive the report and the focussed and innovative ideas it contained for schools and education.

Member comments included:-

- Councillor Riddle recognised that Haydon Bridge Partnership had a number of surplus places but referred to the wording “with the exception of Bellingham Middle School”, The Authority had been ordered to keep the school open, but its catchment area had not been reinstated. This impacted on the climate change agenda and home to school transport. Journey times were very long and needed to be looked at. Children were being transported too great a distance, which was not necessary because the authority was trying to override parental choice by not providing the transport to Bellingham Middle School. He felt this was discriminatory because people were being denied parental choice because of their financial position. For this reason, he would be abstaining from the vote.
- Councillor Wearmouth felt this was a very important document which provided a lot of information about what was going on in the County. He referred to the increase in SEND need and asked whether this was expected to continue. Also, regarding new homes and demand, he asked what the Authority could do to address the resultant demand for additional school places in towns such as Morpeth. Finally, as regards numbers of pupils in years 8-11, he asked if things were moving to a point where schools were going to be significantly more full.
- Mrs Aviston replied that there were less children in schools currently than there had been for the last five years due to a declining birth rate nationally. This presented challenges for the rural areas in terms of sustainability and work was ongoing with partnerships about this. Regarding SEND, again the Authority was following the national trend. A strategy was being prepared for member approval about addressing the demand over the next five years. Regarding house building and developer contributions, the next report covered this in more detail but where new houses were being built a developer contribution was secured to grow capacity as well as grant from government to support that need.
- Councillor Renner Thompson commented that Haydon Bridge High School was no longer in special measures thanks to the hard work of the Improvement Board and staff, and the dedication of this and the previous Administration to the school through £5m of investment. There was still some work to do around Bellingham Middle School but overall, the Haydon Bridge Partnership was a good news story for the Council.

RESOLVED that:-

- (a) Cabinet note this is the second iteration of the School Organisation Plan and covers the period 2021-24;
- (b) Cabinet note the School Organisation Plan will be updated annually to take into account changes in schools' data and information over the previous 12 month period;
- (c) Cabinet approve the School Organisation Plan 2021-24, including its circulation to schools and other partners for comment followed by publication on the Council's website; and
- (d) the report of FACS OSC be noted, and the recommendation that the Plan be circulated to all members be endorsed with a covering note from the Portfolio Holder and the Head of School Organisation and Resources

(4) Update of the Education Infrastructure Contribution Policy

The Council's Education Infrastructure Contribution Policy was approved for implementation by Cabinet in December 2017. Cabinet was now asked to approve an update to the policy specifically in order to approve an increase in the requested contribution towards SEND provision in the county to reflect the increased number of young people in the County requiring specialist provision (copy attached to the signed minutes as Appendix D, along with the report of the FACS OSC circulated at the meeting).

Councillor Renner Thompson introduced the report on this policy which was part of the S106 arrangements with developers. This would provide a valuable contribution to the need for SEND support. Mrs Aviston detailed the key points for members. Cabinet were being asked to approve an update of the policy, specifically in order to approve an increase in the contribution for pupils with SEND, which was growing.

Councillor Stewart reported the FACS OSC view that this was an important policy which needed regular review. He had already discussed the need for training on this topic for members of Strategic Planning with the Head of Planning. Mr Murfin advised that S106 training was being picked up as part of the LAC review.

Member comments included:-

- Councillor Riddle queried whether there was a pipeline of projects to use the S106 funding already received to ensure that none of it was lost. Mrs Aviston confirmed that there were projects in train. These included increasing capacity across the Morpeth Partnership, some of which had already been implemented. She stressed that the funding had to be spent on growing capacity and couldn't be used for enhancement works.
- Councillor Wearmouth welcomed this continued work, adding that it

was vital that housebuilders contributed their share. This had been achieved through the hard work of officers and the Administration.

- Councillor Watson asked what the increase in pupil numbers with SEND from 3-4% was in actual figures. Mrs Aviston advised that in 2017 there had been 668 pupils with SEND, in 2020 it was 940.

RESOLVED that:-

- (a) Cabinet note the updated version of the Education Infrastructure Contribution Policy attached at Appendix 1 of the report;
- (b) the increase in the contribution requested for SEND educational infrastructure be approved, to reflect that the percentage of the school age population in Northumberland with complex Special Educational Needs has grown from 3% in 2017 to 4% in 2021;
- (c) the amendment to the pupil yield factor used to calculate the number of pupils arising from each house in a development from 0.02714 to 0.02516 for primary yield and from 0.02286 to 0.02384 for secondary yield be approved, to reflect the minor changes in the number of primary and secondary pupils in the county since 2017;
- (d) Cabinet note that the policy has had some general minor non-material amendments to wording for clarification purposes; and
- (e) the report of the FACS OSC be noted, and the recommendation that all members receive S106 training be supported.

(5) Integrated Domestic Abuse Services for Northumberland – Permission to Tender

The report sought permission to go to the market to commission a range of services to provide an Integrated Domestic Abuse Service for Northumberland which would allow the Council to meet its statutory duties. The length of contracts will be 2 years, with an option to extend for a further 2 years (copy attached to the signed minutes as Appendix E, along with the report of the Communities and Place OSC circulated at the meeting).

The report was introduced by Councillor Pattison who urged all members to support it. She reminded members that it was domestic abuse white ribbon day on 25 November 2021. Mrs McEvoy Carr detailed the key points of the report. Scrutiny Committee had suggested that the length of the contracts should be three years. However, the funding was for two years and she recommended that this should be accepted.

Member comments included:-

- Councillor Dunbar supported Councillor Pattison on this. She had

recently been pleased to accept her offer to be ambassador for domestic abuse in Northumberland.

- In response to a question from the Leader regarding Scrutiny's recommendation, Mrs McEvoy Carr advised that what the report proposed was sensible in terms of the two plus two as the funding was there for two years and it would allow time to pause and look at what the needs actually were for the following two years. She understood the point being made, but the Authority was already committed to ongoing investment.
- Councillor Wearmouth asked if there would be any feedback to Scrutiny or Cabinet to measure the impact of the services being provided. Mrs McEvoy Carr confirmed that there were a number of committees interested in this who would be monitoring this including the Domestic Abuse Partnership, who reported to the Safeguarding Adults Board and the Safeguarding Children's Partnership, as well as the member related committees which would hold the service to account for its performance.

RESOLVED that:-

- (a) Cabinet note the information presented in this report regarding the procurement of a contract for an integrated domestic abuse service;
- (b) Cabinet note that the total value of the four-year contract is approximately £2,595,101;
- (c) the Executive Director of Adult Social Care and Children's Services be authorised to undertake a procurement exercise and award of the contracts; and
- (d) the report of the Communities and Place OSC be noted.

43. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND S151 OFFICER

Council Tax Support Scheme 2022-23

The report sought approval for the local Council Tax Support Scheme for 2022-23 to continue to provide support at a maximum level of 92% of council tax liability (copy attached to the signed minutes as Appendix F, along with the report of the CSEG OSC circulated at the meeting).

Councillor Wearmouth introduced the report detailing the main points that a 92% level of support was proposed again this year, which was again the second most generous level of support in the region after Durham County Council. Additional support had been provided in the last year for covid which had effectively covered the difference. He had provided reassurance at Scrutiny that the Authority would provide additional support wherever possible from hardship funding or other sources.

Mrs Willis confirmed this was the main scheme to provide support to low income households but there was also a hardship scheme which was used to provide additional discounts to households on a discretionary basis. Referrals for this support came from a number of organisations and this year there was a provisional grant allocation of £2.4m. The household support fund recently announced would provide support for households facing pressures as a result of increased food or fuel prices etc. A delivery plan had to be submitted to DWP by 29 October 2021 as to how the Authority planned to spend it and this could include earmarking some funding as top up support for the hardship fund if members so wished.

RESOLVED that:-

- (a) County Council be recommended to approve the Council Tax Support Scheme attached as Appendix 1 to the report, to be adopted as the Council's local scheme for 2022-23; and
- (b) the report of the CSEG OSC be noted.

44. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF REGENERATION

Establishing a Culture and Creative Zone

The report outlined the opportunity presented by the North of Tyne Culture and Creative Zone prospectus and agree the pilot approach to be adopted in Northumberland to maximise this opportunity (copy attached to the signed minutes as Appendix G, along with the report of the CSEG OSC circulated at the meeting).

The report was introduced by Councillor Ploszaj and Councillor Watson.

The report had been supported by Scrutiny.

Councillor Renner Thompson fully supported the report and the proposals for Berwick which he felt was a real achievement for the Administration and Government.

RESOLVED that:-

- (a) Cabinet welcome the North of Tyne Combined Authority's intent to co-develop a Culture and Creative Zone (CCZ) pilot within each of the constituent local authority areas;
- (b) Cabinet note the process and its implications of applying the approach to Northumberland as set out in the North of Tyne Culture and Creative Zone Prospectus;

- (c) Cabinet agree that initial pilot Zone for the county should focus on the town of Berwick-upon-Tweed; and
- (d) the report of the CSEG OSC be noted.

45. REPORT OF THE CHIEF EXECUTIVE

Thirston Neighbourhood Plan

The report sought approval to formally 'make' the Thirston Neighbourhood Plan. The Plan passed independent examination in June 2021. A local referendum held in the Parish of Thirston on 16 September 2021 returned a majority vote in favour of using the Plan to make decisions on planning applications. The Council was now obliged by statute to make the Neighbourhood Plan unless it considers that doing so would breach European Union obligations (copy attached to the signed minutes as Appendix H).

The report was presented by Councillor Horncastle. He was particularly pleased to see a policy included in the Plan to prevent large static caravans being occupied year round.

Councillor Pattison congratulated the Parish Council and the community who had worked together to produce a Plan which she felt had been quite difficult to put together.

RESOLVED that:-

- (a) the referendum outcome of 16 September 2021 be noted;
- (b) Cabinet agree to formally 'make' the Thirston Neighbourhood Plan in accordance with section 38A(4)(a) of the Planning and Compulsory Purchase Act 2004;
- (c) the decision statement (attached at Appendix 1) required under Regulation 19 of the Neighbourhood Planning (General) Regulations 2012, as amended, be approved and
- (d) both the Thirston Neighbourhood Plan and the decision statement be published on the Council's website and publicised elsewhere in order to bring it to the attention of people who live, work or carry out business in the neighbourhood area; and for the decision statement to be sent to the qualifying body and anyone else who asked to be notified of the decision.

46. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND S151 OFFICER

Summary of New Capital Proposals considered by Officer Capital Strategy Group

The report summarised proposed amendments to the Capital Programme considered by the officer Capital Strategy Group via email on 6 September 2021 (copy attached to the signed minutes as Appendix I).

RESOLVED that:-

46.1 East Cramlington Nature Reserve Car Park

Cabinet approve a capital investment of £18,000 to relocate and expand the car park with £10,000 jointly funded by Councillor Scott, Councillor Dunbar and Councillor Lee through their Local Member Contributions and £8,000 funded from the Parks Enhancement Capital Programme in the Council's Medium Term Financial Plan for 2021-24.

46.2 Flood and Coastal Erosion Works

Cabinet approve the amended budget allocations for Environment Agency funded schemes within the Council's 2021-24 Medium Term Financial Plan for Otterburn Surface Water Flood Alleviation Scheme, Wark Surface Water Scheme and Red Row Surface Water Flood Alleviation Scheme and approve the delivery of these schemes for Autumn 2021; and approve the addition and delivery of Bingfield/A68 Surface Water Flood Alleviation Scheme in Autumn 2021.

46.3 Sustainable Warmth Grant

Cabinet support a grant application to upgrade energy inefficient homes of low-income households in Northumberland from two centrally funded schemes and, if successful, deliver the appropriate works:

- Local Authority Delivery Phase 3 (LAD3) with a refined scope to support low-income households heated by mains gas. Grant requested: £2,116,541
- Home Upgrade Grant Phase 1 (HUG1) for low-income households with homes off-gas. Grant requested: £3,509,866.

47. EXCLUSION OF PRESS AND PUBLIC

RESOLVED that:

(a) under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the

following items on the Agenda as they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the 1972 Act, and

(b) That the public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:-

11 (1-3) 3
Information relating to the financial or business affairs of any particular person (including the authority holding that information).

AND The public interest in maintaining this exemption outweighs the public interest in disclosure because for item 11(1), disclosure would adversely affect commercial confidentiality requirements and hence the Authority's ability to conduct its affairs, and for items 11(2-3), the information can be considered to be commercially sensitive.

12 (1-2) 3
Information relating to the financial or business affairs of any particular person (including the authority holding that information).

AND The public interest in maintaining this exemption outweighs the public interest in disclosure because for 12(1) disclosure would prejudice the partners' in the Energy Central Campus's (as set out in the report) ability to negotiate with partners and give its competitors a commercial advantage, and for 12(2) disclosure would prejudice Advance Northumberland's ability to negotiate with partners and give its competitors a commercial advantage.

48. REPORTS OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND S151 OFFICER

(1) Newcastle Airport – Shareholder Loan Guarantee

The report asked members to consider the provision of a loan facility to Newcastle International Airport Limited (NIAL) (copy attached to the signed minutes as Appendix J and coloured pink, along with the report of the CSEG OSC circulated at the meeting).

This had been considered in detail by the Risk Appraisal Panel and Scrutiny and both had supported the proposals.

RESOLVED that recommendations (a) to (c) in the report be agreed.

(2) Disposal of Land, West of Choppington Road, Bedlington

The report sought approval to terms for the disposal of development land, west of Choppington Road in Bedlington (copy attached to the signed minutes as Appendix K and coloured pink).

RESOLVED that the recommendation in the report be agreed.

(3) Summary of New Capital Proposals considered by Officer Capital Strategy Group

The report summarised proposed amendments to the Capital Programme considered by the officer Capital Strategy Group via email on 6 September 2021 (copy attached to the signed minutes as Appendix L and coloured pink).

RESOLVED that the recommendation in the report be agreed.

49. REPORTS OF THE INTERIM EXECUTIVE DIRECTOR OF REGENERATION

(1) Energising Blyth Programme - Energy Central Campus Update

The report updated Cabinet regarding the development of the Energy Central Campus, one of the flagship projects in the Energising Blyth Programme supported by the Governments Towns Fund including the Future High Streets Fund and Town Deal (copy attached to the signed minutes as Appendix M and coloured pink, along with the report of the CSEG OSC circulated at the meeting).

Members very much welcomed and supported the report. Officers were to be commended for their hard work on this.

RESOLVED that:-

- (a) recommendations 1-6 as detailed in the report be agreed; and
- (b) the report of the CSEG OSC be noted.

(2) Shareholder agreement for disposal of Northumberland Energy Park 1 (NEP1) at East Sleekburn

The report sought Cabinet's agreement to allow Advance Northumberland to lease a site at Northumberland Energy Park (NEP1). It also sought agreement to allow Advance Northumberland to sell the site to the company,

and to grant them a “call option” which would enable them to acquire an extension to the site subject to certain conditions being met (copy attached to the signed minutes as Appendix N and coloured pink).

Members very much welcomed the report.

RESOLVED that recommendations 1-6 as detailed in the report be agreed.

CHAIR.....

DATE.....

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Agenda Item 8

NORTHUMBERLAND COUNTY COUNCIL

CORPORATE SERVICES AND ECONOMIC GROWTH OVERVIEW AND SCRUTINY COMMITTEE

At a meeting of the **Corporate Services and Economic Growth Overview and Scrutiny Committee** held in the Committee Room 1, County Hall, Morpeth, NE61 2EF on Monday, 9 August 2021 at 10.00 am.

PRESENT

Councillor D Bawn
(Chairman in the Chair)

COUNCILLORS

Beynon, J.
Dunn, E.
Jackson, P.
Murphy, M.

Oliver, N.
Robinson, M.
Taylor, C.
Wallace, A.

OFFICERS

Angus K

Lally D
Greally R

Masson N
Mitchell A
Nicholson S
Willis J

Executive Director of HR and OD
and Deputy Chief Executive
Chief Executive
Assistant Democratic Services
Officer
Monitoring Office
Director of Corporate Governance
Scrutiny Co-ordinator
Executive Director of Finance
(Section 151 Officer)

ALSO PRESENT

Sanderson, H.G.H.
Ploszaj, W.
Richardson, A.
Riley, C.

Leader of the Council (items 1-4)
Portfolio Holder for Business
Chairman of the NHS Trust
Executive Director of
Communications and Corporate
Affairs, NHS Trust

16. APOLOGIES FOR ABSCENCE

Apologies were received from R. Wearmouth.

17. MINUTES

RESOLVED that the minutes of the meetings of the Corporate Services and Economic Growth Overview and Scrutiny Committee held on 12 July 2021, as circulated, be confirmed as a true record and signed by the Chairman.

18. FORWARD PLAN OF CABINET DECISIONS

The Forward Plan of forthcoming Key Cabinet decisions was reported to the Committee. (Report enclosed with the signed minutes as Appendix A).

RESOLVED that the Forward Plan of key decisions be noted

19. ADVANCED PROPULSION CENTRE UK

Julian Hetherington, Director of Automotive Transformation gave a detailed presentation about the work of the Advanced Propulsion Centre. The presentation detailed the research, development and production of low carbon propulsion technology. It gave information regarding opportunities and challenges that may be faced with producing the technology within the county.

The Deputy Leader thanked the Advance Propulsion Centre and commented on their professionalism and for their feedback on the project over the past 12 months.

Mr. Hetherington responded to questions and comments raised as follows:

- The supply chain could be encouraged to locate into the county. It was anticipated that as technology and demand changed and evolved companies would be looking to expand. Some materials were already produced in the UK such as electrolytes. If there were advances in low-cost energy and energy prices decreased, it would be advantageous to make high commodity materials in the UK and a number of the materials would lend themselves to being co-located with a battery factory. There were several areas of the supply chain which were desirable and could be advantageous to locate on the same site. Anode and cathode were most desirable to co-locate due to the similarities in production and expansion size with a battery plant.
- Northumberland would need to support the skills agenda as it was a new industry but could benefit from transferable skills from former industries. A skills development programme would have to be developed with investors for all skills levels. Further land should be made available at a reasonable cost for future expansion and assisting with planning to match the time determined ambition given by investors and continuing with the positive environment already created. Advanced Northumberland and the Local Authority had responded positively and it was encouraging to see a

recognition of the national agenda being enacted at a local level. It has been a productive partnership to get to this stage.

- Certain industries could be at risk as low carbon propulsion technology expands. However, where plants were at risk it was anticipated that many workers in existing industries had transferable skills and could move over to battery plant production with some training. There could be a shift from manufacturing metals to other newer technologies. Battery manufacturing is where most of the replacement jobs from engine manufacturing would come from.
- Some raw materials cannot be sourced from the United Kingdom due to the geology. There were some raw materials that could be found such as lithium and nickel. There was a heavy reliance on Asia to process materials currently, however there were a number of resources that could be found in the UK. Most of the components that were on the critical supply chain path could be sourced through secure routes in the UK and the wider European area. A plan needed to be laid to illustrate security of supply to future investors. The Government was also keen to make trade deals with other countries that had resources to support the battery production such as Australia.
- Long distance HGV's were an interesting challenge as too many batteries were required and too much payload was sacrificed. Different energy vectors were being looked at to overcome these challenges such as fuel cells. Fuel cells may be beneficial in this sector and several companies developing them were already in the UK. There were good opportunities for fuel cell manufacture in UK as there was the demand as well as Government strategy for renewable energy.
- He could not comment on the department of transport policy regarding incentives to HGV fleets, but the Government were looking at the future of the heavy duty sector moving forward.
- As it was a new industry, they were a lot of emerging and developing technologies. Fuel cells were beneficial but due to all the components probably would not be used in low-cost everyday vehicles. The biggest opportunity for advancement was within the battery technology.
- As the case was under assessment there was an inability to make comments regarding investors, however it was recognised that there would be a significant proportion of private investment needed.
- The UK had a very good industrial safety track record with world leading standards. Several battery factories had been established across Europe where there had been no incidents which would raise safety concerns. They operated in incredibly well controlled environments. The track record for battery manufacturing in the Western world was very good.
- With regard to the future energy supply, members were advised that there were technologies that were ready to be used which could provide resilience to the grid, for example, the UK was a world leader in wind energy production.
- An electric vehicle was significantly more environmentally friendly than a regular vehicle regardless of the production process over the life of the car. The CO2 production was double to produce an electric car however it would overcome that deficit early on in its lifetime. Where more components and materials of battery production were localised, the deficit would be overcome earlier in the car's lifetime. Off-road sectors were being worked with to

become electrified whilst mining for materials needed in battery production where the vehicle would charge itself going down the hill and use the charge to drive back up the hill. This resulted in battery production becoming greener.

- Discussions with other potential inward investors were ongoing, but details could not be disclosed due to commercial confidentiality.
- Battery life was considered for figures when looking at the CO2 emissions produced during production. Batteries were lasting longer than initially anticipated. The research and development projects were looking into how to extend battery life. Also, there were industries emerging around second life batteries where the old batteries were being broken down into components and given a second life elsewhere.

The Chair reiterated the members thanks to Mr Hetherington and commented on the informativeness of the presentation. He agreed with members' suggestion that a further presentation could be made to full Council as the development at Blyth and subsequent associated economic benefits were progressed.

RESOLVED that the presentation and members comments be noted

20. WORK PROGRAMME

The Committee received an update on its Work Programme for the 2021/22 council year.

RESOLVED that this information was noted.

21. URGENT BUSINESS

Dissolution of the Council's Partnership with Northumbria Healthcare/ Proposed Partnership for 0-19 Public Health Services - Consultation

The Chairman agreed to consider this item as urgent business following concerns raised by a member arising from discussion of the above reports at the Health and Wellbeing OSC on 2 August 2021.

The Chairman had invited the Leader of the Council, the Cabinet Member for Adult Wellbeing and representatives from Northumbria Healthcare NHS Foundation Trust. The Leader had to leave the meeting early for personal reasons and the Cabinet Member was unavailable. Professor Alan Richardson, Chairman of the Trust and Claire Riley, Executive Director of Communications and Corporate Affairs at the Trust were in attendance.

The Chairman advised the Committee that members had previously been briefed on the Council's position regarding the proposal to dissolve the partnership but felt that it was necessary for them to have the opportunity to ask questions of the Trust.

- The Vice-Chair voiced her concern that the Leader of the Council was not present and it had been her preference that the Leader and Portfolio holder

be available to take questions from the Committee, which would offer members a balanced view, rather than hearing only from the Trust.

- Members raised concerns about the conflicting information received to date from both parties regarding who wanted to terminate the partnership. The Partnership had been highly regarded for many years and the reason behind the termination had not been made clear.
- Members suggested there were numerous risks to the termination of the partnership, but questioned particularly the corporate and financial risk to the Council. Financial analysis had been requested from the Council at the meeting of the Health and Wellbeing meeting on 2 August 2021.
- members voiced concerns about the value of the partnership and felt the termination was going to affect patients and residents in Northumberland.

In response, Professor Alan Richardson, Chairman of the Northumbria Trust informed the Committee that he had been pleased with the partnership, proud of what had been achieved and wanted the arrangements to continue, but the Trust's Board had reluctantly chosen to terminate that partnership due to governance issues and concerns regarding future progress. He stated that he wanted to meet with the Council to explore how the arrangements could continue, particularly as the staff of both organisations worked well together.

In the absence of the Leader and the Portfolio Holder the Chief Executive Officer sought permission of the Chairman to address the Committee and to direct questions to the representatives of the Health Trust. The Chairman agreed.

Mrs. Lally also voiced concerns that officers had been left to answer question regarding this when the Leader and portfolio had been invited to attend the meeting. Referring to Professor Richards comments, she sought clarification on whether the Trust was withdrawing their notice of termination to the Partnership, as there had been no indication of this recent meetings with Executives of each organisation. Since the formal notice of termination in February, the Council have worked with services and staff to ensure a safe transfer for future arrangements. The matter of governance had been raised privately with the Trust's board and confirmed that the Council had robust measures in place to comply with governance issues.

During meetings with the Trust, Mrs. Lally had proposed innovative models based on a more community based approach within services, which had been well received by the Chairman, however shortly after the notice of termination was received which came as a shock. There had since been numerous joint meetings which discussed the termination and mapped out how services and staffing was going to look going forward, how the Council would meet statutory functions and what the financial implications would be.

Mrs. Lally was therefore clear that discussions had already been had with the Trust culminating in the current position and expressed doubt as to the effectiveness of further discussions. She reported that informal Cabinet met on a weekly basis and the Leader had been fully briefed on the arrangements and supported them. The

Council continued to assess risks and were focussed on putting in place arrangements to ensure a smooth transfer of services.

Members expressed concern at the appropriateness of the Trust, having issued a notice of termination, then in this public meeting declaring that it did not want the termination to have taken place. It was felt that there were other mechanisms that could have been used to prevent the termination. Members also felt that the Committee needed to be confident that the senior personnel in the partnership were able to work collaboratively.

Professor Richardson confirmed that he attended the meeting to answer questions from members. The Trust regretted issuing the notice, but it was due to differences in the direction the partnership was going and that there was no assurance of working collaboratively moving forward. The pride of the partnership and work carried out with the Council was reiterated. He stated that not all of the Trust's work was centred around hospital beds and work had been done in the Community also. The suggestion that the notice could be withdrawn would be a matter for the Board, but he felt it would respond strongly by questioning whether the progress that it had originally sought, could be achieved.

Members noted that patients and residents had received a holistic approach to health and social care and expressed concern that services may diminish if the partnership was terminated.

Mrs Lally reiterated that the Trust has received repeated reports concerning governance at board meetings and any concerns were on oversight on the Trust's behalf. She was disappointed that discussions appeared to reflect badly on staff who worked in the Services. In response to suggestions that elected members had not been fully informed regarding issues around the partnership, she stated that a Council report was presented to, and supported by, the previous administration which included the requirement of a fund for Adult Social Care transition. The Health and Wellbeing OSC had received reports regarding staff transfers and the terms and conditions. Until the transfers had been finalised the financial analysis would not be able to be finalised.

Although the Committee was disappointed that the Leader and Cabinet Member had not been available to respond to the issues raised, members agreed that it would be desirable if the partnership could continue. Councillor Oliver therefore proposed the following recommendation, seconded by Councillor Beynon:

“that the Cabinet be recommended to direct officers of the Council to meet officers of the Trust to determine whether a practical solution can be achieved to salvage what is an excellent relationship”

and on being put to the vote:

For – 7

Against – 2

was agreed.

RESOLVED that

- (a) the information provided by the representatives of the Trust and the responses provided by the Chief Executive be noted, and
- (b) the Cabinet be recommended to direct officers of the Council to meet officers of the Trust to determine whether a practical solution can be achieved to salvage what is an excellent relationship.

22. EXCLUSION OF PRESS AND PUBLIC

RESOLVED that

- (a) under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item on the Agenda as it involves the likely disclosure of exempt information as defined in Part I of Schedule 12A of the 1972 Act, and
- (b) the public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:-

Agenda Item	Paragraph of Part I of Schedule 12A
9	3 - Contains information relating to business affairs of any particular person (including the authority holding that information).
AND	The public interest in maintaining the exemption outweighs the interest in disclosure because disclosure could adversely affect the business reputation or confidence in the person/organisation, and could adversely affect commercial revenue

23. ADVANCE NORTHUMBERLAND

Jan Willis, Executive Director of Finance and 151 Officer presented this report which updated members on the governance arrangements of Advance Northumberland. (Report enclosed with the signed minutes).

Following the presentation, the Committee sought clarification on issues regarding future business planning, the impact of the pandemic on revenues and asset values and staffing roles.

The Committee also requested that it received regular updates on the operation of Advance Northumberland and that its representatives be invited to attend meetings to respond to member questions and comments.

RESOLVED that

- (a) the report be noted, and
- (b) further updates be presented to the Committee.

Chairman _____

Date _____

NORTHUMBERLAND COUNTY COUNCIL
CORPORATE SERVICES AND ECONOMIC GROWTH
OVERVIEW AND SCRUTINY COMMITTEE

A meeting of the **Corporate Services and Economic Growth Overview and Scrutiny Committee** held in the Meeting Space, Block 1 Floor 2, County Hall, Morpeth, NE61 2EF on Monday, 6 September 2021 at 10.00 am.

PRESENT

Councillor D Bawn
(Chair in the Chair)

COUNCILLORS

L. Dunn
J. Beynon
P. Jackson

N. Oliver
M. Robinson
A. Wallace

OFFICERS

H. Bowers
D. Lally
S. McNaughton
R. O'Farrell

S. Nicholson

Democratic Services Officer
Chief Executive
Head of Economy & Regeneration
Executive Director Corporate
Services, Planning & Economy
Scrutiny Co-ordinator

1. Apologies for absence were received from Councillors Murphy and Ploszaj.

2. **MINUTES**

RESOLVED that the minutes of the meeting of the Corporate Services and Economic Growth Overview and Scrutiny Committee held on 2 August 2021, as circulated, be confirmed as a true record and signed by the Chairman with the addition of Councillor Dunn to the attendance list.

In response to a question regarding a Whistleblowing report. Clarification would be sought at Chairman's Group.

3. **FORWARD PLAN OF CABINET DECISIONS**

Members were informed of two reports that would be presented to the Committee on 11 October: the Energising Blyth Programme (Energy Central Campus) and the Culture and Creative Zone pilot for Northumberland also on 11 October.

RESOLVED that the latest Forward Plan of key decisions be noted.

4. NORTHUMBERLAND LINE

The Cabinet report provided an update on progress on the Northumberland Line project in the last 12 months including the achievement of several significant milestone and an overview of the next stages of the project and their funding implications.

R O'Farrell, Executive Director Corporate Services, Planning and Economy introduced the report and the progress made. Morgan Sindell had been appointed as the main contractors for the station and structures construction. An application had been submitted for the Transport and Work Acts Order which gives powers for compulsory purchase. The public enquiry would start early in November. All but one planning application had been submitted for the stations and Network Rail had started preliminary works on the actual track works.

The report also referred to a raft of financial recommendations in relation to receipts of external funding and the reprofiling from the Medium Terms Financial Plan and sought delegation of approval to the Head of Paid Services or nominated Executive Director to execute all contracts relating to the Northumberland Line project.

Approval was also sought for the commencement of two procurement exercises – The Integrated Programme Management forecast and the Network Rail Asset Protection Agreement forecast.

Members were informed that one of the recommendations was that proposed station car parks would be free of charge for the first two years which would be reviewed thereafter.

Following questions from Members; it was established that:

- Plans would be available for Bebside and Newsham Station online on the planning portal.
- The review of the car parks would be carried out by the Economy and Regeneration Team with detailed surveys of the use of car park and residential streets which would inform a decision.
- Work was ongoing with the Bus Service Improvement Programme and local cycling and walking corridors that would feed into stations.
- In last 12 months and early study had been conducted to look at opportunities, working alongside colleagues from the North of Tyne Combined Authority. That work was now complete, and a report would be brought back to the committee. The County's new local plan would have an early review to look at the impact on the economic corridor on housing and on employment land and a proposal for £35 million had been submitted to Government.
- The lines would be managed by the Dft and the service would be absorbed into the Northern franchise.

- The local plan would consider local and the wider impact, eg housing. The suggestion of a community bus was a good idea and would be fed back to colleagues.
- A localised level of planning was going ahead, and a local transport initiative would be considered.
- The ultimate ambition was an integrated system which would allow a single ticket to be bought, ie smart card technology, however not everyone had the ability to access smart card technology. Earlier this year the Joint Transport Committee published plan and one of its key objectives was ticketing as a single point of contact.
- Projected costs were an ongoing concern
- Legislations required CPOs were a last resort, and negotiation had to be carried out until the last minute.
- The comment regarding extra room on trains for cyclists was acknowledged and a social value work steam was being looked at and work ongoing with the cultural team. The old stations on Bedlington platform were redundant and work was being carried out with Network Rail looking at a range of options.

Thanks were conveyed to all officers involved.

RESOLVED that Cabinet be advised that this Committee support the recommendations as outlined in the report and specifically to the proposal of the two years' free parking.

5. WORK PROGRAMME

The committee was asked to review and note the Corporate Services and Economic Growth Overview & Scrutiny Committee Work Programme and Monitoring Report for the 2021/22 council year.

RESOLVED that this information was noted.

6. EXCLUSION OF PRESS AND PUBLIC

RESOLVED

(a) That under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following items on the Agenda as they involve the likely disclosure of exempt information as defined in Part I of Schedule 12A of the 1972 Act, and

(b) That the public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:-

Agenda Item	Paragraph of Part I of Schedule 12A
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9	3 - Contains information relating to business affairs of any particular person (including the authority holding that
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information).

AND

The public interest in maintaining the exemption outweighs the interest in disclosure because it contains confidential information which is subject to commercial Non-Disclosure Agreements and because disclosure could adversely affect the business reputation or confidence in the person/organisation and could adversely affect commercial revenue.

7. CONFIDENTIAL MINUTES

RESOLVED that the confidential minutes of the meeting of the Corporate Services and Economic Growth OSC held on 2 August 2021, as circulated, be confirmed as a true record and signed by the Chairman

Chair _____

Date _____

NORTHUMBERLAND COUNTY COUNCIL

FAMILY AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE

At the meeting of the **Family and Children's Services Overview and Scrutiny Committee** held at Meeting Space - Block 1, Floor 2 - County Hall on Thursday, 2 September 2021 at 9.00 am.

PRESENT

W Daley (Chair) (in the Chair)

COUNCILLORS

C Ball
D Ferguson
M Swinburn
T Thorne

L Dunn
G Stewart
C Taylor

CHURCH REPRESENTATIVES

A Hodgson

D Lennox

OFFICERS

C Angus
S Aviston
S Barron
A Kingham
L Little
C McEvoy-Carr

G Reiter
K Willis

Scrutiny Officer
Head of School Organisation and Resources
Head of SEND Strategies
Service Director - Education and Skills
Senior Democratic Services Officer
Executive Director of Adults and Children's Services
Service Director - Children's Social Care
Complaints Manager - Children and Education

ALSO PRESENT

G Renner-Thompson

Cabinet Member

Around 1 member of the press and public were present.

8 APOLOGIES FOR ABSENCE

Apologies for absence were received from L Houghton and J Sanderson.

9 MINUTES

The following people had been marked as present on the website version of the Ch.'s Initials.....

minutes however their names had not been pulled through onto the paper copy:

Reverend D Lennox, P Rickeard and J Sanderson

The minutes of the Family and Children's Services Overview and Scrutiny Committee held on Thursday 17 June 2021, as circulated, were agreed and signed by the Chair with the above amendment noted.

10 FORWARD PLAN OF KEY DECISIONS

The Scrutiny Officer highlighted that there were 2 items for pre-scrutiny by this Committee for the October meeting.

RESOLVED that the Forward Plan of key decisions for September to December 2021 be noted.

11 SCHOOLS FORUM ROLE AND DECISION MAKING POWERS

S Aviston, Head of School Organisation and Resources introduced the report which provided further information to the Committee on the role of the Schools Forum, including its powers, consultative role and the impact of this in relation to School Funding in Northumberland for 2021/22. Members were advised that the ESFA had now adopted road distance rather than "as the crow flies" distances to calculate pupil distances when calculating sparsity element following lobbying from the Schools Forum.

In response to questions from Members the following information was provided:

- Members of the Forum was made up from representatives from both maintained Schools and Academies, the Diocese, Post 16, Early Years and Trade Unions with a mix of Chairs of Governors and Head Teachers.
- The overall school funding had increased last year, however where the funding had dropped within 6 schools this was due to the drop in pupil numbers as the National Funding Formula had introduced pupil led funding rather than generic factors as had previously been the case.
- The Cabinet Member for Children attended the Schools Forum as an observer.
- The difference between the values for Low Attainment Primary between NFF Values and NCC Values in Appendix 1 of the report was due to the precedent previously set by this Council. The Council paid over the national target for deprivation for Free School Meals. This year part of the process would be to change the balance however it was stressed that both were targeted at the same pupils.
- School finance figures could be provided to the Committee for information on an annual basis.
- A report to Schools Forum regarding school balances was provided on an annual basis and this had shown that more schools had more funding in their balances. A number of schools which had been in deficit had significantly reduced their deficit over the last few years and these were monitored, assisted and supported by the Council to do so. Additional funding had also been provided to schools to assist them through the very difficult last few months.

Members welcomed the report and congratulated the Forum on its success with the sparsity funding. The Chair highlighted that within Northumberland the Schools Improvement Team worked closely with all schools, including Academies to improve performance.

RESOLVED that the report be noted.

12 **SEND REVISIT MAY 2021**

C McEvoy-Carr, Executive Director of Adult Social Care and Children's Services provided a brief introduction to the report and a presentation was provided by S Barron, Strategic Lead for SEND & Designated Clinical Officer. A copy of the presentation would be filed with the signed minutes. The Executive Director advised that she had been very pleased with the outcome of the visit. She also took the opportunity to thank all involved, which included parents/carers, children/young people, schools and health colleagues and local authority representatives who had strived to improve the services offered to children and young people with SEND and advised that this work would continue.

Members were advised that the visit had focussed on the three areas of weakness previously identified and it had been found that sufficient progress had been made and as such would no longer be subject to the formal quarterly support and challenge visits from the DfE and NHS England. Inspectors had found there had been a seismic change in the leadership and culture since the 2018 Inspection and details of the strengths and how these had been achieved were outlined along with the SEND priorities to take forward.

A Kingham, Service Director – Education and Skills advised that a copy of the letter from Ofsted would be circulated after the meeting to members of the Committee. Councillor Renner-Thompson, Cabinet Member stated that this was an excellent report with the visit being undertaken during a pandemic and also in the lead up to an Election and was a massive achievement and thanked C McEvoy-Carr and her team.

In response to questions from Members the following information was provided:

- The biggest factor to continue to drive improvements to the service would be to listen to the children, young people and their families to assist in understanding their needs and how these can be supported, embedding these in service delivery in order to achieve a service which met their needs.
- There were a number of ways to measure progress however the key one would be through the Whole Education Programme which provided schools with a self-evaluation tool which would allow the service to track and monitor progress. On an annual basis there would be a set of priorities and targets identified and a number of officer sub-groups would continue to operate with the aim of improving the service to children and young people with SEND. A lot of work was being undertaken at the current time in relation to those with ADHD and SEMH to help mainstream schools to become more inclusive. The Executive Director advised that there was also a SEND Strategic Board which met on a regular basis and held each of the partner agencies and the Council to account, and at which they needed to demonstrate the

- progress that had been made.
- Increasing inclusive education did not necessarily mean that there would be a cost increase as it was about doing things differently and opportunities to invest to save would be looked at which would hopefully reduce costs in the longer term.
- Grants from Central Government had been used to expand capacity for SEND pupils with the development of the Ashdale Centre and increased capacity at Hexham Priory along with the trial of ARPS within the Seaton Valley partnership. The Local Authority had also allocated £17m within the Medium Term Financial Plan to invest over the next three years to grow capacity and provide special schools, with £1m of that already allocated for the SEND Free School. There was a substantial amount of funding available to support growing capacity.

Members welcomed the report and the progress that had been made and offered their thanks and congratulations to those involved.

RESOLVED that:

1. the information be noted;
2. a regular update be provided to allow the Committee to provide advice and support.

13 **PEER REVIEW FOR CARE LEAVERS SERVICE-UPDATE REPORT**

G Reiter, Service Director – Children’s Social Care provided an introduction to the report which updated the Committee on the actions to be undertaken following the Peer Challenge undertaken in September 2018 including a current view of the offer for care leavers in Northumberland. Details of the recommendations made by Mark Riddell, had been reported to the Safeguarding and Corporate Parenting Group which provided detailed oversight of the service.

Councillor Renner-Thompson, Cabinet Member advised that he had taken part in the inspection by Mark Riddell, who had commented that the leadership and political leadership was driving forward improvements. The Cabinet Member had requested additional training be provided to members of the Safeguarding and Corporate Parenting Group on their responsibilities as corporate parents. He also stated that he had asked that HR policies within the Council, Advance Northumberland and Active Northumberland be looked at to explore what could be done to assist care leavers into jobs and apprenticeships within these entities.

Mr Reiter advised of the work undertaken by the Fire and Rescue Service in mentoring and preparing care leavers for adulthood and it was hoped that this could be replicated across other areas of the Council. It was clarified that whilst information provided had been very useful, some of the recommendations made by Mark Riddell, which had been based on his past experience, had not been taken forward as they were not thought appropriate for where the Council was at the current time.

A continuous improvement plan was monitored on a monthly basis and more detailed scrutiny was undertaken by the Safeguarding and Corporate Parenting Group. Details of the training to be provided would be shared once this had been finalised.

Mr Reiter was thanked for the report.

RESOLVED that:

1. Members were assured that there was an action plan to take forward improvements to services for care leavers as part of continuous improvement planning in children's social care; and
2. Members would continue to have an overview of the Northumberland offer for care leavers and understand their role as corporate parents for care leavers.

14 **COMPLAINTS ANNUAL REPORT 2020/2021 - ADULT SOCIAL CARE, CHILDREN'S SOCIAL CARE, AND CONTINUING HEALTH CARE SERVICES**

K Willis, Children's Social Care Complaints Manager provided an introduction to the second part of the report which was a statutory requirement under the Children's Representation Regulations on how the Council deals with complaints from young people. She advised that it had been found that more adults used the complaints process with not so many young people as there were lots of ways in which the young people could bring forward their issues which in turn led to them being resolved at an earlier stage within front line services.

Councillor Daley, Chair and C McEvoy-Carr, Executive Director advised that complaints were now always seen as an opportunity to learn and ensured that the messages they provided were used to improve practices for the future. Where compliments were received the Executive Director and Service Director always tried to celebrate and recognise these and provide positive feedback to the staff involved.

It was confirmed that separate reports would be provided in future in respect of Adult and Children's social care complaints.

All information was dealt with as an enquiry at first and passed to front line services for resolution. If it could not be resolved by front line services, it would then be referred back and it would be recorded as a complaint either under the Children's Social Care Regulations or if it did not fall within this remit then it would be dealt with under the Council's Corporate Complaints System. The stages of the complaints were outlined and if a complaint was not resolved during the process then the complaint could be referred to the Ombudsman.

It was clarified that a comparison with Durham had been provided as this was a similar authority and was dealt with by the Ombudsman under the same category, it had not just been chosen as it was a neighbouring authority.

Members welcomed the report and thanked the Officers.

RESOLVED that the information be noted.

15 **FAMILY AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME AND MONITORING REPORT 2021/22**

The Scrutiny Officer advised of changes for the October and November meetings in that there would be pre-scrutiny of the Education Infrastructure Contribution Policy in October and therefore the report on the Children's Home Placement

Sufficiency would be moved to November.

Members were reminded to contact the Chair or the Scrutiny Officer with any items that they would like to be added to the work programme. The Chair also invited suggestions for themed scrutiny, and advised that it was hoped that the meetings could be held in alternative locations around the County.

RESOLVED that the information be noted.

CHAIR.....

DATE.....

NORTHUMBERLAND COUNTY COUNCIL

FAMILY AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE

At the meeting of the **Family and Children's Services Overview and Scrutiny Committee** held at Meeting Space - Block 1, Floor 2 - County Hall on Thursday, 7 October 2021 at 10.00 am.

PRESENT

W Daley (Chair) (in the Chair)

COUNCILLORS

C Ball
D Ferguson
M Swinburn

L Dunn
G Stewart
T Thorne

CHURCH REPRESENTATIVES

A Hodgson
P Rickeard

D Lennox

TEACHER UNION REPRESENTATIVES

L Houghton

J Sanderson

OFFICERS

C Angus
S Aviston
A Kingham
L Little
C McEvoy-Carr

Scrutiny Officer
Head of School Organisation and Resources
Service Director - Education and Skills
Senior Democratic Services Officer
Executive Director of Adults and Children's
Services
Service Director - Children's Social Care

G Reiter

ALSO PRESENT

G Renner-Thompson

Cabinet Member

16 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors A Scott and C Taylor.

17 MINUTES

Ch.'s Initials.....

The minutes of the Family and Children's Services Overview and Scrutiny Committee held on Thursday 2 September 2021, as circulated, were agreed and signed by the Chair.

18 **DISCLOSURE OF MEMBERS' INTERESTS**

Mr Rickeard advised a Church of England School was situated next to the former Richard Coates Church of England School.

19 **FORWARD PLAN OF KEY DECISIONS**

The Scrutiny Officer highlighted that there were four items for pre-scrutiny at this Committee and they would be considered by Cabinet the following week.

RESOLVED that the Forward Plan of key decisions for October 2021 to January 2022 be noted.

20 **PROPOSAL TO AMALGAMATE SEATON SLUICE MIDDLE SCHOOL AND WHYTRIG MIDDLE SCHOOL**

S Aviston, Head of School Organisation and Resources, provided an introduction to the Cabinet report. The report set out the request of the Governing Body of the Seaton Valley Federation to the Council to carry out informal consultation on a proposal to amalgamate Seaton Sluice Middle School and Whytrig Middle School on the current Whytrig and Astley Community High School site in Seaton Delaval or an alternative site, should one be identified as part of the site option appraisal. The proposal had arisen in the light of the capital project to re-provide new buildings for Astley and Whytrig Middle School on their current site, these two schools already being co-located on the high school's site in Seaton Delaval. Although the initial project was limited to the re-provision of new buildings for Astley and Whytrig, in the course of planning that project the federated Governing Body had identified a number of significant educational and financial benefits for all students within the Seaton Valley Federation to be co-located on one site in new buildings.

The proposal would also require the expansion of the capacity of the planned new buildings for Whytrig in order to accommodate students relocated from Seaton Sluice and this would also be included within the informal consultation.

If approved by Cabinet a six week period of informal consultation within term time would commence on 13 October 2021 and would conclude on 1 December 2021. As outlined in the report the capital building approval process would run parallel to the statutory process and alternative sites would be looked at in order to develop the proposals, but this information was not able to be shared at the current time due to commercial sensitivity.

Assurance was sought that the Federation were aware the amalgamation would result in the removal of a financial lump sum, and this had been factored into any financial modelling. The Committee were informed that this had been discussed with the Governing Body and they believed the benefits of amalgamation

would counterbalance the financial adjustment.

The Chair outlined the recommendations as outlined in the report which were unanimously agreed by Members of the Committee.

RESOLVED that **Cabinet** be advised that the Committee supported the recommendations as outlined in the report.

21 PROPOSALS FOR ATKINSON HOUSE

S Aviston, Head of School Resources and Organisation introduced the Cabinet report which set out proposals for Atkinson House Special School in Seghill, a secondary provision for boys with social, emotional and mental health (SEMH) needs to relocate to a new site at the former Richard Coates CE Primary School in Ponteland and to change to co-educational provision. The proposals would be with effect from 1 September 2022. The nature of the proposals required that a statutory process would need to be undertaken prior to any final decision being taken by Cabinet.

The Committee enquired as to how the needs for girls with SMEH were currently being met. They were informed that the needs were currently being met in existing schools, but these schools were at capacity and the increase in places would help meet a growing need for SMEH support. In response to a question about how Northumberland compared nationally, it was confirmed that Northumberland were below the national average in the number of children requiring SMEH support; however, the catchment area would be solely in Northumberland with only surplus places being offered outside the County.

Co-opted members of the committee received an explanation on how NCC were looking long term and on the new strategies being developed that would come to FACS in the future for comment.

Assurance was sought on a number of areas such as transport, sustainability and safeguarding. Members were advised that the relocation would give the school a more central location and give residents in the West of the County greater access to these provisions, although support would continue to be provided to assist mainstream schools to be more inclusive. The Committee were reminded that all school transport plans were examined from an environmental and efficiency point of view. With regards to safeguarding, there would always be measures in place and it was anticipated that a working group with head teachers would be set up to look at any safeguarding and site operation issues that might arise.

The Committee were keen to ensure that in addition to teachers, parents and other organisations, students were also included in the discussions. Once the Gilbert Ward Academy opened it would be a decision for parents if they chose to move their child to the new provision and any decision would need to be in the best interests of the child. It would also give an alternative option for a child to remain in education in Northumberland rather than having to go out of County if they did not settle at one school.

The Chair outlined the recommendations and upon being put to the vote it was

unanimously:

RESOLVED that Cabinet be advised that this Committee supported the recommendations as outlined in the report.

22 **SCHOOL ORGANISATION PLAN 2021-2024**

S Aviston, provided an introduction to the report which asked Cabinet to note the second iteration of the School Organisation Plan 2021-2024 for Northumberland. The report also requested Cabinet to approve the circulation of the plan to schools and academies for information and feedback prior to its subsequent publication. The plan would also be subject to an annual update in order to capture changing information or circumstances related to schools and academies as appropriate. A typographical error was noted in paragraph 3 which should read "A new School Organisation Plan for 2021-24..."

Members praised the team involved in writing this comprehensive and valuable plan which the Committee felt all elected members would benefit from reading. They suggested that in addition to schools, other partners and the Council's website in recommendation 3, the plan also be circulated to all elected members.

The Chair outlined the recommendations as outlined in the report and following a unanimous vote it was:

RESOLVED that Cabinet be advised that the Committee welcomed the plan and supported the recommendations as outlined in the report.

23 **UPDATE OF THE EDUCATION INFRASTRUCTURE CONTRIBUTION POLICY**

S Aviston provided an introduction to the report which asked Cabinet to approve an update to the Education Infrastructure Contribution Policy to increase the requested contribution towards SEND provision in the county to reflect the increased number of young people in the County requiring specialist provision.

Members welcomed reviews into developer contributions in education and infrastructure. After a discussion on S106 allocations and a reduction to the level of previously agreed contribution which had recently been approved, the Committee felt it would be beneficial for all members of the strategic planning committee to receive training on S106 funding and allocations.

The Chair highlighted a Task and Finish Working Group could be used to look at education contributions and how the funding was allocated if this was something Members wished to do.

The Chair outlined the recommendations and following a vote it was unanimously:

RESOLVED that Cabinet be advised that this Committee supported the recommendations outlined in the report.

24 **CHILDREN'S SOCIAL CARE SELF-ASSESSMENT - APRIL 2021**

G Reiter, Service Director – Children’s Social Care provided an introduction to the report which would be used to inform the annual engagement meeting with Ofsted on 28 October and in advance of this would face challenge at the Regional Directors meeting. More detailed scrutiny of key areas within the self assessment are undertaken through both this Committee and the Corporate Parenting Group. The findings had shown progress however the service continually strived to improve and the document would assist in this and also outlined the key priorities for continuous improvement also taking into account national and regional developments and legislation. This also linked into Children’s social care case for change review being undertaken by Josh McAllister which the Council was feeding into. Detailed actions in the continuous improvement plan were monitored monthly by senior managers and the signs of safety framework would be used as a key driver for improvement.

Members welcomed the report and the way it had been presented and recognised that new ways of working developed through the pandemic would be embedded into the service to help drive improvements.

In relation to the progress on the building of the two children’s homes, the Committee was advised that one of the sites identified was not suitable and work was underway to identify an alternative site and planning permission had been granted in relation to the other. A bid had been made for DfE funding and the outcome was awaited to determine the next steps. There had been a reduction in the number of children who needed to become looked after and it was also expected the number of out of County placements would reduce in the coming months as a result of the young people’s ages and they would either return to the County or would be 18 and no longer need the placements. The biggest challenge was in relation to emergency placements. A report would be coming to this Committee in November on Children’s Home Placement Sufficiency.

RESOLVED that the information be noted.

25 **FAMILY AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME AND MONITORING REPORT 2021/22**

Members were reminded to contact the Chair or the Scrutiny Officer with any items that they would like to be added to the work programme. It was hoped to finalise proposals for new Task and Finish Groups within the next couple of weeks and the Chair reminded Members of the excellent work that could be undertaken such as that previously undertaken in respect of school exclusions and the impact this had.

Officers were currently looking at the impact of the rise in wholesale gas prices on schools and what the Government would do to support this and this would be reported once Officers were in a better position to do so.

In relation to green aspects of the new Astley school buildings four options would be put forward as part of the business case in relation to reducing carbon emissions as part of this development either embedded into the building or through reduced running costs. Three other schools had air source heat pumps installed through the summer holidays which had been 100 % funded by grants and would help with ongoing running costs for these schools.

P Rickeard advised that the Church of England were also working with the Council to reduce carbon emissions in one of their schools however there was a requirement for 3 phase electricity to be able to run the equipment which was not available in some of the more rural areas and this may need to be more widely investigated to assist residents.

Councillor Daley advised that the Leader, Councillor Sanderson had written to the Chancellor and Education Secretary regarding heating and fuel costs for schools.

RESOLVED that the information be noted.

CHAIR.....

DATE.....

NORTHUMBERLAND COUNTY COUNCIL

COMMUNITIES AND PLACE OVERVIEW AND SCRUTINY COMMITTEE

At a meeting of the **Communities and Place Overview and Scrutiny Committee** on Wednesday, 25 August 2021 at 10.00 a.m.

PRESENT

Councillor N. Oliver
(Chair, in the Chair)

MEMBERS

Cartie, E.	Mather, M.
Castle, G.	Richardson, M.
Hardy, C.	Robinson, M.
Morphet, N.	

OFFICERS IN ATTENDANCE

C. Angus	Scrutiny Officer
P. Jones	Service Director – Local Services
R. O’Farrell	Executive Director - Place
N. Turnbull	Democratic Services Officer

14. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors Bridgett and Gallacher.

15. FORWARD PLAN OF CABINET DECISIONS

The Committee considered the Forward Plan of key decisions (August to November 2021). (Schedule enclosed with the signed minutes).

RESOLVED that the report be noted.

16. OVERVIEW AND SCRUTINY REPORTS

16.1 Overview of the Fleet Replacement Programme in 2020/2021

The Committee were provided with an overview with the delivery of the Council’s fleet replacement programme in 2020/2021 and an update on the progress made in current financial year 2021/2022. (A copy of the report is enclosed with the signed minutes).

Paul Jones, Service Director – Local Services, explained that it was essential that the fleet replacement programme was delivered in a timely manner to ensure delivery of front-line services, secure benefits of new technology, minimise impact on the environment and make a positive contribution to tackling climate change. He reported that:

- Service reviews and challenging the need for vehicles had resulted in a number of vehicles being removed from the program.
- Of the 391 vehicles scheduled to be replaced during 2021/22, 117 had been rescheduled.
- The programme had been severely impacted by the pandemic and to a lesser extent, Brexit. There were significant delivery delays due to closure of businesses, reduced capacity during lockdowns, world-wide shortages of semi-conductors and other parts from suppliers.
- Service critical vehicles had been promptly replaced to ensure service resilience.
- Purchase of some vehicle types had been delayed to enable assessment of reduced payloads, following the introduction of new standards, and potential replacement with electric vehicles (EV).
- Cost and differential impact of cost, particularly for larger electric vehicles and their current availability, was being closely monitored. Financial assistance would be sought from Council for any increased costs to purchase EV.

The following information was provided in answer to questions from members:

- Vehicles were primarily purchased outright and sold at auction at the end of their life to maximise returns. Operating or finance leases were also considered when viable to do so, although negotiation of extensions incurred additional premiums and they also had strict return conditions and values. Reviews were undertaken quarterly and generally it was cheaper for the Council to borrow at lower rates. Some specialist plant and equipment were bought second hand, although the majority was purchased new.
- Some vehicles with quick change bodies had been purchased to enable use all year round and ensure vehicles were not standing unused for many months. Examples included gritters which were also used as tar tankers for road maintenance. Some vehicles were dedicated solely as gritters due to the nature of their use. The fleet was kept under review as it was not beneficial to have high value vehicles sat unused.
- Services were challenged as to whether vehicles needed to be replaced; this had resulted in the removal of 18 vehicles from the programme in 2020/21. This challenge included specifications, as a standardised fleet was also cheaper to purchase and maintain. Other vehicles had been added due to the increased capital allocation for highways maintenance to do more in-house and reduce cost and reliance on third party contractors.
- Acquisition of additional gulley tankers would require consideration as a growth item and an additional financial allocation through the budgetary process.
- Use of new vehicles in parks was beneficial to the teams in saving time and enabling them to undertake more work.
- New vehicles were generally quieter than older vehicles and it was suggested that lower volumes of traffic during the pandemic could have impacted on the background noise and influencing perception of noise levels of ride on lawnmowers.

- The none removal of grass arisings contributed to blocked drains and associated problems.
- The new chipping spreading paving machine, to be used mainly on rural roads, had been purchased under an invest to save opportunity. Income generation work was also undertaken for other local authorities when capacity and capability permitted, given seasonal constraints. This was not at the detriment of the council's own programme.
- The specification had now been agreed for 6 compact sweepers which would be replaced during 2021-22. The replacement cycle had been reduced on other equipment due to issues with reliability.
- Ancillary equipment on vehicles, such as jettors on gulley wagons, would be checked and reported back.
- It had been necessary to ensure there was an adequate charging infrastructure at depots when 'greening' the fleet. Improvements were being made to depot-based charging network to accommodate the growing EV fleet. This had necessitated 'power up' bids and other climate change improvements at key operational depots, such as PV on roofs and ground source heat pumps, as part of the Council's climate change action plan. Capacity and availability with the local grid was an issue nationally for larger vehicles. Planning permission had been obtained by estates management for the construction of solar PV car ports with EV charger capacity at County Hall.
- There was concern regarding the environmental impact of alternative fuel sources, e.g. hydro treated vegetable oil. The Energy Savings Trust had been engaged and were considering 'greening' the fleet, feasibility of EVs and alternatives, as EVs might not be suitable across the whole fleet. Technological advances and availability of models were being closely monitored.
- Quick change body jet patchers had been acquired following trials although they had been expensive to operate and provided a temporary repair. A change of approach to a greater proportion of permanent repairs on the road network had resulted in them being replaced with hot box vehicles.

The officers were thanked for the informative report and work undertaken by Local Services, which had continued with little interruption during the pandemic.

RESOLVED that:

1. The work undertaken to deliver a challenging fleet replacement programme during 2020/21 and 2021/22, be noted.
2. Cabinet be recommended to consider an invest to save or business case to acquire more gulley wagons to increase capacity as part of the capital programme budget discussions.

16.2 Northumberland Waste Management Strategy - Kerbside Glass Collection Trial Update

The report provided an update on the kerbside glass recycling trial which had commenced in November 2020, including key performance measures on

recycling yields, resident participation and acceptance levels. A final report on the trial and proposed next steps for the roll-out of an enhanced glass recycling service was to be presented to Cabinet in October 2021. (A copy of the report is enclosed with the signed minutes).

Paul Jones, Service Director – Local Services, stated that whilst the Council provided a very good performing waste service which was cost effective and, reliable, no significant improvements had been made to recycling rates for a number of years, with continued high landfill diversion rates. This needed to be addressed as part of the Climate Change Action Plan.

He referred to recent Government policy reviews and consultations and the expectation that local authorities in England would need to achieve a recycling rate in excess of 50% with a wider range of materials collected at the kerbside and more consistency between areas. This was expected to be financed through 'new burdens' funding for local authorities and taxation on manufacturers and retailers under the 'producer pays' principle.

Modelling in 2019 identified the preferred way forward to improve recycling on a phased approach which included kerbside collection of glass, more plastics including pots, tubs and trays and food waste. Cabinet had agreed to a kerbside glass collection trial in October 2020 to test assumptions and put the Council in the best position to bid for funding and implement changes as quickly as possible.

The trial had commenced in November 2020 with approximately 4,000 households in Morpeth, Bedlington, Hexham and Alnwick/Lesbury. A 140-litre wheeled bin had been provided and was emptied every 4 weeks. An average yield of 71 kg per household was projected for the year which compared favourably with neighbouring authorities.

Noise monitoring and ear defenders had been provided for employees to reduce exposure to noise to an acceptable level but also allow them to hear noise from road vehicles and instructions from colleagues.

89% of residents were satisfied or very satisfied following a survey undertaken in May 2021. Monthly collections were also working well with more than sufficient capacity in bins which were rarely full and not always presented.

To date they had been unable to assess the additional benefit due to the Covid-19 pandemic as residents had been unable to go to hospitality venues resulting in more alcohol being consumed at home. There had been a 22% increase in glass collected at HWRC's and bring sites since 2019/20 and they were unable to distinguish what impact the trial had on diversion rates from these facilities.

The report to Cabinet would consider next steps, whether the trial be extended beyond November 2021 to obtain additional data now that there were no restrictions in place, and timing of rolling out kerbside collection of glass given availability of Government funding.

The Service Director – Local Services, replied to members questions with the following information:

- Whilst average put out rates were relatively low, this could be due to a number of factors: whether residents were recycling or perhaps continuing to put glass in general waste, the size of the container and if only half full it might not be considered necessary to have it emptied every month. Consideration also had to be given to average yield and participating residents responses to the survey. Smaller households had capacity to put the bin out less frequently and there could be capacity to increase the number of households participating in the trial, if extended. Other factors would also need to be taken into account including extension of the working day if there was a larger round, capacity of vehicles and potentially extra trips to unload etc.
- A comingled collection of glass and other recycling material required consideration of the contamination risk from glass shards amongst fibre material, health and safety risks, separation of materials, end uses and quality. The lifecycle of the material needed to be assessed to ensure robust, high value end uses in the UK to ensure maximum environmental return. Some local authorities had invested in the mechanical removal of material at the front end of the process, however this resulted in lower values and minimal usage due to contamination of other materials.
- Glass collected in Northumberland was taken to transfer stations for storage to enable efficient transportation in bulk to end users for remelt, which provided the highest value, into other glass products or for construction uses, e.g. sandpaper.
- Glass manufacturers wanted large pieces of glass for remelt which was obtained with less handling. Introduction of colour segregation technology would mean that clear glass would increasingly no longer need to be separated from brown and green glass. Some breakage was desired when collecting glass to maximise refuse vehicle loads.
- The Government had recently consulted on a glass deposit return scheme, or reverse vending, which was actively being considered.
- Private waste producers made their own arrangements for the collection of waste. The Council offered the full range of waste collection to business premises with a reduced cost for material which could be recycled to recognise the financial benefits received by the Council from the sale of the material.
- Transport emissions were taken into account in the calculation on 140 tonnes of carbon dioxide saved through usage of conversion factors developed from high level industry lifecycle assessment modelling across a range of European recycling plants.
- If the glass recycling trial was expanded across the county, it was expected that investment would be required in additional refuse vehicles and crew with new collection arrangements. Overtime had only been used during the trial period to enable an assessment.

Members commented that the trial had been well received and more residents wanted to be included.

The officers were thanked for the report.

RESOLVED that:

1. The contents of the report, be noted.
2. The success of the glass recycling trial scheme to date, in terms of high customer satisfaction levels and very high yields of glass collected per household, be noted.
3. The Communities and Place Overview and Scrutiny Committee supported the trial and expansion of glass recycling across Northumberland.

17. REPORT OF THE SCRUTINY CO-ORDINATOR

Communities and Place Overview and Scrutiny Committee Monitoring Report

The Committee reviewed its work programme for the 2021/22 council year. (Report enclosed with the signed minutes).

Members with any queries or suggestions were asked to contact the Scrutiny Co-ordinator, Chair or Vice-Chair.

Members enquired whether the Communities & Place OSC could receive information on:

- The Local Nature Recovery Strategy Pilot
- Priority be given to the implementation of a policy banning dogs in fenced off Council sports areas. This had been raised previously but reports had been received regarding a recent incident at Ridley Park tennis courts. It was queried whether this could be added to the policy which banned dogs from fenced off children's play areas.
- Youth Services Outreach Programme and anti-social behaviour.
- Bulky Waste Collection Services (charges and subsidies).

The requests would be referred to the Chairmen's Group.

RESOLVED that the work programme be noted.

CHAIR _____

DATE _____

NORTHUMBERLAND COUNTY COUNCIL

HEALTH AND WELLBEING OVERVIEW AND SCRUTINY COMMITTEE

At a meeting of the **Health and Wellbeing Overview and Scrutiny Committee** held in **The Cheviot Suite, Holiday Inn, Seaton Burn, Newcastle upon Tyne, NE13 6BP** on Tuesday, 18 August 2021 at 1.00 pm

PRESENT

Councillor J. Reid
(Chair, in the Chair)

COUNCILLORS

Bowman, L.	Humphrey, C.
Dodd, R.R.	Hunter, I.
Ferguson, D.	Nisbet, K.
Hill, G.	Wilczek, R.
Homer, C.R.	

CABINET MEMBERS

Horncastle, C.	Cabinet Member
Pattison W.	Cabinet Member
Riddle, J.	Cabinet Member
Sanderson, G	Cabinet Member

OTHER MEMBERS

Bawn, D.	Jackson, P.
A Dale	Jones, V.
C Dunbar	Oliver, N.
Dale, A.	Richardson, M.
Ezhichelvan, P.	Swinburn, M..
Flux, B.	Taylor, C
Hardy, C.	

ALSO IN ATTENDANCE

Angus, C.	Scrutiny Officer
Angus, K.	Executive Director of HR and Deputy Chief Executive
Bowers, H.	Democratic Services Officer
Bridges, A.	Communciations
Greally, R.	Democratic Services Assistant
Lally, D	Chief Executive
Masson, N.	Solicitor
McEvoy-Carr, C	Executive Director of Adult Social Care and Children's Services
Morgan, L.	Director of Public Health

Roll, J.	Head of Democratic Services
Taylor, M.	Business Development Director
Willis, J.	Executive Director of Finance (Section 151 Officer)

24. CHAIR'S INTRODUCTION

The Chair welcomed everyone to the meeting to consider the call in for the dissolution of the Council's partnership with Northumbria Healthcare and explained that members should only consider the recommendations (1) to (9) in the report to Cabinet dated 3 August 2021.

25. DISSOLUTION OF THE COUNCIL'S PARTNERSHIP WITH NORTHUMBRIA HEALTHCARE

The Chair explained the meeting procedure for the call in.

Councillor Jackson explained the concerns surrounding the dissolution of the partnership and the effect on the health and care to residents across the county. The relationship with the Health Care Trust was valued and hoped it would continue into the future. There had been a formal partnership with Northumbria Healthcare Trust for 10 years and the relationship had been excellent throughout that time.

He continued that the purpose of scrutiny was to examine Cabinet decisions and reasons and ensure the Council were open and transparent and acted in the best interests of the Council and residents in Northumberland.

He outlined the main considerations:

- Seamless care for residents
- Single assessment system with residents not being passed from one health care system to another
- Concentrate on care in the home, seen across the country as a lead in that area with Vanguard status
- He referred to a Council report of 2020, which stated that service levels of health and social care was likely to be beneficial to those with a long term disabling health condition, with coherent services from a range of support service over an extended period which Northumberland had excelled at
- Financial issues and the financial effect on the Council
- Governance issues which need to be explored
- Transfer of staff numbers
- Public reports were scant in detail and more details had been requested and not answered

Councillor Jackson continued that Corporate Service Scrutiny and the Chair of Northumbria Trust, Mr Alan Richardson, had made an open offer to have a discussion and now considered dissolution would be detrimental to services. He also referred to a statement from Northumbria Healthcare about extra costs, extra TUPE risks, and pension scheme and governance concerns that were very serious.

Regular meetings between Council and Trust had been cancelled regularly and not taken place since 2017. Board reporting had been reduced and infrequent with members being unable to explain reports and regular changes to management.

There had been no detail about risk and financial implications not been fully reported to Cabinet. Governance issues raised by NHCT had not been identified, and asked what confidence was there with other future partnerships.

He referred to the consultation taking place about the proposed partnership with Harrogate and District NHS Foundation Trust (HDFT) regarding the 0-19 public health services being transferred. His colleagues who had signed the report were not aware that there was another offer on the table.

He requested that Cabinet reconsider the decision in the best interests of the county.

The Chair sought clarification of which part of the recommendation was to be reconsidered and specifically to recommendation 9 in the Cabinet report of 3 August 2021.

Councillor Jackson clarified that a request was being sought to reconsider the decision report and the reasoning behind it.

Councillor Taylor stated that she had signed the call-in document as she had not been aware of the background of the report and felt she needed more information. Officers had reached out to her and after receiving information before the meeting, she would no longer be challenging the decision.

Councillor Bawn commented that Trust officers had been selective in reaching out to some members and not others and said that the Trust had hoped to work constructively to resolve issues and he urged members to think about the decision.

Councillor Homer stated that Cabinet had been asked to note the most appropriate viable option for adult social care functions was for them to be operated by the Council. She did not have confidence in that information because of costs and asked what financial information did Cabinet receive? She also referred to recommendation (h) in the report of the call-in decision regarding unnecessary costs and stated that these were unknown as there had been a discrepancy between financial information from Scrutiny and the Health Care Trust.

Councillor Hill stated that there had been no balanced approach and that she would have liked the Trust to have provided a response. She had no confidence in them, even though they were prepared to negotiate and referred to the process. She was unclear what was being called in as the decision had been made by the Trust.

The Chair advised that the call-in was a result of the decision of the Cabinet and not about a relationship breakdown between the Trust and the services offered by Council.

The Leader explained that the decision involved the most important people – clients, patients and staff. Scrutiny had a valuable role to play in Local Government and felt it was very important to hold the Executive to account as appropriate.

He referred to the letter circulated to members earlier which had indicated that there had been problems in 2017 and 2019. He had been Leader since October 2020 and if there

had been previous issues these should have been picked up earlier. He had however, approached the Chair of Northumbria Healthcare NHS Foundation Trust who had informed him of issues, and he had also asked Councillors Jones and Dodd to meet with Council and Trust officers and Alan Richardson to discuss issues and how to resolve these and had requested a date for matters to be resolved. After two weeks, Councillor Sanderson had been informed by officers of the Trust that they had wanted to terminate the partnership without any formal notification to him as the Leader or Cabinet Members. The Council had to act quickly to ensure services continued and had been informed later by the Trust that they had wished to retain the 0-19 services and effectively it had been too late to repair any damage.

The Trust had stated at the scrutiny meeting that they wanted a meeting, but, regrettably the Chief Executive of the Trust, Chair, nor the Deputy Chair had attended and the meeting was held with three Board members. It had been asked at the meeting what had changed so dramatically and substantially to want to commence renegotiations and the answer he had been given was because the Trust had reflected on it. There was not felt to be a potential plan and therefore, negotiations could not be delayed just because the Trust "had reflected on it". Very important decisions had to be made, if there had been issues around evidence, then he requested to see that.

He also requested evidence regarding the noted finance issues; if more funding was required then it was not the Council's fault. The Trust gave notice to terminate the relationship with the Authority.

He continued that it was completely wrong to be judgemental about personalities and if there was proper evidence that there had been maladministration or inappropriate behaviour, again, he requested evidence.

He had wanted to continue with the consultation and assure patients and clients of the same, or a better level of care going forward.

Finally, Councillor Sanderson stated that the staff who were embroiled in the matter must not be forgotten and would personally see that the Council had behaved appropriately.

Jan Willis, Executive Director of Finance (Section 151 Officer) was in attendance virtually and informed members that Neil Bradley, Service Director was responsible for adult social care finance, currently jointly funded by the Council and the Trust and had been unpicking the financial implications in dissolving the partnership in conjunction with officers from the Corporate Finance team.

She referred to Recommendation (g) of the Cabinet report and stated that a significant amount of work done had been done to understand the implications and identify potential costs and potential savings to the Council, but that was not yet complete. She found it quite disturbing that a letter should suddenly materialise, which she had not been copied into which mentioned figures not previously discussed with any of her officers or herself. She stated that she was not in a position to give any assurances about the validity of figures in the latest email. She did not believe they presented a complete view of the financial position and that the Trust had cherry picked those areas where there were likely to be additional costs and had not factored in areas of savings. Those numbers had not been discussed with her finance team or Neil Bradley. She did not think that the figures were reliable at the present time.

She outlined the areas where she saw additional costs, some of which the Council would have had to bear whether the partnership continued or not.

It had been recognised for some time that in order to address issues around equal pay, there would have to be some regrading of the adult social care social workers to bring them into line with social workers working in children's services. There would be significant costs associated with that, but that would have had to be done anyway and was not a financial consequence of the partnership ending.

A Direction Order would be issued allowing staff transferring back to the Council to remain in the NHS pension scheme. The Employer's Contribution Rate for the NHS pension scheme was increasing and transitional arrangements had been in place for the last three years. Under the transition arrangements, the 6.3% increase in the employer's rate was being funded centrally by the NHS and it was unclear whether those transitional arrangements would continue beyond the end of the financial year. If they didn't, then the that 6.3% increase would fall on employers. It was also unclear whether even if those transitional arrangements continued, notwithstanding that a Direction had been issued for Council staff to remain in the NHS pension scheme, the Council would benefit from the reduced rate as an Admitted Body. Clarity was being sought on this point. If the Council did bear those costs the contribution rate would come into line with the Council's Pension Fund.

The Trust had suggested that the Council would have to bear the cost of the IT licences if the partnership was devolved which would be in the region of £400,000 rather than £500,000, as suggested by the Trust, and again this had been known about for some time and she was satisfied the Council would have to bear those costs regardless.

What had not been mentioned by the Trust was that there would be some savings to the Council associated with the staff who would continue to be employed by the Trust, e.g. physiotherapists. There were a whole host of issues being worked through with the Trust finance team around capital asset valuations, leases and property.

With regard to the joint equipment service, in latest correspondence from the Trust it had been stated that there was a deficit of around £0.75m. This was new information that had not previously been flagged up by the Trust or the CCG. She was completely at a loss to explain where the figure had come from. If there was a deficit of this magnitude she would have expected Trust officers to have alerted the Council to this issue before now.

She was not able to give any assurance to the Committee about the reliability of the figures. She stated that there was every prospect that as officers continued to work through the figures that the final financial position would be very substantially different to that presented by the Trust and she urged the Committee to be extremely cautious about recommending action to the Cabinet on the basis of figures which had not been validated.

Councillor Oliver stated that they were unaware of what was going on and proper information had not been given to make a decision. When he first heard about this he had been a member of Cabinet and he had asked for detailed financial analysis and of the impact on residents and users of services and staff. The Section 151 Officer still did not know the answer to those questions, and he asked how anyone could make a safe decision when they did not have the information to make those decisions. He had also asked questions in the last Scrutiny meeting about this and again had received no answer. He had also asked in Cabinet and had given the Council every chance and had been

curious to find out the answer. As a result, he had asked the Trust those questions and he was mystified as to why the Council had made the decision to end the relationship, he felt that the Trust had been boxed into a corner as they did not have the proper information. There was a clear statement from the Chairman of the Health Trust that he made verbally in a Scrutiny meeting that he thought there was something worth saving. It wasn't a political party matter but a matter of doing right for the residents and users of the services in Northumberland. The Council should be doing everything in their power to try and save that service and he asked the Leader if he thought the service was worth saving and if he would demand that the Chair and Chief Executive of the Trust get around the table and salvage something from the situation. It was unknown what impact this would have on staff pensions, residents and service users and certainly on the finances of the Council.

The Leader stated that the decision had been made by the Trust and this had prolonged the agony to front line staff, members and officers. The matter was taking an inordinate amount of time, he would not change his mind and would support the decision made by Cabinet.

Councillor Pattison commented that her main focus was the health and wellbeing of Northumberland residents and staff. She explained that she had been fully briefed by The Director of Public Health and Executive Director of Adult Social Care and Children's Services who were excellent officers and her understanding was that the Trust had given six months' notice which meant that the Council had to act quickly.

It was possible that the Trust could have reversed their decision however, the Council could not take that chance and therefore she had taken advice from the Director of Public Health who had advised that it was the correct decision for the group to take and she was very happy to support the decision of Cabinet.

Councillor Nisbet was unhappy with the processes that the decision had gone through and that so many staff had been caught up. The report had been through the correct process and said she would support the Leader.

Councillor Hill stated that there were certain members of the Council and the Trust who had behaved inappropriately and would support the Cabinet.

Councillor Homer requested further clarity on the number of staff to be transferred and suggested that the Committee recommend that Cabinet go back to talk again to the Trust and explore again what opportunities there might be. She felt that there had not been a thorough assessment and moved a recommendation to Cabinet to take a step back and reconvene with negotiations. This was seconded by Councillor Humphrey.

Councillor Hunter stated that there were residents who need to be looked after. Staff had duty of care, and the Council should work with the information that they had and move forward as there was no certainty for the staff.

Councillor Ezhilchelvan added that at no point in time did Mr Richardson explain the cause for the U-turn and what it had done to the management of the Trust. He requested committee members to bear that in mind. The U-turn itself was not professional and the Trust had not given any clarity as to what they had done and how could the Council trust them?

Councillor Dodd stated that he had attended the meeting with Councillor Jones which the Leader had alluded to earlier and stated that they had done their level best at the meeting. He had retained the notes from the meeting and would retrieve them.

He referred to the processes of the Trust and felt they were wrong. They had asked the Trust what had gone wrong and what their version of events were. He had every confidence that the Council were given "Hobson's Choice" and the Trust had made the decision to go alone. The Council had to react quickly for staff and end users and fully supported Cabinet and the Leader. It was only a matter of days before the contract ran out.

Councillor Humphrey stated that information should have been made available at the first meeting and that had been his reason for signing the call-in document.

Councillor Dale had listened to the debate and stated that the Council should look forward to opportunities in the future. The services that were in place were excellent and this should be continued and moved forward.

The Chair explained what had been proposed and seconded, but that the call in was about the decisions that cabinet had made, i.e., putting in new arrangements for a service that Cabinet did not want to change. The Trust had been very selective with who they had shared information with, which should have been shared with everyone. Officers had had six months to pull a report together in order that the service could continue after September.

The Committee were informed that the usual procedure would be to vote on the call in and if it passed recommendation would be made to Cabinet and any recommendations that failed to get votes would be minuted.

Neil Masson, Solicitor clarified that there had been a proposer and seconder for the motion for the Council to take a step back and reconvene the negotiations with the Trust.

Upon being put to the vote, two voted for the motion and eight voted against and therefore the motion fell.

A point was raised that members should be voting on whether the call in was valid or invalid.

Councillor Dodd proposed that the matter should not be referred to Cabinet which seconded by Councillor Hill.

Upon being put to the vote, seven voted in favour, two voted against with one abstention.

It was therefore **RESOLVED** that the call in should be rejected.

DATE _____

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NORTHUMBERLAND COUNTY COUNCIL

HEALTH AND WELLBEING OSC

At the meeting of the **Health and Wellbeing OSC** held at NEW meeting space, Block 1, Floor 2, County Hall, Morpeth, NE61 2EF on Tuesday, 31 August 2021 at 10.00 am.

PRESENT

J Reid (Chair) (in the Chair)

MEMBERS

K Nisbet
R Dodd
G Hill
R Wilczek

L Bowman
D Ferguson
I Hunter

ALSO PRESENT

R Hay
J Hillery

Northumberland CCG
Northumbria Healthcare
Northumberland CCG
Northumberland Healthwatch

OFFICERS

C Angus
C McEvoy-Carr

L Morgan
L Little

Scrutiny Officer
Executive Director of Adults and Children's
Services
Director of Public Health
Senior Democratic Services Officer

26 APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillor Homer.

27 MINUTES OF PREVIOUS MEETING

RESOLVED that the minutes of the meetings held on 26 July 2021 and 2 August 2021, as circulated, be agreed as a true record and be signed by the Chair.

28 FORWARD PLAN

RESOLVED that the information be noted.

29 COVID-19 UPDATE: PUBLIC HEALTH/CCG

Presentations were provided by Liz Morgan, Director of Public Health and Richard

Hay, Head of Planning and Operations, Northumberland CCG. (Copies of the presentation filed with signed minutes.)

Members were advised of the following:-

- The amount of infection within the community had been increasing and figures showed that 1 in 70 people were infected at any one time up to 24 August 2021, however this figure was slightly lower in Northumberland.
- Case numbers had started to level off, however numbers had been consistently high in younger people.
- The changes which influenced case rates would include the extent to which people returned to pre-covid behaviour, the levels of unvaccinated people, the reduction in testing since schools had closed and the re-opening of schools which would happen in England next week.
- Admissions were rising nationally, however they had remained steady locally during August.
- Vaccination was to become mandatory from 11 November for care home staff which provided nursing and personal care where all staff would be required to have the vaccine.
- Key messages remained the same as previously advised.
- Northumberland had vaccinated 90% of eligible residents with first doses and 84% with second doses and Northumberland had the highest uptake of both doses in upper tier local authority areas with 70% of uptake across all age bands.
- Just over 15,000 over 18's were still to receive a first dose and of those just under 8,000 were over 50.
- Details of the Vaccine Equity Board and its role were provided along with work undertaken to improve and promote uptake and details of the Northumberland Roving Vaccine Unit which had also been used across the North East in areas of low uptake.
- Information regarding the vaccination of children and young people with the uptake to be monitored by the Health Protection Board.
- Guidance was still awaited regarding the autumn booster programme with processes in place ready to start delivery.
- The reasons for the success of the vaccination programme within Northumberland along with challenges were outlined.

In response to questions the following information was provided:-

- It would be Government who would need to legislate on any restrictions for unvaccinated people. Vaccination was to become mandatory for some care settings and the majority of visiting professionals to those settings which was the first time any vaccination has been mandatory in this Country. The number of people refusing the vaccine was very small and work would continue to make it accessible to all. A significant proportion of the population were still not being offered vaccination i.e. children under 12.
- Whilst there was already a strong uptake for flu vaccinations in the County it was still hoped that numbers would increase with robust plans in place for vaccinations for flu and booster doses for Covid to

be given either together or separately dependent on guidance issued following the clinical trials. Advice would also be provided on which vaccine to be used for booster doses.

- SVOC was the System Vaccination Operation Centre which was based at a Newcastle Hospital and JCVI was the Joint Committee for Vaccination and Immunisation.
- Vaccinations had a significant impact on the number of people being hospitalised due to Covid with estimates that the current programme had reduced the number of cases by around 25 million and hospital admissions by up to 82,000; and had prevented up to 109,500 deaths. The trials of vaccines had looked at preventing serious illness and death however, as these were not sterilising vaccines, then they did not prevent anyone becoming infected. The number of admissions of vaccinated and unvaccinated whilst not at hand could possibly be provided.
- Hospital admissions at the current time were manageable but some mitigations might be required if they were put under further pressure which might include delays to route operations. There had been no information provided on any further lockdown.

Members thanked all involved for the work undertaken throughout the pandemic. A suggestion was made that it might increase vaccination uptake if figures were provided on the likelihood of being hospitalised or becoming seriously ill for both vaccinated and unvaccinated.

30 **NORTHUMBERLAND RECOVERY OF GENERAL PRACTICE - COVID-19 2021/22**

A presentation was provided by Pamela Phelps, Senior Head of Commissioning for Primary Care. Information provided included the following:

- Prioritisation during the pandemic which included expanding capacity and maintaining the workforce, supporting clinically extremely vulnerable, continuing routine vaccinations and immunisations and changing the ways patients accessed primary care, with face to face appointments prioritised for those it was clinically appropriate.
- Recovery of General Practice taking into account the views of patients and their experience and consideration of digitally disadvantaged and extended. All General Practices had been asked to provide high level recovery plans. Contracting requirements would change in April and it was hoped to maximise the offer in Northumberland.
- The way in which monitoring was to be provided by the CCG.
- Appointment data both national and within Northumberland providing comparisons on the way in which patients accessed services.

Councillors highlighted difficulties in obtaining face to face appointments with GPs and the timing of appointments with some going straight to hospitals for services. This had been an issue even prior to the pandemic. Digital appointments were not appropriate for all and questioned if the proposed changes would lead to a complete change for patients.

Ms Phelps advised that it would not be a complete change with GP's struggling with demand for appointments, even pre-pandemic, however more patients were accessing services digitally, requesting appointments over the weekend when they became ill with the Practice picking them up on a Monday. Work was ongoing with out-of-hours providers and hospital sites with walk-in centres to make sure the CCG could consolidate the opportunities for patients to be seen, however the continuity of GP records was pivotal. As part of the engagement with patients there was a need for them to understand that face to face appointments would be made when it was appropriate but that there were alternatives. There was no easy fix, but engagement would continue.

Councillor Hill highlighted the pilot with the Paramedic Service which had been ongoing in Berwick. She stated that she had been informed that this would not be continuing, despite receiving excellent feedback from residents, who had stated it was a valuable service. Ms Phelps advised that discussions were still ongoing and that the scheme had been extended until the end of March as that was the only funding available at the time.

In response to Councillor Nisbet highlighting an issue with elderly patients being able to access appointments by telephone, Ms Phelps advised that she was aware of the issue with a specific Practice and would work to facilitate a solution.

Ms Phelps was thanked for the presentation.

31 **COMPLAINTS ANNUAL REPORT 2020/2021 - ADULT SOCIAL CARE, CHILDREN'S SOCIAL CARE, AND CONTINUING HEALTH CARE SERVICES**

Members were advised that the report was being reported both to this Committee and to the Family and Children's Services OSC as it was a combined report, however only the first part was of relevant to this Committee.

James Hillery, Complaints and Customer Relations Manager provided an introduction to the report advising that all feedback was welcomed. Northumberland received very few complaints when compared with the levels of service provided.

In response to a point made regarding the understanding by families of charges which would be incurred for care packages, Mrs McEvoy-Carr advised that the change process was very complex and whilst staff always strived to ensure that messages were clear and concise there were times where families may not have understood the implications. Staff may sometimes need assistance to recognise when this was the case and make sure that there was a full understanding of the implications. A suggestion was made that clear information be left with the family to digest at their leisure and contact details be provided so that additional information could be provided if needed.

The Chair stated that over the three years he considered the number of complaints were at an acceptable level and had not fluctuated greatly when compared with the number of interventions that were undertaken yearly. It was noted that separate reports would be provided in the future.

Officers were thanked for the report.

RESOLVED that the information be noted.

32 **HEALTH AND WELLBEING OSC WORK PROGRAMME**

The Scrutiny Officer advised he had spoken to the Trust in respect of End of Life Care and a report would be provided once the consultation had finished. Councillor Hunter also requested an item on the Berwick Paramedic Pilot and its value before the end of the pilot in March.

RESOLVED that the information be noted.

33 **DATE OF NEXT MEETING**

The next meeting was to be held on Tuesday 5 October 2021 at 1.00 pm

CHAIR.....

DATE.....

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NORTHUMBERLAND COUNTY COUNCIL

HEALTH AND WELL-BEING BOARD

At a meeting of the **Health and Well-being Board** held in County Hall, Morpeth on Thursday, 12 August 2021 at 10.00 a.m.

PRESENT

Councillor B. Flux
(Chair, in the Chair)

BOARD MEMBERS

Bailey, M. (substitute member)	Pattison, W.
Hudson, R. (substitute member)	Riley, C. (substitute member)
Long, L. (substitute member)	Sanderson, G.
McEvoy-Carr, C.	Simpson, E.
Mead, P.	Thompson, D.
Morgan, E.	

OTHER MEMBERS

R. Dodd	V. Jones
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ALSO IN ATTENDANCE

L. Bennett	Senior Democratic Services Officer
A. Blair	Northumbria Healthcare NHS Foundation Trust
A. Bridges	Head of Communications
M. Dickson	Northumbria Healthcare NHS Foundation Trust
D. Lally	Chief Executive

Councillor R.R. Dodd and V. Jones were invited to attend the meeting, and speak, as the previous Chair of the Health & Wellbeing Board and former Portfolio Holder respectively.

9. APOLOGIES FOR ABSENCE

Apologies for absence were received from S. Brown, R. Firth, J. Lothian, J. Mackey, R. O'Farrell, G. Renner Thompson, G. Syers, P. Travers, and J. Watson.

REPORT OF THE EXECUTIVE DIRECTOR OF ADULT SOCIAL CARE AND CHILDREN'S SERVICES

10. CHANGES TO PARTNERSHIPS BETWEEN THE COUNTY COUNCIL AND NHS BODIES

The Board was informed of the dissolution of the partnership agreement between the County Council and Northumbria Healthcare NHS Foundation Trust (NHCT), and a proposed new partnership between the Council and Harrogate and District NHS Foundation Trust (HDFT) covering the public health services for children, young people and families which were included in the partnership with NHCT.

Cath Mc-Evoy Carr, Executive Director of Adult Social Care and Children's Services, and Liz Morgan, Director of Public Health gave a presentation to the Board which included the following:-

- Background to the arrangements dating back to 2001.
- The steps surrounding the planned review in 2019-20 leading to notice being served to end the partnership, but with an extension until the end of September 2021.
- Adult Social Care was the largest area of transfer. The relevant staff had been notified about the appropriate TUPE arrangements.
- A new model of care had been drawn up which aligned more closely to PCN and Mental Health Services. Closer links were also planned with Children's Services and other external services to develop the whole family approach along with links to Northumberland Communities Together and the community and voluntary sector offering greater choice of intervention. The principles behind this were listed.
- Service Overview and Plans: Hospital Discharge and Reablement. To allow safe and appropriately timed discharge from hospital and help people recover their independence with the use of Short Term Support Services, Occupational Therapists and Physiotherapists
- The new service model was known as RESET, REcovery, Support and Enable Team.
- Other services affected were
 - NHS Continuing Health Care
 - Learning Disability Community Nurses
 - The Joint Equipment Loan Service
- Future Opportunities included
 - greater opportunities for joint working over a range of services including CNTW, community health teams and housing and property services
 - integrated support for care homes,
 - improving connections for people with disabilities with local voluntary and community services
 - wider range of accommodation and support options for older people
 - Support for those with chaotic lives due to alcohol, drug or substance misuse.

- Public Health had two services within the partnership agreement; Integrated Wellbeing and the 0-19 Public Health Service (Healthy Child Programme)
- **Integrated Wellbeing** – Team of specialist health improvement practitioners, specialist stop smoking advisors and health trainers. These staff would transfer to the County Council and most were currently already located in County Hall.
- **0-19 Public Health Service** – Staff included health visiting, school nursing and associated staff (not maternity). The partnership approach was preferred in order to provide greater flexibility, enable integration, more flexible working across organisational boundaries, shared objectives and joint solutions. The preferred partner was Harrogate and District NHS Foundation Trust (HDFT) which was already provider to six other North East Local Authorities. The proposed partnership provided an opportunity to transform and innovate and promote greater integration with Children's Services. The consultation on entering into the S75 Partnership Agreement would conclude on 15 August 2021.

Liz Morgan introduced Members to Suzanne Lamb, Head of Safeguarding and a Director of Nursing, Harrogate and District NHS Foundation Trust. Ms. Lamb made a number of points:-

- HDFT provided services to seven Local Authorities, six of which were in the North East and an immunisation service.
- The HQ was based at Harrogate hospital but the 0-19 services were based in the community with bases all over the North East. Ms. Lamb's office was based in County Hall, Durham.
- The Trust would develop a model in collaboration by focusing on listening and learning about what already worked well. The Trust had been able to innovate through this type of collaboration and developed integrated pathways.
- There had been worries and queries from staff about having to travel to Harrogate, however, this was not the case and they would remain working from their current bases.
- There was a strong thematic lead approach including a Learning and Best Practice Forum which it was hoped would be brought into Northumberland.
- There would be an integrated approach at a strategic level.
- Managers had monthly meetings both in groups and individually with staff. It was important to look after staff.
- It was acknowledged that there would be a lot to learn from Northumberland and the learning would work both ways.
- If the partnership agreement was agreed, the Trust looked forward to working together with Northumberland County Council and learning from its best practice.

The following comments were made in response to the presentation:-

- Paula Mead (Chair of Northumberland Strategic Safeguarding Partnership) commented that the Harrogate Trust had been invited to attend the next meeting of the Safeguarding Partnership to discuss ongoing arrangements.
- From a safeguarding point of view, Northumberland had a very strong safeguarding partnership with all the agencies involved being very committed.
- The plans for integration and working for children with the Local Authority were welcomed and there was a longstanding culture and history of working in that way.
- Safeguarding was not only about child protection but was a continuum early years, early intervention and help was a very important part of the whole system. The health visiting and school nursing service were key along with working with early years, children's centres and schools. This was a high performing service which met all of its requirements. The partnership which included the Northumbria Healthcare Trust a strong member of the partnership, would make sure the new arrangements worked.
- Councillors R.R. Dodd and V. Jones welcomed the proposed partnership with HDFT. Both expressed concern at recent events and referred to meetings they had attended with the Northumbria Trust earlier in the year at which the Trust had been very clear that the partnership would end. Claire Riley, Northumbria Trust, commented that the letters attached to the agenda clearly stated the Trust's position and that the Trust Chair had attended the Corporate Services Overview and Scrutiny Committee on Monday, 9 August 2021 and answered questions. A letter had then been circulated welcoming a pause to reflect and sit back around the table. Realistically, all parties needed to move forward and not lose sight of the collective partnership that had been built up over the years.
- David Thompson, Healthwatch, stressed the need to put patients first as a priority and was concerned that sight of this could be lost if the past was continually raked over rather than looking to the future and making the new arrangements work.
- The Chief Executive agreed that Northumberland's residents were the priority along with staff whether working for the County Council or NHS. Happy staff would provide good quality care. The Integrated Model of Care had been pushed out into the community over the last few years, so that residents who were not in bed based services and who were sometimes hidden, isolated and vulnerable would be focused on whether that was providing the best start in life or supporting them at the end of life. These services were a statutory function and this was recognised by the Cabinet. The Chief Executive believed that the Harrogate Trust would be a very strong partner and it had evidenced its track record on delivering these services and innovation in the community.
- Councillor H.G.H. Sanderson, Leader of Council, emphasised that the political direction was clear and he did not feel that any more time should be spent re-opening negotiations. He was happy to meet with representatives of the Trust to discuss what had changed so significantly in recent days that would lead to revisiting the decision. He had received weekly updates throughout the negotiations on all aspects including the

financial implications. It was important to ensure that residents were looked after and that the staff were reassured as to the direction the Council was taking.

- Claire Riley stressed the need to thank the staff for their work and dedication during this difficult time.

RESOLVED

- (1) The Board's comments on the implications for integrated working across health and social care in Northumberland resulting from the ending of the Council's partnership with NHCT be noted.
- (2) The Board's comments on the new partnership arrangement for health visiting and school nursing services proposed by the Council and HDFT be noted.
- (3) the contents of the two letters about these matters sent by the Chair of NHCT to the Chair of the Council's Health & Wellbeing Overview and Scrutiny Committee and the response to these letters from the Council's Chief Executive be noted.

11. DATE OF NEXT MEETING

The next meeting will be held on Thursday, 9 September 2021, at 10.00 a.m. in County Hall, Morpeth.

CHAIR _____

DATE _____

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NORTHUMBERLAND COUNTY COUNCIL

HEALTH AND WELL-BEING BOARD

At a meeting of the **Health and Well-being Board** held in County Hall, Morpeth on Thursday, 09 September 2021 at 10.00 a.m.

PRESENT

Councillor B. Flux
(Chair, in the Chair)

BOARD MEMBERS

Firth, R.	Renner-Thompson, G.
Long, L. (substitute member)	Sanderson, G.
Mead, P.	Syers, G.
Morgan, E.	Watson, J.
Derry Nugent (Substitute member)	Wighan, R. (Substitute member)

ALSO IN ATTENDANCE

R. Greally	Assistant Democratic Service Officer
R. Hay	CCG
P. Hunter	Service Director

9. APOLOGIES FOR ABSENCE

Apologies for absence were received from S. Brown, J. Lothian, C. McEvoy-Carr, R. O'Farrell, W. Pattison, E. Simpson, D. Thompson.

10. MINUTES

RESOLVED that the minutes of the following meetings of the Health and Well-being Board, as circulated, be confirmed as a true record and signed by the Chair:

- a) 8 July 2021
- b) 12 August 2021

11. UPDATE ON THE EPIDEMIOLOGY OF COVID 19 AND ON THE NORTHUMBERLAND COVID 19 OUTBREAK PREVENTION AND CONTROL PLAN

Liz Morgan, Director of Public Health, gave a presentation to update the board on the Covid 19 epidemiology. It included the latest key data and developments

of Covid in the area and showed the statistics of Covid in England compared to Scotland for the past several months. It was noted that Scotland had an increase in cases since restrictions were relaxed which had been exacerbated by the return of schools. Rates across the country were variable with some areas having significantly higher rates than others. Data from the national statistics suggested that up to 1 in 70 people were infected at any one time using data up until the end of August.

From a regional perspective across the LA7 it was highlighted there was a general upward trend for infections. Cases per day in Northumberland had increased by just under 20% in the last 7 days. There had been an increase in rates in 10-19 year olds which was expected. Cases in over 80's are decreasing and mainly stable in older age groups.

Data from Northumbria Trust suggested that cases in hospital were stable and there was no significant change. The rate of patient deaths had increased from July and August. It was highlighted that double vaccinated people are still being admitted to hospital and are still dying from Covid and it was noted that although the vaccine provides protection from serious illness and death, it does not necessarily prevent the transmission of infection. Therefore it was expected that there will be more cases of double vaccinated people being admitted.

The presentation gave an oversight about how we will live with Covid in the future. It gave an overview of the Government's summer roadmap and recent Government guidance which included an updated control plan:

- Reinforce the country's vaccine wall of defence.
- Enable the public to make informed decisions through guidance, rather than laws
- Retain proportionate test, trace and isolate plans
- Manage risks at the border to reduce the risk of variants emerging
- Retain contingency measures while learning to live with COVID-19

It outlined the priorities moving forward for the LA7 region which were:

- Equitable and rapid deployment of covid and flu vaccination programmes
- Encouraging good infection prevention and control measures including hand washing, respiratory hygiene, good ventilation and face coverings where appropriate
- Coordinated Test, Trace and Isolate programme and management of outbreaks via Local Outbreak Management Plans
- Taking our communities with us via Beat covid NE using behavioural insights, consistent messages and community champions
- Protection of vulnerable individuals in the community;
- Continued monitoring and surveillance
- To re-focus our work on health inequalities

The presentation gave an overview of schools and how DfE and PHE will assist with children returning to schools safely:

- Revised DfE guidance for management of covid in schools and FE
- Close working between schools, education teams, public health and PHE
- Prevention – hand and respiratory hygiene, environmental cleaning
- Schools are continuing to test
- Regional documents to support outbreak management and measures
- Still asking schools to report cases
- Other infections
- Likely increase in cases – Scotland
- Agreed NE arrangements
- 12 – 15 yr old vaccination

The Local Tracing Partnership (local contact tracing) was ongoing to ensure people engage with NHS Test & Trace. Modelling was underway to inform planning for moving to 'Local 4', where NCC would receive all or a proportion of cases from the national team after 4 hours. There were reported benefits from other LAs using this model which included better customer experience and engagement, linking into the local support offer and intelligence gathering. There was only one supervised asymptomatic testing site in Northumberland as demand had fallen due to the multiple channels where people could pick up tests including pharmacies and home direct.

It gave a progress report on outbreak prevention and control plan implementation. The key messages were;

- The only certainty is uncertainty
 - The covid vaccination programme
 - Case rates
 - Flu and other respiratory illness
 - Multiple variables - easing restrictions, how people change their behaviour around social distancing, use of face-coverings and testing, the duration of immunity from vaccination or past infection and the effect of schools returning.
- Acceptable levels of infection would be influenced by NHS ability to cope
- Continue to be cautious to get through the winter

Richard Hay, Head of Planning and Operations (NHS Northumberland CCG) gave an update on vaccine uptake figures in Northumberland. Statistics on vaccination uptake were provided and compared the region to the rest of the country. It showed that Northumberland had the highest percentage uptake of 16+ first doses and second dose of any Upper Tier Local Authority in England. The statistics also showed that the North East is above the national average and Northumberland was again largely above the North East average for vaccine uptake for both 1st and 2nd doses. It highlighted that the younger age bracket (16-39) had the highest difference which was a credit to the region.

The latest JCVI guidance was that all 16-17 year olds would receive one dose of the vaccine and eligible 12-15 year olds (with eligible health conditions) would receive both doses. JCVI had not recommended that 12-15 year olds without underlying health conditions be vaccinated. However Health Ministers

were looking at the other benefits of vaccination for this cohort. Therefore plans were ready in the background should the go ahead be given.

JCVI advised Government in July that any potential booster programme should be rolled out by September to maximise protection to those most vulnerable. It should be offered in two stages:

- **Stage 1:** all those over 70 inc. Care Homes and all those over 16 who are Clinically Extremely Vulnerable, frontline H&SC workers
- **Stage 2:** all those over 50 and all those 16-49 in a flu or COVID-19 'at-risk' group

It outlined the next steps for the vaccine rollout:

- Continue to provide 2nd doses to all eligible patients at 8 weeks and maintain an evergreen offer of vaccination into the Autumn/Winter
- Promote importance of second dose uptake to provide greater protection to patients and reduce opportunities for transmission
- Prioritise vaccination of eligible Children and Young People
- Deliver 3rd doses to those eligible immunosuppressed individuals
- Collaborate and co-operate across delivery models (PCN, Community Pharmacy, Hospital Hub) to complete Phase 2 and standby to deliver Phase 3, subject to JCVI guidance
- Deliver seasonal flu vaccinations as normal & without delay
- Increase activity and promotion of the benefits of vaccination in our most deprived communities to tackle inequity of uptake
- Communicate proactively and effectively with our patients and public

The following comments were made in response to questions:

- Several members expressed their pride at how well Northumberland were performing with the vaccine uptake. Especially the younger age brackets.
- From November it was to be mandatory for Care home staff to be vaccinated and the same regulations were being looked at for wider people who enter care homes but not necessarily visitors.
- Sometimes the death rate was higher than expected throughout the year and sometimes it was lower than expected
- It was agreed that Liz Morgan would do a deep dive on death statistics and share with members information regarding average death rate and non-covid deaths to help understand the impact of Covid in our region.
- Consent for younger people to be vaccinated (12-15 yr olds) could be more complex if parents disagreed or there was a disagreement between parents and children. Guidance may be needed to agree an approach to these issues when they arise. This would be addressed as part of the planning process but most.
- There was always going to be a proportion of the population who would not be vaccinated because they had a clinical condition that precluded it

but in general, vaccine hesitancy could be attributed to complacency, a lack of convenience or lack of confidence. The health service has proactively worked to reach out to groups to promote the benefits of vaccination and many people had valid concerns which must be taken seriously

- Communications was a key factor in informing the public of the benefits of vaccination. Communication is being directed to different cohort groups for example expectant mothers.

12. COMMUNICATIONS AND ENGAGEMENT

Phil Hunter, Service Director gave an update on the communications, both national and local, that had been and were going to be published by the Council. He also gave an overview of the projects undertaken by the Council to engage with the public.

The presentation outlined the way in which it supported outbreak prevention through the following:

- Outbreak Prevention and Control Wraparound Groups
 - Care Homes
 - Education
 - Workplaces and businesses
 - High Risk Individuals, Communities and Settings
- LRF comms cell
- MPs / elected member briefings
- Cabinet Office / Government Communication Service
- Support the Community Champions programme

The new regional communication that was being introduced was Beat Covid NE which included communications around; 'keep the North East open', vaccination hesitancy, 'Acts of Kindness'.

There was an update regarding the community champion project. It was highlighted that over 50 champions had signed up to the scheme and it was being well received in the community.

The presentation outlined the next steps for the Council's communications:

- Continuing to amplify national campaign
- Refreshed town centre signage in place
- Continue Community Champions recruitment
- BeatCovidNE – ongoing campaign development
- Vaccination programme/hesitancy
- Further behaviour insight work (North East wide)

The following comments were made following the presentation:

Members gave thanks to Phil Hunter and commented on the importance of communications given to the public to push the importance of not being complacent. He also highlighted that vaccine hesitancy was a very real problem and must be tackled. He also stated that it was important not to alienate those who do have vaccine hesitancy in society and that communication shouldn't create stigma against them.

There is a lot of uncertainty around why people get side effects. Certain allergies can be an indicator but realistically there would always be some people who would have an adverse effect to the vaccine. Many people seek information on platforms such as social media where information may not be accurate. It was suggested that it was a big task to unpick the problem.

The Council were waiting for a lead from National Government and Cabinet Office on Covid passes and how they would be used.

Communication was going to be valuable to allow people to gain confidence in returning to voluntary groups etc. Many elderly people had become used to being locked down and isolated and communication was needed to reassure them that it is safe to go to groups and clubs.

It was acknowledged that communication needed to be given about still behaving appropriately in public regardless of their vaccination status. However there was an awareness that explaining this was complex.

11. HEALTHWATCH ANNUAL REPORT 2020/21

Derry Nugent gave a presentation on behalf of David Thompson who was unable to attend. The presentation included information about the annual report, annual survey and moving forward.

The presentation outlined what Healthwatch Northumberland had achieved throughout 2020/21 including; enabling people separated from loved ones in care homes to share what it meant and how it could be better. Building solid relationships which enabled them to relay messages about vaccination programme.

The annual survey by Healthwatch Northumberland focused on the NE23 and NE61 postcodes. There was a 67% overall satisfaction rate. The main concerns raised from the survey were quality of care for care service providers, access to GP's, dentists and mental health services, recovery of cancer services.

The priorities for Healthwatch Northumberland in 2021/22 are as follows:

Health

- Access to primary care – dentists and GPs
- Mental Health services
- Sight loss

Social Care

- Care homes – new support forum
- Enter & View (when we can)

Communication

- Here to Hear
- Patient and service user voice in the ICS

The following comments were made in response to questions:

Members echoed the concerns regarding access to GP's. The CCG and other members acknowledged that access to GP's was difficult. There were not less services available but essentially it was a supply and demand issue. Services were transforming which meant GP's would not be the first point of contact but it may have been a pharmacist or district nurse. It was acknowledged that communication was needed to inform and educate patients of the service changes.

Access to dentists were questioned. It was highlighted that through speaking to colleagues across the North East that the region was experiencing the same issue. Patients were struggling to find access to NHS dentists and in some cases, patients were struggling to access a new dentist after the pandemic where they may have been from the practice.

Derry Nugent expressed her pride in the Healthwatch continuing throughout the pandemic with a small team and the relationships that had been built with services. She said the pandemic brought with it frustrations such as not being able to go out to speak to the public. The annual response rate to the survey was less than last year. Moving forward Healthwatch wanted to develop by integrating services and help with services at a local area level.

12. HEALTH AND WELLBEING BOARD FORWARD PLAN

Paula Mead requested that the Children's & Adult's Safeguarding report be deferred to the December meeting

RESOLVED that:

- a) The forward plan be noted;
- b) the Children's & Adult's safeguarding report be deferred to the December meeting and be place in the December meeting for all future forward plans.

13. URGENT BUSINESS

Ralph Firth raised that it would be his final meeting for the board as a representative for the voluntary organisation sector. He thanked the board for allowing him to attend. A new representative will be elected as a representative in the near future.

The Chair thanked Ralph Firth for his attendance to the meetings and the contributions he gave.

11. DATE OF NEXT MEETING

The next meeting will be held on Thursday, 14 October 2021, at 10.00 a.m. in County Hall, Morpeth.

CHAIR _____

DATE _____

NORTHUMBERLAND COUNTY COUNCIL

AUDIT COMMITTEE

At the annual meeting of the **Audit Committee** held in Committee Room 1, County Hall Morpeth on Wednesday, 28 July 2021 at 10.15 am.

PRESENT

S. Watson (Chair)

COUNCILLORS

Cessford, T.
Dickinson, S.
Jackson, P.

Oliver, N.
Taylor, C.

CO-OPTED MEMBERS

Topping, P.

ALSO PRESENT

R. Wearmouth, Portfolio Holder for Corporate Services

OFFICERS IN ATTENDANCE

Hadfield, K.

Lally, D.
Mason, A.
McDonald, K.
Mitchell, A.
Lister, A.
Willis, J.

Democratic and Electoral Services
Manager.
Chief Executive
Finance Manager
Acting Chief Internal Auditor
Head of Corporate Governance
Principal Accountant
Interim S151 Officer

ALSO IN ATTENDANCE

Murray, K.
Greener, J.

Mazars
Mazars

1. MEMBERSHIP AND TERMS OF REFERENCE

The Committee noted the membership and terms of reference as appointed by Council, and the election of Mr Stephen Watson as Chair of the Committee as appointed by Council on 7 July 2021:

8 members (4:3:1)

Quorum – 3 (must be at least 2 opposition members)

Independent Chair: S. Watson

Vice Chair: D. Towns

Conservative	Labour	Independent Group	Liberal Democrats	Green Party	Ind Non-Grouped
T. Cessford	S. Dickinson	C. Taylor			
P. Jackson	L. Grimshaw				
N. Oliver	A. Scott				
D. Towns					

Also:

2 Independent Members (non-voting) – P. Topping and one vacancy

Statement of purpose

- (1) Our audit committee is a key component of Northumberland County Council's corporate governance. It provides an independent and high-level focus on the audit, assurance and reporting arrangements that underpin good governance and financial standards.
- (2) The purpose of our audit committee is to provide independent assurance to those charged with governance of the adequacy of the risk management framework and the internal control environment. It provides independent review of Northumberland County Council's governance, risk management and control frameworks and oversees the financial reporting and annual governance processes. It oversees internal audit and external audit, helping to ensure efficient and effective assurance arrangements are in place.

Terms of Reference:

Governance, risk and control

- (1) To review the Council's corporate governance arrangements against the good governance framework, including the ethical framework, and consider annual governance reports and assurances.
- (2) To review and approve the Annual Governance Statement and consider whether it properly reflects the risk environment and supporting assurances, taking into account internal audit's opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control.
- (3) To consider the Council's arrangements to secure value for money and review assurances and assessments on the effectiveness of these arrangements.
- (4) To consider the Council's framework of assurance and ensure that it adequately addresses the risks and priorities of the Council.
- (5) To monitor the effective development and operation of risk management in the Council.
- (6) To monitor progress in addressing risk-related issues reported to the Committee.
- (7) To consider reports on the effectiveness of internal controls and monitor the implementation of agreed actions.

- (8) To review the assessment of fraud risks and potential harm to the Council from fraud and corruption.
- (9) To monitor the counter-fraud strategy, actions and resources.
- (10) To review the governance and assurance arrangements for significant partnerships and arrangements.

Internal audit

- (1) To approve the internal audit charter.
- (2) To review proposals made in relation to the appointment of external providers of internal audit services and to make recommendations.
- (3) To approve the risk-based internal audit plan, including internal audit's resource requirements, the approach to using other sources of assurance and any work required to place reliance upon those other sources.
- (4) To approve significant interim changes to the risk-based internal audit plan and resource requirements.
- (5) To make appropriate enquiries of both management and the head of internal audit to determine if there are any inappropriate scope or resource limitations.
- (6) To consider any impairments to independence or objectivity arising from additional roles or responsibilities outside of internal auditing of the head of internal audit. To approve and periodically review safeguards to limit such impairments.
- (7) To consider reports from the head of internal audit on internal audit's performance during the year, including the performance of external providers of internal audit services. These will include:
 - a) Updates on the work of internal audit including key findings, issues of concern and action in hand as a result of internal audit work.
 - b) Regular reports on the results of the Quality Assurance and Improvement Programme.
 - c) Reports on instances where the internal audit function does not conform to the Public Sector Internal Audit Standards and Local Government Application Note, considering whether the non-conformance is significant enough that it must be included in the Annual Governance Statement.
- (7) To consider the head of internal audit's annual report:
 - a) The statement of the level of conformance with the Public Sector Internal Audit Standards and Local Government Application Note and the results of the Quality Assurance and Improvement Programme that supports the statement – these will indicate the reliability of the conclusions of internal audit.
 - b) The opinion on the overall adequacy and effectiveness of the Council's framework of governance, risk management and control together with the summary of the work supporting the opinion – these will assist the Committee in reviewing the Annual Governance Statement.
- (9) To consider summaries of specific internal audit reports as requested.
- (10) To receive reports outlining the action taken where the head of internal audit has concluded that management has accepted a level of risk that may be unacceptable to the authority or there are concerns about progress with the implementation of agreed actions.

- (11) To contribute to the Quality Assurance and Improvement Programme and in particular, to the external quality assessment of internal audit that takes place at least once every five years.
- (12) To consider a report on the effectiveness of internal audit to support the Annual Governance Statement, where required to do so by the Accounts and Audit Regulations.
- (13) To provide free and unfettered access to the Audit Committee Chair for the Head of Internal Audit, including the opportunity for a private meeting with the Committee.

External audit

- (1) To support the independence of external audit through consideration of the external auditor's annual assessment of its independence and review of any issues raised by the PSAA or the authority's auditor panel as appropriate.
- (2) To consider the external auditor's annual letter, relevant reports, and the report to those charged with governance.
- (3) To consider specific reports as agreed with the external auditor.
- (4) To comment on the scope and depth of external audit work and to ensure it gives value for money.
- (5) To commission work from internal and external audit.
- (6) To advise and recommend on the effectiveness of relationships between external and internal audit and other inspection agencies or relevant bodies.

Financial reporting

- (1) To review and approve the annual statement of accounts. Specifically, to consider whether appropriate accounting policies have been followed and whether there are concerns arising from the financial statements or from the audit that need to be brought to the attention of the Council.
- (2) To consider the external auditor's report to those charged with governance on issues arising from the audit of the accounts.

Accountability arrangements

- (1) To report to those charged with governance on the Committee's findings, conclusions and recommendations concerning the adequacy and effectiveness of their governance, risk management and internal control frameworks; financial reporting arrangements, and internal and external audit functions.
- (2) To report to full Council on a regular basis on the Committee's performance in relation to the terms of reference and the effectiveness of the Committee in meeting its purpose.
- (3) To publish an annual report on the work of the Committee.

The Audit Committee is also designated as the Group Audit Committee for all entities within Northumberland County Council's Accounting Group Boundary. The detailed terms of reference for this function are contained within Part 3 of the Council's Constitution.

Councillor Dickinson advised that Councillor Grimshaw would need to be replaced as a member of the Committee as she had been appointed a director of Advance.

The Chair reported that steps were in place to appoint a further independent person.

2. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Towns and Scott.

3. MINUTES

Councillor Oliver queried whether the Annual Governance Statement would be sent to all new members of the Committee. The S151 Officer advised that it was contained within the final accounts which were included in the agenda papers.

RESOLVED that the minutes of the meeting of the Audit Committee held on 24 March 2021, as circulated, be confirmed as a true record and signed by the Chair.

4. REPORTS OF THE EXTERNAL AUDITOR

- (1) Interim Audit Completion Report 2019-20 and**
- (2) Final Audit Completion Report 2019-20**

Karen Murray from Mazars drew members' attention to the key points of the report, including significant risks, internal control issues and adjustments made. Member points included:-

- The Chair commented that property plant and equipment valuation was a complex issue to get sorted. If best estimate figures were being worked on, he asked if these would be adjusted at some point. Ms Murray advised that the value did need to reflect that there was a concern that values could be affected by the pandemic. This was a standard position to be in and would correct itself this year. The Chair asked whether, if the figures were very wrong, would the Authority have to wait a year to find that out. Ms Murray confirmed that Mazars were satisfied that the figures which were in the accounts now were materially correct.
- Councillor Dickinson asked about the assumptions made regarding the down value of the airport. Other authorities appeared not to have taken the same view as Northumberland and he asked how confident officers were with what was in the report. Ms Murray advised that she was happy with what was in the report but would take the question back regarding what others had done and the level of consistency.
- The Chair asked whether the same control issues were coming up year after year. Ms Murray replied that Mazars had followed up on the recommendations which had been made by their predecessors, but it was difficult for her to say if the same issues were recurring because this was their first year.
- Councillor Dickinson asked about council tax and how floor space was calculated for this. Ms Murray advised that there was no correlation between floor space and valuations for Council tax, which were assessed by the Valuation Office. This valuation put properties into a council tax band and the

appropriate council tax was then levied for that band by the Council. It had no influence on the valuation of the property itself.

- Councillor Jackson commented that the accounts were from 18 months ago and therefore very late and asked why this was. Ms Murray replied that normally the Council should have its accounts ready by the end of May with audit completed by the end of July. MHCLG had recognised the problems associated with the pandemic and had given authorities some leeway in the timetable. The 2019-20 accounts did not have to be complete until the end of August, with audit to be completed by the end of November. But because of the change in auditors at Northumberland this had not been possible. Issues had come up which paused the work in the Autumn of 2020 and the audit had resumed at the start of 2021.
- Councillor Jackson commented that it was unusual to pause an audit and suggested that Cameron Waddell should provide an explanation about this to members. Councillor Dickinson advised that an explanation on this had been provided by Cameron to the previous Audit Committee and this could be recirculated. The Chair advised that he would raise this with Cameron for the next meeting.
- Councillor Oliver commented that there was no information on the VFM conclusion. He asked how the accounts could be signed off with outstanding VFM issues to be resolved. Cameron had provided an update at the last meeting on the VFM work but there had been nothing further. Ms Murray advised that Cameron was still working through some of the VFM issues. She would confirm that Cameron expected to issue an opinion on the financial statements without concluding on the VFM arrangements, because that could be done separately with that part of the audit left open. This did happen from time to time. The accounts could be approved by the Committee and Mazars could give an opinion on the financial statements but not on VFM, and this would be reflected in the audit report with the work completed in due course.
- Councillor Jackson commented that there were some VFM issues raised by the previous auditors, so this issue had been going on for some time. He queried when there would be some more detail on the VFM opinion. Ms Murray advised she would try and get an update and report back on the likely timescale.
- Councillor Oliver commented on the omission of a significant exit payment in the draft accounts and asked if this was an oversight. Ms Murray advised that that there was nothing to indicate that this was anything other than an accidental oversight.
- Councillor Oliver referred to the deferral of loan repayments to the airport and sought clarification that loan repayments were being pushed back not being dispensed with. Mrs Willis confirmed this was the case.
- With regard to the management representation letter, Councillor Oliver sought reassurance that everything which needed to be reported, had been. Mrs Willis advised that she was satisfied that everything which needed to be disclosed in the management representation letter had been.

RESOLVED that the reports be received.

**(3) Northumberland Pension Fund – Follow Up Letter and
(4) Audit Completion Report 2019-20 – Pension Fund**

Ms Murray confirmed that all work in this area was complete and had been reported to members. She highlighted the main points of interest.

- Councillor Dickinson raised the issue of disclosures being marked as red on the traffic light system and asked if there was still an issue. Ms Murray confirmed that all outstanding information had been provided and the disclosures updated.
- Mr Topping raised the responses from the Council to recommendations regarding IT and internal controls and suggested that these were checked to ensure that they were as tight as they needed to be.

RESOLVED that the reports be received.

5. REPORTS OF THE ACTING CHIEF INTERNAL AUDITOR

(1) 2020/21 Opinion on the Adequacy and Effectiveness of the Framework of Governance, Risk Management and Control

The purpose of this report was to provide the annual opinion from the Chief Internal Auditor on the overall adequacy and effectiveness of the organisation's framework of governance, risk management and control, taking into account the expectations of the Council's Leadership Team, Audit Committee and other key stakeholders.

Mr McDonald highlighted the main points of the report for members.

- Councillor Dickinson sought clarification of the position regarding the audit of Advance and whether they still needed to have their own audit following the recent change in audit arrangements. Mr McDonald advised that there was some overlap in the arrangements. Although he had not undertaken an audit he was aware of the changes and improvements being made. The Chair advised that he had had discussions with Mr McDonald and Ms Mitchell regarding how the Audit Committee would take on this function as the overseeing Committee.
- Councillor Cessford asked for further detail of what improvements had been agreed following the leaks of confidential information mentioned at paragraph 3.4.3 of the report. He asked what specific incidences Northumbria Police were investigating, about the level of importance referred to in the last line of the paragraph and about the scope of the investigation. In respect of improvements, Mr McDonald gave the example of confidential reports being shared individually to members and paper copies not issued in the post. Regarding the police investigation, he could only look at systems and procedures within the County Council and had no jurisdiction over any suspected criminality, which had to be referred to the police. He could not comment on what action the police might be taking. Regarding the level of importance, what he had done in the opinion was to acknowledge what had happened in recent months regarding leaks because the confidentiality of information was important.

- Councillor Cessford queried whether any follow up was undertaken with the police to establish what they were doing following a referral. He also asked about the scope of the investigation and asked who had been interviewed about the leak of confidential information, had this been all members and officers involved or just members at that meeting? Mr McDonald advised that whilst he had been involved to some extent in some of the instances at issue, including being questioned, it was not his role to carry out the investigations generally. His role involved ensuring that the Council's policies and guidelines were adhered to. It was too soon to say whether the Police investigation had concluded, and it would be a question of checking with them for updates.

Due to a technical problem, the meeting adjourned at 11.27 am and reconvened at 11.35 am.

- Councillor Cessford asked about the client views and quality assessment and improvement programme and asked what cohort there had been for the client feedback and whether any comments received had been acted upon. Mr McDonald advised that feedback was always looked at and acted upon. He did not know how many responses the figures in the report were based on. A feedback form was always issued on the conclusion of every assignment, but responses were not always received. Further detail could be included in future reports if this would be helpful. The Chair agreed that some figures would be helpful to indicate level of feedback and identify where this could be improved. He asked that this be done for next time.
- Councillor Dickinson referred to para 3.44 and the response to the pandemic, he felt the measured statement in the report did not really reflect the Executive Team's decisions and the magnitude of the response from the County Council, or the work put in by staff. The Chair commented that the measured statement was appropriate for a document of this type, but the Committee did acknowledge the work which had been done by staff during the last 15 months.

RESOLVED that:-

- (a) the Chief Internal Auditor's 2020/21 'satisfactory' opinion on the overall adequacy and effectiveness of the framework of governance, risk management and control, attached as Appendix 1 be noted; and
- (b) the opinion be considered by the organisation when finalising the Annual Governance Statement for this period; and by the Audit Committee, as a source of assurance at the time it considers the Annual Governance Statement.

(2) Key Outcomes from Internal Audit Reports (Issued November 2020 – July 2021)

The purpose of this report was to advise the Committee of key outcomes from Internal Audit Reports issued between November 2020 and July 2021.

- Councillor Dickinson referred to covid 19 compliance and enforcement and business grants scheme, and suggested that the Committee needed to look at the transactions which were made, particularly the provision of finance

provided to companies which then went into liquidation or were dissolved. He felt it was important to reflect on the scale and mass of the work which had taken place and still continued. He felt it was important for the public to be able to see this. Mr McDonald acknowledged that a huge amount of funds had transferred through the Council and the work of internal audit on this continued on pre and post payment assurance. He agreed there would be a role for the Committee at the appropriate time once the ongoing procedures were finished and he would get that information together. The Chair advised that he would like to see a discrete report on this issue once the ongoing work was finished. Mr McDonald advised he could produce a summary report with a position statement for the next meeting.

- Councillor Oliver welcomed this. There had been regular returns made to MHCLG so the information flow had been there throughout the whole process. This was another great example of where the Council had responded exceptionally well to the covid crisis.
- Councillor Wearmouth sought clarification about what was trying to be achieved as the criteria for funding had been quite clear. Would businesses be checked to see whether they were still operating? The Chair commented that if a large amount of money had been spent then it was up to the Audit Committee to look at the probity, efficiency and governance of how this had been done and whether there had been any gaps between policy and practice. Mr McDonald agreed that it would be about how the criteria was set and how the grants allocated and paid out. An explanation could also be given of the work done by internal audit to minimise any fraud or error, and what action had been taken in any such cases. Members supported this approach.

RESOLVED that the key findings from good practice identified in, and management action taken in response to the Internal Audit reports issued and the summary of other work undertaken by Internal Audit in this period, summarised in Appendix 1, be noted.

At this point Councillor Dickinson left the meeting.

6. REPORTS OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE

(1) Final Statement of Accounts 2019-20

The report sought the Committee's approval of the final statement of accounts for the financial year ended 31 March 2020.

The S151 Officer presented the report. These were the final statement of accounts which incorporated all of the audit adjustments which Ms Murray had referred to. She reminded members that the external auditor's opinion came in two parts. The audit completion report made it clear that they were happy with the amended accounts. Regarding the VFM opinion, none of the issues which were still under consideration had any bearing on the financial statements, and on that basis, her advice to the Committee was that there was no reason why the financial statements could not be signed off today. Failure to do that would have quite significant knock-on effects, not least it would further delay the finalisation of the draft accounts for 2020-21. Also, because the pension fund accounts formed part of the overall Council accounts, failure to approve would have implications for every Council

involved in the regional pension fund. She understood the points which had been raised about VFM matters and that some of these were related to ongoing issues, but she was hopeful having discussed it with Cameron, that these would be concluded in time for the September meeting. She therefore respectfully asked members to sign off the accounts as there would be far reaching implications otherwise, and there was no reason not to do so.

The Chair summed up the advice to members was that the risk of not approving the accounts was much higher than approving, not just to the Council but other Councils in the area.

- Councillor Oliver commented that he had concerns about the outstanding VFM issues but sought confirmation that by approving the accounts he would not be saying that there were no outstanding VFM issues. The S151 Officer confirmed that approving the accounts today had no bearing on the outstanding VFM issues which Cameron was considering. Councillor Oliver sought clarification that none of that work would affect the financial position in the accounts and the VFM work would continue. He queried whether this work could result in a qualified opinion. The S151 Officer advised that approving the accounts today would not in any way impinge on the VFM work and the opinion the external auditor would issue in due course. Conversely, none of the VFM issues which were under consideration would affect the financial statements. There was no interaction between the two opinions.
- Councillor Cessford queried the property plant and equipment valuations mentioned previously and asked why the valuer was being replaced if there was no blame attached to the previous issues, or whether this was standard procedure. The S151 Officer advised that the contract was due to be retendered anyway but there were issues with the approach that the previous valuer had adopted and the scope of that work. These were being addressed in the specification for the new contract.
- Councillor Oliver queried the £361,000 salary arrears paid to the coroner and how this had happened as it was a significant sum. The S151 Officer advised that this was a backdated pay claim that had arisen from a job evaluation.
- Councillor Cessford queried why the external audit costs had increased so much from one year to the next and what were the fees payable for other services. The S151 Officer advised that she would provide a written response.

Councillor Jackson advised that he would abstain from voting because the accounts were very late and did not come with the auditor's value for money opinion.

RESOLVED that the Statement of Accounts for the Council for the financial year ended 31 March 2020 be approved.

(2) Statement of Accounts - Group Boundary Review

The report provided members of the Audit Committee with details of the boundary review which had been undertaken to determine those organisations which should have their financial statements consolidated with the Council's Statement of Accounts for the financial year ended 31 March 2021. Particular consideration was given to the position of Active Northumberland.

The report was presented by the S151 Officer. Members were being asked to note the position only.

Mr Topping asked about Active Northumberland agreeing to establish two committees which now seemed to have been rolled into one, and whether the S151 Officer was content with that. She replied that Active Northumberland was not part of the Council and this was the conclusion the boundary review had come to so it was not for her to dictate what their governance arrangements should be. She had no issue with the fact that finance and audit committee had been merged.

RESOLVED that:-

- (a) the contents of the report be noted;
- (b) Audit Committee note that the financial statements of Advance Northumberland Limited will continue to be consolidated with the Council's Statement of Accounts for the financial year ended 31 March 2021;
- (c) Audit Committee note that Arch (Corporate Holdings) Limited remained dormant in financial year 2020-21 and was dissolved on 10 November 2020. As a result of this there were no figures to consolidate. A note to this effect would be included in the Council's Statement of Accounts;
- (d) Audit Committee note that Northumberland Enterprise Holdings Limited remained dormant during the financial year 2020-21. As a result of this there were no figures to consolidate. A note to this effect would be included in the Council's Statement of Accounts. Once Northumberland Enterprise Holdings Limited commences trading it was envisaged that its financial statements will be consolidated with the Council's Statement of Accounts; and
- (e) Audit Committee agree that Active Northumberland's financial statements should not be consolidated with the Council's Statement of Accounts for the financial year ended 31 March 2021.

Councillor Oliver declared a non-pecuniary interest in the following two matters and advised he would not take part in the debate.

(3) Pension Fund Annual Report and Accounts 2019-20

The purpose of this report was to provide the Audit Committee with an update related to the Council's 2019-20 Pension Fund Annual Report and to assist Members in carrying out their role in reviewing the Financial Statements.

RESOLVED that the Pension Fund Annual Report and Accounts 2019-20 be approved.

Councillor Jackson declared a non-pecuniary interest in the following matter and advised he would not take part in the debate.

(4) Annual Report of the Firefighters' Pension Scheme Local Pension Board 2020-2021

Members were asked to receive the above report.

RESOLVED that the annual report be received.

7. URGENT BUSINESS

The Chair reported that he had been in discussion with officers about the best way of progressing the Group Audit Committee arrangements. At the time of the last meeting of the Committee in March, there was only one non-dormant entity, but there had been some difficulty in engaging that entity in completing the governance questionnaire which had been agreed by Audit Committee.

He had discussed the current position with the Council's Director of Assurance and Chief Internal Auditor, and had identified that a good way forward would be to revisit the questionnaire with the Chief Operating Officer of Advance.

So, in the meanwhile, from this meeting onwards:

- The Chief Internal Auditor would provide the Group Audit Committee with a copy of the Audit Plan for each non-dormant entity, as an information item each year.
- there would be a standing 'Group Audit Committee' agenda item on the agenda of Audit Committee from September's meeting onwards.
- under that item, the Chief Internal Auditor would provide a short update on any internal audits completed on each non-dormant entity (e.g. audits completed and assurance levels) and any other matters he considered might be material to the framework of governance, risk management and control arising from group entities.
- the external auditor would be invited to provide any comment or information which they wished to, under the same 'Group Audit Committee' item on the agenda at each meeting (there may be a need to write separately to the partner at Mazars who deals with Advance, as he understood he and Cameron practised some type of 'ethical walls' between them. But then Mazars will have been informed formally that if there is anything they wish to raise, they have a mechanism for doing so).
- the Group Audit Committee (i.e. this committee, NCC Audit Committee) could ask any questions about governance regarding group entities under this item.

He raised this matter now in order to provide a record that he and senior officers had given some thought to County Council's decision in November, and the actions taken under the previous Chair of the committee, Councillor Hill, were progressing. He hoped members would agree that this was a sensible way forward for the issue.

Councillor Oliver supported this approach and suggested that Advance be asked to attend the Committee when reports were being reviewed so they could respond on points. There had also been a report done by KPMG so if Advance were to be discussed at the September meeting, then KPMG should be invited, along with the Chair of the Advance Shareholder Group.

In terms of the KPMG report, the Chair agreed. Regarding Advance representatives, this was acceptable when the agenda warranted it as there may not be reason for them to attend every meeting.

Councillor Oliver asked how members could get issues onto the audit programme, and whether it would be acceptable to email committee members with his initial thoughts about that. The Chair agreed there was a need for an open and agreed mechanism to avoid lobbying by individuals.

Ms Mitchell advised members that a work programme was produced every March to make sure that the requirements for the Audit Committee as set out in the constitution were met, and so that the members knew which reports to expect and when. Decisions about the use of resources were for either the Chief Internal Auditor or the external audit partner, who were governed by a strict set of professional standards regarding what the Committee could and couldn't do. It would be wrong to suggest that the Committee could raise things which were then automatically looked at. She encouraged members to discuss any issues with the Chair or either internal or external audit, but there needed to be a debate in the Committee about the correct way of taking matters forward.

The Chair agreed on the need for clear communication and to follow the established procedures, and having the channels to do that was important.

8. DATE OF NEXT MEETING

Wednesday, 22 September 2021 at 10:15 am.

At this point, Mr Topping left the meeting.

9. EXCLUSION OF PRESS AND PUBLIC

RESOLVED

(a) That under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item on the Agenda as it involves the likely disclosure of exempt information as defined in Part I of Schedule 12A of the 1972 Act, and

(b) That the public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:-

Agenda Items	Paragraph 3 of Part 1 of Schedule 12A
11-12	Information relating to the financial or business affairs of any particular person (including the authority holding the information). Disclosure could adversely affect the business reputation or confidence in the person/organisation, and could adversely affect commercial revenue.

10. REPORT OF THE ACTING CHIEF INTERNAL AUDITOR

Strategic Audit Plan 2020/21 – Final Monitoring Statement

The report provided Audit Committee with a final monitoring statement in respect of the Strategic Audit Plan for 2020/21.

RESOLVED that the information set out in the Strategic Audit Plan Final Monitoring Statement, attached as Appendix 1 to the report be noted.

11. REPORT OF THE SERVICE DIRECTOR- CORPORATE ASSURANCE

Risk Management Update

The report provided Audit Committee with an update on progress with the development, implementation and embedding of risk management within the County Council; and informed the Committee of the latest position of the corporate risks as agreed by Executive Team and considered by Cabinet portfolio holders in April 2021.

Members raised a number of questions which were answered by officers. Members were keen to ensure that risk was being properly managed within the Authority. Ms Mitchell advised members that it was the role of the Audit Committee to oversee the management of the risk, but not to manage the risk itself. She would take the comments made back to the risk owners for further discussion.

RESOLVED that the content of the report be noted.

CHAIR.....

DATE.....

NORTHUMBERLAND COUNTY COUNCIL

AUDIT COMMITTEE

At a reconvened meeting of the **Audit Committee** held in the meeting space, Block One, Floor Two, County Hall Morpeth on Thursday 7 October 2021 at 2.00 pm.

PRESENT

S. Watson (Chair)

COUNCILLORS

Cessford, T.
Dickinson, S.
Jackson, P.

Oliver, N.
Towns, D.
Wallace, A.

ALSO PRESENT

R. Wearmouth, Portfolio Holder for Corporate Services

OFFICERS IN ATTENDANCE

Hadfield, K.	Democratic and Electoral Services Manager
Hartwell, A.	Senior Manager - Performance and Systems Support
Hunter, P.	Senior Service Director
Lally, D.	Chief Executive
Masson, N.	Deputy Monitoring Officer
McDonald, K.	Acting Chief Internal Auditor
McEvoy Carr, C.	Executive Director of Children's Services and Adult Social Care
Willis, J.	Interim S151 Officer

ALSO IN ATTENDANCE

Waddell, C.	Mazars
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The Chair advised that he had an item of urgent business for consideration by members. As Councillor Dickinson had to leave the meeting at 4.00pm, he would bring this matter forward on the agenda.

12. MEMBERSHIP

RESOLVED that the change in membership from Councillor Grimshaw to Councillor Wallace be noted.

13. APOLOGIES FOR ABSENCE

Apologies were received from Councillor Taylor and from Mr Topping.

14. MINUTES

RESOLVED that the minutes of the meeting of the Audit Committee held on 28 July 2021, as circulated, be confirmed as a true record and signed by the Chair.

15. DISCLOSURES OF INTEREST

Councillor Oliver advised that, with regard to item 17 on the agenda (Administration of COVID-19 Business Support Grants), his wife's business had received such grants and he queried whether he needed to declare an interest. The Deputy Monitoring Officer advised that it would be wise to do so, going off the information provided. Councillor Oliver confirmed therefore that he would not participate in the discussion.

Councillor Dickinson advised that, in respect of interests as a director of companies which had received covid support, it had previously been clarified that it was not necessary to declare this as the criteria had been set for the receipt of grants, and members were not involved in the decision making on the awards. However, he would declare the interests which were registered on his declaration already if other members were doing so.

Councillor Oliver commented that many town and parish councils had received covid grants which would affect other members and may lead to the meeting being inquorate.

The Deputy Monitoring Officer advised that if advice had previously been given, which had been provided under full consideration of the issues, then members should abide by that. Also, the report was simply for members to note and no decision was being sought.

Councillor Cessford advised that he was a treasurer of a charitable club which had received several grants. He had declared this previously at Council and received the same advice.

16. URGENT BUSINESS

2019-20 Final Statement of Accounts

The Chair confirmed to members that he had an item of urgent business to deal with. The 2019-20 Final Statement of Accounts had been considered at the July meeting and following a query at the adjourned September meeting regarding the quoracy of the July meeting, there was now a need for members to ratify the decision taken at the July meeting on this matter. The matter was urgent and could not be deferred to the next ordinary meeting due to the importance of confirming the accounts which needed to be properly adopted by the Council without delay.

He did not propose to go through the report again but asked if members had any questions.

Councillor Towns advised that, as he had not been at the July meeting, he would abstain from the vote. This was a personal decision.

Councillor Jackson advised that his view remained that without the value for money statement the accounts were not complete.

Mr Waddell informed members that the VFM statement was a completely separate issue to the opinion on the financial statements and wouldn't hold up the process for their approval. Regarding the ongoing work on the VFM statement, this was ongoing and the likely conclusion was one of qualified. The two issues which remained were the constitution not being up to date at the 31st March 2020 and the issues in relation to International which were still being discussed with the S151 Officer.

Councillor Jackson acknowledged the points from the External Auditor but maintained his view that members did not have the complete picture until the VFM opinion was complete and he would therefore maintain his abstention.

The Chair asked members if they were able to confirm the decision taken at the July meeting. He moved that the decision taken on the 2019-20 Final Statement of Accounts at the July meeting be ratified. This was seconded by Councillor Dickinson based on the advice provided by the External Auditor, the detailed report from the S151 Officer and the debate at the July meeting.

Councillor Oliver queried whether it was in order for the Chair, as a non voting member, to move a recommendation and the Deputy Monitoring Officer confirmed that it was as there was no requirement that the mover of a motion had to vote.

On the matter being put to the vote there voted FOR: 4; AGAINST:0; ABSTENTIONS: 2 (Councillors Jackson and Towns).

It was therefore **RESOLVED** that the Statement of Accounts for the Council for the financial year ended 31 March 2020 be approved.

17. REPORTS OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND SECTION 151 OFFICER

(1) Treasury Management Annual Report for the Financial Year 2020-21

This report provided details of performance against the Treasury Management Strategy Statement (TMSS) 2020-21, approved by the County Council on 19 February 2020. The report provided a review of borrowing and investment performance for 2020-21, set in the context of the general economic conditions prevailing during the year. It also reviewed specific Treasury Management prudential indicators defined by the (CIPFA) Treasury Management Code of Practice and CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code), and

approved by the Authority in the TMSS (copy attached to the signed minutes). The report was introduced by the S151 Officer.

Councillor Jackson queried what challenges there had been for treasury management arising from the pandemic. Mrs Willis advised that the Government had brought forward a package of support for local authorities including S31 grants and funding to support the local economy and compensation for loss of fees and charges, as well as more general support to help authorities with additional costs to respond to the pandemic. This had resulted in an influx of cash and finding places to invest it had been a challenge when other local authorities had not been an option, as would normally be the case. External borrowing had been lower than normal and internal borrowing used instead on a short term basis. In time, this would revert back to normal but it had meant that it had been possible to save money on interest payments. In general, the main issue had been about how to manage the influx of cash and the knock on effect on the Council's borrowing activity.

The Chair commented that there were reports in the media about interest rates increasing at least once in the coming year. He asked whether the Council had the resilience to deal with that. Mrs Willis advised that treasury management advice was that rates were likely to increase but these would not be significant. This would be kept under review, but she had no immediate concerns about the interest rate outlook.

RESOLVED that:-

- (a) the report be received and the Committee note the performance of the Treasury Management function for 2020-21; and
- (b) the report be recommended to Council.

(2) The Statement of Accounts for the Year Ended 31 March 2021

Members were presented with the draft (unaudited) Statement of Accounts for the year ended 31 March 2021 and asked to consider any significant issues arising from the accounts (copy attached to the signed minutes).

The report was presented by Mrs Willis and she reminded members about the opportunity for them to go through the accounts with officers if they so wished. The accounts were late because of the delay in signing of the previous years' accounts and it was expected that final approval would around the end of the year, in line with many other authorities.

Mr Waddell informed members that 55% of councils did not publish their audited accounts by the deadline last year. Across England this year, very few authorities had signed off their accounts to date. It was under double figures nationally.

RESOLVED that the Statement of Accounts for the Year Ended 31 March 2021 be received.

(3) Northumberland County Council – Consideration Of ‘Going Concern Status’ for The Statement of Accounts for the Year Ended 31 March 2021

Northumberland County Council was required to assess whether it should be considered as a ‘going concern’ organisation, and whether the Council’s annual accounts should be prepared on that basis. The report considered the Council’s status as a going concern and recommended that Members approve this (copy attached to the signed minutes).

Mrs Willis detailed the main points of the report for members.

The Chair asked what problems there had been with income generally and whether Mrs Willis was optimistic that income could regain its previous levels. Mrs Willis advised that performance on collection of business rates and council tax had held up quite well compared to most other local authorities. Regarding collection fund losses, the government had introduced the ability for any losses to be spread over three years so it was too soon to know when collection rates would return to normal. In some areas, the pandemic did not appear to have had any impact on income, such as planning application income.

Councillor Dickinson queried whether there were any figures available regarding what had been spent by the Authority to deal with the pandemic and what had been received from the government to cover that. Were settlements still ongoing or had the Authority been fully reimbursed? Mrs Willis advised that this was still an evolving picture. Some additional covid grant had been received for this year and it looked like the additional funding would be sufficient to cover the additional costs. There had been so many different funding streams and grants that having a complete overview was difficult. As it would take some time for the effects of the pandemic to work their way through the system, it would be some time before there was a complete picture, which would include looking at the overall financial impact, but the Authority was in a strong position.

RESOLVED that Audit Committee approve that the Council is a going concern and that the accounts are prepared on that basis.

(4) Draft Annual Governance Statement 2020-21

The purpose of the report was to enable the Audit Committee to review the draft Annual Governance Statement and consider whether it properly reflected the risk environment and supporting assurances, taking into account Internal Audit’s opinion on the overall adequacy and effectiveness of the Council’s framework of governance, risk management and control (copy attached to the signed minutes).

Councillor Jackson felt that the report did not fully address some of the problems which the Council had had in the last year including whether the Council had been acting within the law in one particular instance. There was no recognition of the high turnover of statutory officers and there was currently no monitoring officer – a couple of interim ones had been replaced and now there were none at all which was a serious issue for the Council, which wasn’t reflected in the report.

It was important that the Audit Committee was seen to be independent and work within its terms of reference but members had been told at the first meeting that

they could not put items on the agenda for investigation. The Governance Accountability Group mentioned in the report had been set up to review the process of a number of complaints but it had not been recognised in the report that some of the officers in the Governance Accountability Group were the officers bringing those complaints. There were various other issues relating to whistleblowing and complaints which did not seem to have been investigated and for these reasons he was not able to accept it.

The Chair responded that some of the issues mentioned were too detailed for a report of this nature and were being looked at in other areas.

Councillor Oliver commented that members had a discussion at the July meeting about the Committee's terms of reference and how it worked and if members had issues they should be raised with the whole group of members. He had raised some issues and he referred to the problems which Councillor Jackson had raised – potential illegal operation of part of the Council, recruitment and governance and accountability processes of the Council. A whole range of new arrangements had been brought to Informal Cabinet and Audit Committee the previous year without a written report. The Statutory Officers Group and the Governance Accountability Group had been put in place and they had not been properly used. He felt that there were serious deficiencies in the Council's governance arrangements and he felt a discussion was needed on how to raise such things for the agenda. Members had been told at the last meeting by the Head of Governance that she would decide what matters were included on the work programme. He could not support a Governance Statement which he didn't feel reflected what was actually happening.

The Chief Executive responded to members that the Statutory Officers Group did meet and had terms of reference and discussed key and critical issues before they went into formal processes. She had not been party to the other groups mentioned but if members had issues she asked that they be put in writing to her or the relevant statutory officer and they would be looked into. The report in front of members had been through the Informal Cabinet process and had sign off from the lead member for Corporate Services and the Leader of the Council who had raised no issues of concern. The review around the scheme of delegation was ongoing. Members had referred to involvement of officers in complaints but those members had also been involved. In any areas that were raised with officers, appropriate statutory officer advice was taken and external legal advice where necessary. She fully supported the report, and if members had other issues they wished to raise with her they should do so in writing. Regarding the Monitoring Officer, she advised members that he had left the Authority only last week and arrangements were in place to appoint his replacement at Council on 3 November.

Councillor Towns commented that the issues which members had raised were concerning but he was reassured by the Chief Executive's response. He agreed with the comments about the turnover of senior staff, there did seem to have been a high number of monitoring officers in place and this gave rise to the risk of problems. Why were people not staying? He queried whether the External Auditor had any comment to make on the discussion.

The Chief Executive responded that there had been only one Monitoring Officer in place since 2008 and he had left last week. He had nominated deputy monitoring officers which a number of councils did. Regarding the turnover of senior staff, the

Council had had some difficult situations to deal with in the last couple of years, and if officers found it difficult to remain with the Authority then they would move on. There had been a higher turnover than she would have liked but statutory officer cover had been maintained at all times. There had been some short term appointments but there were also some very long standing key members of staff in place. Council had recently agreed a report on Executive management arrangements and members were already aware of the review currently being undertaken.

Mr Waddell advised members that Mazars had not begun to audit the AGS yet but it had to be looked at in terms of whether it was a fair summary of the Council's arrangements, whether there were any weaknesses or scope for improvement and also whether this was underpinned by robust evidence. This would all be looked at in the audit.

Councillor Towns commented that there had been a number of changes in the person fulfilling the role of Monitoring Officer while the permanent officer had not been available and that gave him concerns though he accepted the clarification that had been given. Regarding the AGS, he sought confirmation that this was a draft for members to approve, and would still be subject to external audit where the concerns members had raised would be taken into account.

Mrs Wills confirmed this was a draft statement which captured all of the governance issues which took place in the 2020-21 financial year, so some of the issues raised today fell outwith that timeframe and subject matter for the report. However, the draft statement would now be audited by Mazars and when the final accounts were approved, a final version of the AGS would come back to the Committee to capture any further issues that arose. Some of the matters which had been raised were still under discussion or subject to investigation. She was discussing the International issue and whether the Council had acted within its powers with Mr Waddell. She had taken external legal advice on it and Mr Waddell would be reporting on it as part of his VFM opinion. All of the governance issues members had raised were being dealt with, but some were complex and were taking time to resolve. Regarding the Committee setting its work programme, her understanding of the discussion at the July meeting was that it had been about the internal audit programme, which was based on a risk assessment from the Chief Internal Auditor.

Mr McDonald stressed that any member could raise issues with him as Chief Internal Auditor. An audit plan for the year ahead was brought to Committee in March. If new issues or risks emerged during the year he then had to consider those in light of the existing audit plan and would report any variances to members. It would be unusual for there not to be changes to the plan during the course of the year. He had a duty to balance the resource available to him and to direct those resources to where the risks were the greatest. He felt the work programme issue had become confused and agreed that it was for the Audit Committee to determine what it needed to receive in order to fulfil its terms of reference.

Councillor Oliver sought clarification that the Committee could influence the audit plan by raising issues which the Chief Internal Auditor would assess for risk and prioritise in relation to what was already on the plan. The Chair agreed and added that the service did not have inexhaustible resources and that it was not always the internal auditor that matters needed to be raised with.

Councillor Dickinson stressed that matters should not be referred to as illegal when members were talking about exercising the Council's ability to act. The three matters which members had discussed were not appropriate for discussion in this forum and should have been ruled out. Everyone was aware of ongoing investigations which would ultimately lead to an outcome and in some cases members would have to take responsibility for the staff turnover which had been referred to. The draft AGS was a good piece of work and had been signed off appropriately, clarification had been provided on a number of issues and he had no sense that he as a member of the Committee would be prevented from raising issues for discussion. Furthermore, the AGS would receive external audit before coming back to members.

Councillor Jackson commented that there had been a Monitoring Officer in place for the last year but he had been off sick for that time so that was why he felt he had not had full access to that statutory officer. He referred to the last sentence in the document which was the part that he did not accept. He welcomed the fact that the external auditor would review the report and would appreciate a discussion with him on the detail.

Councillor Dickinson moved the report's recommendations, which was seconded by Councillor Wallace. On this being put to the vote there voted FOR: 3; AGAINST:3; ABSTENTIONS:0.

Mrs Willis quoted the requirements of the Accounts and Audit Regulations 2015 to members and advised that if members could not approve the draft AGS today then that was not necessarily a problem, though the Committee would need to approve the final version. Further discussion could be held, and a revised draft brought to members. The normal practice would be to publish the draft AGS and annual accounts so the draft would be published as it was, or she could circulate a further draft which took on board the issues raised today, but the outcome would not be different either way.

It was therefore **RESOLVED** that the draft AGS be published and would now proceed to External Audit

(5) Corporate Fraud Team – Counter Fraud Annual Report

The report updated Audit Committee on work undertaken by the Corporate Fraud Team within the Council covering the period 1 April 2020 - 31 March 2021 (copy attached to the signed minutes).

Councillor Towns commented that this was impressive work and really important that this level of due diligence was undertaken especially in regard to the right to buy. It was good to see that the authority was continuing to commercialise that service for external third parties too. The team was producing great results. Councillor Dickinson asked whether this work had covered covid grants and fraudulent claims. Mrs Willis confirmed that some work had been done on this during the year by Internal Audit and some of that verification work was still ongoing. 18 grants had been referred to the team for investigation. The report had

not encompassed the whole period when grants were issued and it was possible that other cases would come to light as a result of ongoing verification.

The Chair asked a question about the DWP figure being low. Mrs Willis agreed this was on the low side. The Authority had not had the number of referrals it would normally expect because DWP working had been impacted.

Councillor Cessford commented that 35 right to buy applications had been withdrawn and asked if these would be brought back in future. Mrs Willis replied that this would depend on the individual cases and it wasn't normal practice to prosecute in every case. Councillor Cessford asked if there was any information about which cases were made in error and which were attempts at deliberate fraud. Mrs Willis advised that this information was not available but where fraud was suspected then prosecutions would be pursued.

RESOLVED that the progress in work undertaken by the Corporate Fraud Team since the last report in March 2021 and the steps being taken to recover any monies owed to the Council be noted.

18. REPORT OF THE EXECUTIVE DIRECTOR OF ADULTS SOCIAL CARE AND CHILDREN'S SERVICES

Review of External Inspection Reports – Adults and Children's Services

The report informed members of the activity pertaining to Adults and Children's Services regarding external inspections and associated actions from 1st October 2020 to 30th June 2021.

The report was presented by Alan Hartwell.

Councillor Oliver commented that the results were very encouraging and asked how quickly could lost ground from Covid could be recovered. Mrs McEvoy Carr advised that there were a lot of resources being targeted at schools to help pupils catch up. They were receiving additional funding for tutoring and different types of programmes. The Government had recently published information about what exams would look like next year and schools were looking at the implications of this in more detail now. Officers were working with schools to help them as much as possible but most schools were getting on and delivering the education that was needed.

Councillor Cessford asked for clarification regarding judgements and inspections made in paragraph 5.1. Mr Hartwell advised that the four providers who had from from good to required improvement were from the independent sector. All of the local authority managed provision was judged as being outstanding or good. Mrs McEvoy Carr advised that she could get the detail of the issues relating to the four providers for Councillor Cessford.

RESOLVED that the findings and the effectiveness of the scrutiny arrangements be noted.

19. REPORT OF THE EXTERNAL AUDITOR

2020-21 Progress Report

Cameron Waddell drew members’ attention to the main points in the report (copy attached to the signed minutes).

He recommended that the Committee schedule in formal consideration of the results of the external quality review published by PSA into its work programme.

RESOLVED that the progress report be received.

20. EXCLUSION OF PRESS AND PUBLIC

RESOLVED

(a) That under Section 100A (4) of the Local Government Act 1972, the press and public be excluded from the meeting during consideration of the following item on the Agenda as it involves the likely disclosure of exempt information as defined in Part I of Schedule 12A of the 1972 Act, and

(b) That the public interest in maintaining the exemption outweighs the public interest in disclosure for the following reasons:-

<p>Agenda Items 16 and 17</p>	<p>Paragraph 3 of Part 1 of Schedule 12A Information relating to the financial or business affairs of any particular person (including the authority holding the information). Disclosure could adversely affect the business reputation or confidence in the person/organisation, and could adversely affect commercial revenue.</p>
<p>18</p>	<p>Paragraph 3 & 4 of Part 1 of Schedule 12A Information relating to the financial or business affairs of any particular person (including the authority holding that information), and information relating to any consultations or negotiations, or contemplated consultations or negotiations, in connection with any labour relations matter arising between the authority or a Minister of the Crown and employees of, or office holders under, the Authority. Disclosure because disclosure would adversely affect commercial confidentiality requirements and hence the Authority’s ability to conduct its affairs.</p>

21. GROUP AUDIT COMMITTEE Report of the Acting Chief Internal Auditor

Advance Northumberland Internal Audit Plan and Key Outcomes

Update

The report advised the Group Audit Committee on the 2021-2022 Internal Audit Plan covering Advance Northumberland Group of Companies (Advance), together with an update on Internal Audit reports issued during the period from December 2020 to September 2021 (copy attached to the signed minutes, and coloured pink).

RESOLVED that the recommendation, as detailed in the report, be agreed.

22. REPORT OF THE ACTING CHIEF INTERNAL AUDITOR

Administration of COVID-19 Business Support Grants

The report advised Audit Committee of internal controls established to govern the administration of Government Covid-19 business support grants and other assurance processes put in place (copy attached to the signed minutes and coloured pink).

RESOLVED that the position statement and details of governance arrangements established, as detailed in Appendix 1, be noted.

23. REPORT OF THE SERVICE DIRECTOR-CORPORATE ASSURANCE

Conclusion of Shared Service Arrangement (Internal Audit and Risk Management)

The report informed Audit Committee of upcoming changes to service delivery arrangements for Internal Audit and Risk Management within Northumberland County Council (copy attached to the signed minutes and coloured pink).

The report was presented by the Chief Executive who detailed the key points of the report.

Councillor Oliver asked what had prompted the decision to return to a single service and whether both authorities had agreed it was the right course of action. The Chief Executive confirmed that both authorities had agreed as part of the regular review of the shared arrangement. There had been issues in recruiting to the wider support service and the single service had a number of benefits, not least that the Chief Internal Auditor was a very important role. It would also provide the Northumberland team with opportunities for growth and development.

Councillor Dickinson commented that Northumberland had benefitted from the shared arrangement and he wished to place on record his thanks to Allison Mitchell and Kevin McDonald for their work in challenging circumstances.

RESOLVED that the recommendation, as detailed in the report, be agreed.

CHAIR.....

DATE.....



Northumberland County Council

COUNCIL

3 NOVEMBER 2021

APPROVAL OF THE COUNCIL TAX SUPPORT SCHEME FOR 2022-23

Report of Jan Willis, Interim Executive Director of Finance and Section 151 Officer

Cabinet Member: Councillor Richard Wearmouth – Deputy Leader and Portfolio Holder for Corporate Services

Purpose of report

The purpose of this report is to seek approval for the local Council Tax Support Scheme for 2022-23 to continue to provide support at a maximum level of 92% of council tax liability.

Recommendation

County Council is recommended to approve the Council Tax Support Scheme attached as Appendix 1 to be adopted as the Council's local scheme for 2022-23.

Link to Corporate Plan

The Council Tax Support Scheme is relevant to the 'we want to be efficient, open and work for everyone' priority in the Corporate Plan 2020-2021 by ensuring financial prudence whilst listening to and considering the views of consultees.

Key issues

1. A local Council Tax Support Scheme for pensioners and working age claimants needs to be agreed by 31 January 2022.
2. The pensioner element of the Scheme is prescribed and continues to support the pensioner element of the caseload, up to a maximum of 100% of their council tax liability.
3. The working age element of the Scheme is for each Council to decide annually.
4. The Council Tax Scheme for 2021-22 had a maximum level of support for working age claimants of 92%. This means that all working age claimants pay a minimum of 8% of their property's council tax charge.
5. The cost of the Council Tax Support Scheme for 2021-22 is forecast to be £26,213,048. Any cost arising from a more generous working age support scheme would need to be funded from the Council's revenue budget and would cost £168,942 for each additional 1% that was granted.
6. As part of the Government's response to the COVID- 19 pandemic new funding was provided to the Council to assist economically vulnerable people and households. The strong expectation from Government was that the funding was used to provide all working age council tax support recipients with £150 for 2020-21 and a further reduction in their annual council tax liability for 2021-22 of £300. This was applied to all council tax support claimants in 2021-22 and used to fund new claimants coming onto the scheme. As a result, 13,040 claimants had no council tax liability for 2021-22 and 3,313 claimants had their liability reduced by £300.
7. The cost of the scheme will vary during the financial year and is dependent upon the number of claimants and their individual and family circumstances and also on the level of council tax that is set for 2022-23.
8. The proposal for the local scheme for 2022-23 is to continue with the 2021-22 scheme unchanged. That is, the maximum level of support for working age claimants will be 92%. The proposed local scheme is attached as Appendix 1 to this report.
9. No consultation is required for the proposed 2022-23 scheme as there are no changes being made.
10. The Council Tax Support Scheme has an impact on the council tax, tax base calculation and that report is due for approval by Cabinet (who have delegated powers to approve it) on 7 December 2021.
11. The figures set out in Appendix 1 that apply for allowances, premiums and non-dependant deductions are amended annually in-line with up-ratings notified by the Department for Work & Pensions and Ministry for Housing, Communities & Local Government and will be amended in the 2022-23 scheme when they are available later in the financial year.

Background

12. With effect from 1 April 2013 each local authority has been required to have its own local Council Tax Support Scheme for pensioner and working age claimants on low incomes. Prior to 2013 assistance for council tax liability was provided via a national council tax benefit scheme.
13. For the period 1 April 2013 to 31 March 2019 the annual Council Tax Support Scheme for Northumberland maintained the support offered by the previous national Council Tax Benefit Scheme. That scheme had supported both pensioner and working age claimants up to a maximum of 100% council tax support.
14. Once a Council's local scheme has been established any amendments or changes to the scheme for subsequent years require statutory consultation.
15. Prior to the 2019-20 scheme being approved which saw the first reduction in the level of support for working age claimants from 100% to 92%, a comprehensive consultation exercise was carried out covering the period 24 September to 2 November 2018.
16. The Council Tax Support caseload is currently 26,469 claimants. This is made up of 10,116 who are of pensioner age and 16,353 who are working age.
17. Of the 12 North East Local Authorities only Durham has a more generous council tax support scheme in place as they have continued to support working age claimants up to 100%. South Tyneside have the lowest level of support in the region with a 70% maximum level of support (although this does support their vulnerable claimants up to 85%). The following table illustrates the current support schemes being administered by the 12 North East Authorities:

Local Authority	Minimum Payment	Maximum Support level
Durham	0%	100%
Darlington	20%	80%
Gateshead	8.5%	91.5%
Hartlepool	12%	88%
Middlesbrough	15%	85%
Newcastle	10%	90%
North Tyneside	15%	85%
Northumberland	8%	92%
Redcar and Cleveland	12.50%	87.5%
South Tyneside	30% or 15% if vulnerable	70% or 85% if vulnerable
Stockton	20%	80%

Sunderland	8.50%	91.5%
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18. The Council has powers under the Council Tax Discount Policy to reduce the amount of council tax payable under Section 13A (1)(c) of the Local Government Finance Act 2012. This discretion can be exercised in particular cases, or, by determining a class of cases and can reduce the council tax liability to nil.

Implications

Policy	The Council Tax Support Scheme for 2022-23 needs to be approved by full County Council by 31 January 2022. The scheme contributes to the 'we want to be efficient, open and work for everyone' priority in the Corporate Plan 2020-21 by ensuring financial prudence whilst listening to and considering the views of consultees. .
Finance and value for money	The Council Tax Support Scheme governs the level of financial support provided to claimants on low incomes to assist them in meeting their council tax obligations. Council Tax contributes towards the cost of funding all Council services.
Legal	The requirement to have a Council Tax Support Scheme is governed by legislation. A local scheme needs to be approved by 31 January in the year preceding its implementation. Statutory consultation is required where there are proposed changes to an existing scheme. No consultation is required as there are no changes in the proposed scheme.
Procurement	No implications
Human Resources	No implications
Property	No implications
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	An Equality Impact Assessment was carried out for the changes that were made for the Council Tax Support Scheme for 2019-20. No further changes are proposed for the 2022-23 scheme and as a result no further equality impact assessment is required to be carried out.
Risk Assessment	Collecting council tax from working age claimants is difficult. Payment over 12 months will be encouraged for working age claimants in order to, assist with the charge and minimise monthly payments during the financial year.
Crime &	No implications

Disorder	
Customer Consideration	The Council currently has 26,469 claimants receiving council tax support. Of these 16,353 are of working age and their level of support will remain the same under this proposal although the actual amount of council tax payable will increase.
Carbon reduction	No implications
Wards	All wards are affected by this proposal

Background papers:

County Council Report – 4 November 2020
County Council minutes – 4 November 2020
Council Tax Support Scheme 2021-22

Report sign off.

Authors must ensure that officers and members have agreed the content of the report:

	Full Name of Officer
Monitoring Officer/Legal	Helen Lancaster/Neil Masson
Service Director Finance & Interim S151 Officer	Jan Willis
Relevant Executive Director	Jan Willis
Chief Executive	Daljit Lally
Portfolio Holder(s)	Richard Wearmouth

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Council Tax Support Scheme

2022/23



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Part 1 - Introduction

1.— Citation, commencement and application

- (1) This scheme may be cited as the Northumberland County Council, Council Tax Support Scheme 2022/23 and comes into effect on 1 April 2022.
- (2) This scheme applies in relation to the billing authority in England known as Northumberland County Council.
- (3) This Council Tax Support Scheme is implemented by Northumberland County Council and is intended to assist people in financial need, by the award of support in their council tax liability. The Government has prescribed that the support given to pensioners will not be any less than they would have received under the previous Council Tax Benefit provisions.
- (4) The scheme in respect of pension age applicants is defined by Central Government within the following:
 - Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012;
 - Council Tax Reduction Schemes (Prescribed Requirements and Default Scheme) (England) (Amendment) Regulations 2012;
 - Council Tax Reduction Schemes (Transitional Provision) (England) Regulations 2013;
 - Council Tax Reduction Schemes (Detection of Fraud and Enforcement) (England) Regulations 2013;
 - Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2013;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) (No. 2) Regulations 2014
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2015;
 - The Council Tax Reduction Schemes (Prescribed Requirements) (England) (Amendment) Regulations 2016;
 - The Council Tax Reduction Schemes (Amendment) (England) Regulations 2017;
 - The Council Tax Reduction Schemes (Amendment) (England) Regulations 2018;
 - The Council Tax Reduction Schemes (Amendment) (England) Regulations 2020;
 - The Council Tax Reduction Schemes (Amendment) (England) Regulations 2021
 - The Council Tax Reduction Schemes (Amendment) (England) (Amendment) Regulations 2021 and
 - Local Government Finance Act 1992 (as amended by the Local Government Finance Act 2012)
- (5) For those who have reached the qualifying age for state pension credit, the Council has resolved to enhance the government scheme (as defined by the Council Tax Reduction Scheme (Prescribed Requirements) (England) Regulations 2012) to disregard in full the following:
 - a war disablement pension;
 - a war widow's pension or war widower's pension;
 - 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 guaranteed income payment;
 - 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;
 - 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;
 - 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.

The provisions outlined above, enhance the Central Government's scheme for Pension age applicants

- (6) The incomes outlined within paragraph (5) shall also be disregarded in full for all persons who are not pensioners.

PART 2 Interpretation

2.— Interpretation

(1) In this scheme—

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

“Abbeyfield Home” means an establishment run by the Abbeyfield Society including all bodies corporate or unincorporated which are affiliated to that society;

“adoption leave” means a period of absence from work on ordinary or additional adoption leave by virtue of section 75A or 75B of the Employment Rights Act 1996;

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

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

“applicable amount” means—

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

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

(i) paragraph 26 and Schedule 3; or

(ii) paragraph 28,

as the case may be;

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

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

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

“assessment period” means—

(a) in relation to pensioners—

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

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

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

“attendance allowance” means—

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

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

(c) a payment by virtue of article 14, 15, 16, 43 or 44 of the Personal Injuries (Civilians) Scheme 1983 or any analogous payment; or

(d) any payment based on need for attendance which is paid as part of a war disablement pension;

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

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

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

“board and lodging accommodation” means accommodation provided to a person or, if he is a member of a family, to him or any other member of his family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and

are consumed in that accommodation or associated premises;

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

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

“**child**” means a person under the age of 16;

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

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

“**close relative**” means a parent, parent-in-law, son, son-in-law, daughter, daughter-in-law, step-parent, step-son, step-daughter, brother, sister, or if any of the preceding persons is one member of a couple, the other member of that couple;

“**concessionary payment**” means a payment made under arrangements made by the Secretary of State with the consent of the Treasury which is charged either to the National Insurance Fund or to a Departmental Expenditure Vote to which payments of benefit or tax credits under the benefit Acts or the Tax Credits Act 2002 are charged;

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

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

“**couple**” has the meaning given by paragraph 4;

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

“**earnings**” has the meaning given by paragraph 41, 44, 51 or 53 as the case may be;

“**the Eileen Trust**” means the charitable trust of that name established on 29th March 1993 out of funds provided by the Secretary of State for the benefit of persons eligible for payment in accordance with its provisions;

“**electronic communication**” has the same meaning as in section 15(1) of the Electronic Communications Act 2000;

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

“**the Employment, Skills and Enterprise Scheme**” means a scheme under section 17A (schemes for assisting persons to obtain employment: ““work for your benefit”” schemes etc.) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to assist claimants for 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 and an “**employment zone programme**” means a programme established for such an area or areas designed to assist claimants for a jobseeker's allowance to obtain sustainable employment;

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

“**extended support**” means 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 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;

“the Grenfell Tower charitable funds” means the funds identified in the document entitled “Charity Commission for England and Wales - Grenfell Tower charitable funds update - 29th January 2019”;

“the Grenfell Tower Residents’ Discretionary Fund” means the £5 million fund announced on 16th June 2017 and administered by Westminster City Council for the benefit of households affected by the fire at Grenfell Tower on 14th June 2017;

“Grenfell Tower support payment” means any payment made by the council of the Royal Borough of Kensington and Chelsea to an individual as a result of the fire at Grenfell Tower on 14th June 2017”

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

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

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

“an income-based jobseeker’s allowance” and **“a joint-claim jobseeker’s allowance”** have the meanings given by section 1(4) of the Jobseekers Act 1995;

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

“independent hospital”—

(a) in England means a hospital as defined by section 275 of the National Health Service Act 2006 that is not a health service hospital as defined by that section;

(b) in Wales has the meaning given by section 2 of the Care Standards Act 2000; and

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

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

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

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

“the London Emergencies Trust” means the company of that name (number 09928465) incorporated on 23rd December 2015 and the registered charity of that name (number 1172307) established on 28th March 2017;

“lone parent” means a person who has no partner and who is responsible for and a member of the same household as a child or young person;

“the Macfarlane (Special Payments) Trust” means the trust of that name, established on 29th January 1990 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia;

“the Macfarlane (Special Payments) (No. 2) Trust” means the trust of that name, established on 3rd May 1991 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia and other beneficiaries;

“the Macfarlane Trust” means the charitable trust, established partly out of funds provided by the Secretary of State to the Haemophilia Society, for the relief of poverty or distress among those suffering from haemophilia;

“main phase employment and support allowance” means an employment and support allowance where the calculation of the amount payable in respect of the applicant includes a component under section 2(1)(b) or 4(2)(b) of the Welfare Reform Act 2007 or the applicant is a member of the work-related activity

group 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;

“maximum council tax support amount” means the amount determined in accordance with paragraph 29 or 29A;

“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 council tax liability” means 100% of council tax liability less discounts and exemptions that apply;

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

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

“new dwelling” means, for the purposes of the definition of ““second authority”” and paragraphs 91, 98 and 103, the dwelling to which an applicant has moved, or is about to move, in which the applicant will be resident;

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

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

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

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

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

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

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

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

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

(bb) homeless or otherwise living an unsettled way of life;

“local authority” means a local authority in England within the meaning of the Local Government Act 1972;

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

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

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

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

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

(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;

“pension fund holder” means with respect to a personal pension scheme or an occupational pension scheme, the trustees, managers or scheme administrators, as the case may be, of the scheme concerned;

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

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

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

“person treated as not being in Great Britain” has the meaning given by paragraph 21;

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

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

“personal pension scheme” means—

- (a) a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993;
- (b) an annuity contract or trust scheme approved under section 620 or 621 of the Income and Corporation Taxes Act 1988 or a substituted contract within the meaning of section 622(3) of that Act which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(f) of Schedule 36 to the Finance Act 2004;
- (c) a personal pension scheme approved under Chapter 4 of Part 14 of the Income and Corporation Taxes Act 1988 which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(g) of Schedule 36 to the Finance Act 2004;

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

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

“qualifying person” means—

- (a) a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Grenfell Tower charitable funds, the Grenfell Tower Residents’ Discretionary Fund, the Windrush Compensation Scheme or the London Bombings Relief Charitable Fund; or
- (b) a person who has received a Grenfell Tower support payment;

“qualifying contributory benefit” means — (a) severe disablement allowance;

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

“qualifying income-related benefit” means—

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

“qualifying person” means a person in respect of whom payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund”;

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

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

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

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

“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 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;

“the Scottish Infected Blood Support Scheme” means the scheme of that name administered by the

Common Services Agency (constituted under section 10 of the National Health Service (Scotland) Act 1978)

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

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

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

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

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

(a) an employment zone programme;

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

(c) the Employment, Skills and Enterprise Scheme;

“Service User” references in this scheme to an applicant participating as a service user are to

(a) a person who is being consulted by or on behalf of—

(i) the Secretary of State in relation to any of the Secretary of State’s functions in the field of social security or child support or under section 2 of the Employment and Training Act 1973; or

(ii) a body which conducts research or undertakes monitoring for the purpose of planning or improving such functions in their capacity as a person affected or potentially affected by the exercise of those functions or the carer of such a person; or

(b) the carer of a person consulted as described in sub-paragraph (a) where the carer is not being consulted as described in that sub-paragraph

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

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

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

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

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

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

“student” has the meaning given by paragraph 73;

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

“training allowance” means an allowance (whether by way of periodical grants or otherwise) payable—

(a) out of public funds by a Government department or by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise, the Chief Executive of Skills Funding or the Welsh Ministers;

(b) to a person for his maintenance or in respect of a member of his family; and

(c) for the period, or part of the period, during which he is following a course of training or instruction provided by, or in pursuance of arrangements made with, that department or approved by that department in relation to him or so provided or approved by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise or the Welsh Ministers,

but it does not include an allowance paid by any Government department to or in respect of a person by reason of the fact that he is following a course of full-time education, other than under arrangements made under section 2 of the Employment and Training Act 1973, or is training as a teacher;

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

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

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

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

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

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

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

“water charges” means—

(a) as respects England and Wales, any water and sewerage charges under Chapter 1 of Part 5 of the Water Industry Act 1991,

(b) as respects Scotland, any water and sewerage charges established by Scottish Water under a charges scheme made under section 29A of the Water Industry (Scotland) Act 2002,

in so far as such charges are in respect of the dwelling which a person occupies as his home;

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

“the Windrush Compensation Scheme” means—

(a) the scheme of that name operated by the Secretary of State for the purpose of compensating individuals who have suffered loss in connection with being unable to demonstrate their lawful status in the United Kingdom; and

(b) the policy entitled “Windrush Scheme: Support in urgent and exceptional circumstances” which was operated by the Secretary of State for the purpose of compensating individuals who, for urgent and exceptional reasons, required support in advance of the scheme referred to in paragraph (a) of this definition becoming operational;

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

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

- (2) In this scheme, where an amount is to be rounded to the nearest penny, a fraction of a penny must be disregarded if it is less than half a penny and must otherwise be treated as a whole penny.
- (3) For the purpose of this scheme, a person is on an income-based jobseeker's allowance on any day in respect of which an income-based jobseeker's allowance is payable to him and on any day—
 - (a) in respect of which he satisfies the conditions for entitlement to an income-based jobseeker's allowance but where the allowance is not paid because of a reduction in accordance with section 19 or 19A or regulations made under section 17A or 19B of the Jobseekers Act 1995 (circumstances in which a jobseeker's allowance is not payable);
 - (b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income-based jobseeker's allowance is payable to him or would be payable to him but for section 19 or 19A or regulations made under section 17A or 19B of that Act; or
 - (c) in respect of which an income-based jobseeker's allowance would be payable but for a restriction imposed pursuant to section 6B, 7, 8 or 9 of the Social Security Fraud Act 2001 (loss of benefit provisions).
- (4) For the purposes of this scheme, a person is on an income-related employment and support allowance on any day in respect of which an income-related employment and support allowance is payable to him and on any day—
 - (a) in respect of which he satisfies the conditions for entitlement to an income-related employment and support allowance but where the allowance is not paid in accordance with section 18 of the Welfare Reform Act 2007 (disqualification); or
 - (b) which is a waiting day for the purposes of paragraph 2 of Schedule 2 to that Act (employment and support allowance: supplementary provisions) and which falls immediately before a day in respect of which an income-related employment and support allowance is payable to him or would be payable to him but for section 18 of that Act.
- (5) For the purposes of this scheme, two persons must be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.

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

3.— Application of scheme: pensioners and persons who are not pensioners

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

4.— Meaning of “couple”

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

5.— Polygamous marriages

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

6.— Meaning of “family”

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

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

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

8.— Households

- (1) Subject to sub-paragraphs (2) and (3), an applicant and any partner and, where the applicant or his partner is treated (by virtue of paragraph 7) as responsible for a child or young person, that child or young person and any child of that child or young person, are to be treated as members of the same household notwithstanding that any of them is temporarily absent from that household.
- (2) A child or young person is not to be treated as a member of the applicant's household where he is—
 - (a) placed with the applicant or his partner by a local authority under section 22C or 23(2)(a) of the Children Act 1989 or by a voluntary organisation under section 59(1)(a) of that Act, or section 81(2) of the Social Services and Well-being (Wales) Act 2014 (ways in which looked after children are to be accommodated and maintained)”; or
 - (b) placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or
 - (c) placed for adoption with the applicant or his partner in accordance with the Adoption and Children

Act 2002 or the Adoption Agencies (Scotland) Regulations 2009 or the Adoption (Northern Ireland) Order 1987.

- (3) Subject to sub-paragraph (4), sub-paragraph (1) does not apply to a child or young person who is not living with the applicant and who—
- (a) is being looked after by, or in Scotland is in the care of, a local authority under a relevant enactment; or
 - (b) has been placed, or in Scotland boarded out, with a person other than the applicant prior to adoption; or
 - (c) has been placed for adoption in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009.
- (4) The authority must treat a child or young person to whom sub-paragraph (3)(a) applies as being a member of the applicant's household in any 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;
 - (b) the Air Force Act 1955;
 - (c) the Naval Discipline Act 1957;
 - (d) the Matrimonial Proceedings (Children) Act 1958;
 - (e) the Social Work (Scotland) Act 1968;
 - (f) the Family Law Reform Act 1969;
 - (g) the Children and Young Persons Act 1969;
 - (h) the Matrimonial Causes Act 1973;
 - (i) the Children Act 1975;
 - (j) the Domestic Proceedings and Magistrates' Courts Act 1978;
 - (k) the Adoption and Children (Scotland) Act 2007;
 - (l) the Family Law Act 1986;
 - (m) the Children Act 1989;
 - (n) the Children (Scotland) Act 1995; (na) the Children's Hearings (Scotland) Act 2011(c); and
 - (o) the Legal Aid, Sentencing and Punishment of Offenders Act 2012.

9.— Non-dependants

- (1) In this scheme, “non-dependant” means any person, except someone to whom sub-paragraph (2) applies, who normally resides with an applicant or with whom an applicant normally resides.
- (2) This paragraph applies to—
- (a) any member of the applicant's family;
 - (b) if the applicant is polygamously married—
 - (i) where the applicant has (alone or jointly with his partner) an award of universal credit, any—
 - (aa) party to such a marriage other than the applicant's partner; and
 - (bb) any child or young person who is a member of his household and for whom he or his partner or another party to the polygamous marriage is responsible; or
 - (ii) in any other case, any partner of his and any child or young person who is a member of his household and for whom he or one of his partners is responsible;
 - (c) a child or young person who is living with the applicant but who is not a member of his household by virtue of paragraph 8 (households);
 - (d) subject to sub-paragraph (3), any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under section 6 or 7 of the 1992 Act (persons liable to pay council tax);
 - (e) subject to sub-paragraph (3), any person who is liable to make payments on a commercial basis to the applicant or the applicant's partner in respect of the occupation of the dwelling;

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

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

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

(i) that person is a close relative of his or his partner; or

(ii) the tenancy or other agreement between them is other than on a commercial basis;

(b) a person whose liability to make payments in respect of the dwelling appears to the authority to have been created to take advantage of a council tax 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 his becoming so liable, a non-dependant of one or more of the other residents in that dwelling who are so liable for the tax, unless the change giving rise to the new liability was not made to take advantage of a council tax support scheme.

10.— Remunerative work

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

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

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

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

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

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

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

(6) A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any 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, shared parental leave" parental bereavement leave or adoption leave, or is absent from work because he is ill.

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

(a) a sports award has been made, or is to be made, to him; and

(b) no other payment is made or is expected to be made to him.

PART 3 Procedural matters

11. Procedure for support applications and appeals against support decisions

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

12.— Classes of person entitled to support under this scheme

- (1) The classes of person 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.

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

On any day class A consists of any person who is a pensioner—

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

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

On any day class B consists of any person who is a pensioner—

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 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 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount, and
- (g) who has made an application.

15.— Class C: alternative maximum council tax support - pensioners

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

- (a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;
- (b) who, subject to paragraph 19 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;
- (c) in respect of whom a maximum council tax 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 the same paragraph of section 6(2)(a) to (e) of the 1992 Act where two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

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

- (1) 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 19A (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 is less than his applicable amount, and
 - (f) who has made an application.

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

- (1) 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 19A (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 his case; and
 - (ii) amount B is $2 \frac{6}{7}$ per cent of the difference between his income for the relevant week and his applicable amount, and
 - (g) who has made an application.

18.— Class F: alternative maximum council tax support -persons who are not pensioners

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

19.— Periods of absence from a dwelling - pensioners

- (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 in Great Britain;
 - (ii) the part of the dwelling in which he usually resided is not let or sub-let; and
 - (iii) that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,
 where he has entered the accommodation for the purpose of ascertaining whether it suits his needs and with the intention of returning to the dwelling if it proves not to suit his needs;
 - (b) a period of absence within Great Britain not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as:
 - (i) the person intends to return to the dwelling;
 - (ii) the part of the dwelling in which he usually resided is not let or sub-let;
 - (iii) that period is unlikely to exceed 13 weeks; and
 - (c) a period of absence within Great Britain not exceeding 52 weeks, beginning with the first whole day of that absence, where and for so long as:
 - (i) the person intends to return to the dwelling;
 - (ii) the part of the dwelling in which he usually resided is not let or sub-let;
 - (iii) the person is a person to whom sub-paragraph (3) applies; and
 - (iv) the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period and
 - (d) subject to sub-paragraphs (2F), (3C), (3E) and (3G) and where sub-paragraph (2E) applies, a period of absence outside Great Britain not exceeding 4 weeks, beginning with the first day of that absence from Great Britain where and for so long as:

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

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

(2B) Where:

- (a) a person returns to Great Britain after a period of absence from Great Britain (period A);
- (b) that person has been absent from the dwelling, including any absence within Great Britain, for less than 13 weeks beginning with the first day of absence from that dwelling; and
- (c) at the outset of, or during, period A, period A ceased to be treated as a period of temporary absence, then any day that follows period A and precedes the person's return to the dwelling, shall not be treated as a period of temporary absence under sub-paragraph (2)(b).

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

(2D) Where:

- (a) a person returns to Great Britain after a period of absence from Great Britain (period A);
- (b) that person has been absent from the dwelling, including any absence within Great Britain, for less than 52 weeks beginning with the first day of absence from that dwelling; and
- (c) at the outset of, or during, period A, period A ceased to be treated as a period of temporary absence, then, any day that follows period A and precedes the person's return to the dwelling, shall not be treated as a period of temporary absence under sub-paragraph (2)(c).

(2E) This sub-paragraph applies where:

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

(2F) If the temporary absence referred to in sub-paragraph (2)(d) is in connection with the death of:

- (a) the person's partner or a child or young person for whom the person or the person's partner is responsible;
 - (b) the person's close relative;
 - (c) the close relative of the person's partner; or
 - (d) the close relative of a child or young person for whom the person or the person's partner is responsible,
- then the period of 4 weeks in the opening words of sub-paragraph (2)(d) may be extended by up to 4 further weeks if the relevant authority considers it unreasonable to expect the person to return to Great Britain within the first 4 weeks (and the reference in sub-paragraph (iii) of that paragraph to a period of 4 weeks shall, where the period is extended, be taken as referring to the period as so extended).

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

- (a) is detained in custody on remand pending trial or required, as a condition of bail, to reside—
 - (i) in a dwelling, other than the dwelling referred to in sub-paragraph (1), or
 - (ii) in premises approved under section 13 of the Offender Management Act 2007, or is detained in custody pending sentence upon conviction;
- (b) is resident in a hospital or similar institution as a patient;
- (c) is undergoing, or whose partner or dependent child is undergoing, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
- (d) is following, a training course;
- (e) is undertaking medically approved care of a person;
- (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 receiving medically approved care provided in accommodation other than residential accommodation;
- (h) is a student;

(i) is receiving care provided in residential accommodation and is not a person to whom sub-paragraph (2)(a) applies; or

(j) has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.

(3A) This sub-paragraph applies to a person (“P”) who is:

(a) detained in custody on remand pending trial;

(b) detained pending sentence upon conviction; or

(c) as a condition of bail required to reside—

(i) in a dwelling, other than a dwelling P occupies as P’s home; or

(ii) in premises approved under section 13 of the Offender Management Act 2007(7),

and who is not also detained in custody following sentence upon conviction.

(3B) This sub-paragraph applies where:

(a) a person is temporarily absent from Great Britain;

(b) the person is a member of Her Majesty’s forces posted overseas, a mariner or a continental shelf worker;

(c) immediately before that period of absence from Great Britain, the person was not absent from the dwelling.

(3C) Where sub-paragraph (3B) applies, a period of absence from Great Britain not exceeding 26 weeks, beginning with the first day of absence from Great Britain, shall be treated as a period of temporary absence where and for so long as:

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

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

(c) the period of absence from Great Britain is unlikely to exceed 26 weeks.

(3D) This sub-paragraph applies where—

(a) a person is temporarily absent from Great Britain;

(b) the person is a person described in any of paragraphs (b), (c), (g) or (j) of sub-paragraph (3);

(c) immediately before that period of absence from Great Britain, the person was not absent from the dwelling.

(3E) Where sub-paragraph (3D) applies, a period of absence from Great Britain not exceeding 26 weeks, beginning with the first day of absence from Great Britain, shall be treated as a period of temporary absence where and for so long as:

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

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

(c) the period of absence is unlikely to exceed 26 weeks, or in exceptional circumstances, is unlikely substantially to exceed that period.

(3F) This sub-paragraph applies where:

(a) a person is temporarily absent from Great Britain;

(b) the person is a person described in any of paragraphs (a), (d), (e), (f), (h) or (i) of sub-paragraph (3);

(c) immediately before that period of absence from Great Britain, the person was not absent from the dwelling.

(3G) Where sub-paragraph (3F) applies, a period of absence from Great Britain not exceeding 4 weeks, beginning with the first day of absence from Great Britain, shall be treated as a period of temporary absence where and for so long as:

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

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

(c) the period of absence is unlikely to exceed 4 weeks, or in exceptional circumstances, is unlikely substantially to exceed that period.”;

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

(a) detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983, or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995 or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986); and

(b) on temporary release from detention in accordance with Rules made under the provisions of the

Prison Act 1952 or the Prisons (Scotland) Act 1989.

- (5) Where sub-paragraph (4) applies to a person, then, for any day when he is on temporary release—
- (a) if such temporary release was immediately preceded by a period of temporary absence under sub-paragraph (2)(b) or (c), he must be treated, for the purposes of sub-paragraph (1), as if he continues to be absent from the dwelling, despite any return to the dwelling;
 - (b) for the purposes of sub-paragraph (3A), he must be treated as if he remains in detention;
 - (c) if he does not fall within paragraph (a), he is not to be considered to be a person who is liable to pay council tax in respect of a dwelling of which he is a resident.
- (6) In this paragraph—
- “continental shelf worker” means a person who is employed, whether under a contract of service or not, in a designated area or a prescribed area in connection with any of the activities mentioned in section 11(2) of the Petroleum Act 1998;
 - “designated area” means any area which may from time to time be designated by Order in Council under the Continental Shelf Act 1964 as an area within which the rights of the United Kingdom with respect to the seabed and subsoil and their natural resources may be exercised;
 - “mariner” means a person who is employed under a contract of service either as a master or member of the crew of any ship or vessel, or in any other capacity on board any ship or vessel, where—
 - (a) the employment in that capacity is for the purposes of that ship or vessel or its crew or any passengers or cargo or mails carried by the ship or vessel; and
 - (b) the contract is entered into in the United Kingdom with a view to its performance (in whole or in part) while the ship or vessel is on its voyage;”;
 - “medically approved” means certified by a medical practitioner;
 - “member of Her Majesty’s forces posted overseas” means a person who is a member of the regular forces or the reserve forces (within the meaning of section 374 of the Armed Forces Act 2006(10)), who is absent from the main dwelling because the person has been posted outside of Great Britain to perform the duties of a member of Her Majesty’s regular forces or reserve forces;
 - “patient” means a person who is undergoing medical or other treatment as an in-patient in any hospital or similar institution;
 - “prescribed area” means any area over which Norway or any member State (other than the United Kingdom) exercises sovereign rights for the purpose of exploring the seabed and subsoil and exploiting their natural resources, being an area outside the territorial seas of Norway or such member State, or any other area which is from time to time specified under section 10(8) of the Petroleum Act 1998;”
 - “residential accommodation” means accommodation which is provided in:
 - (a) a care home;
 - (b) an independent hospital;
 - (c) an Abbeyfield Home; or
 - (d) an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services authority;
 - “training course” means a course of training or instruction provided wholly or partly by or on behalf of or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

19A.0 Periods of absence from a dwelling - persons who are not pensioners

- (1) A person is not absent from a dwelling in relation to any day which falls within a period of temporary absence from that dwelling.
- (2) In sub-paragraph (1), a “period of temporary absence” means
- (a) a period of absence not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation where and for so long as—
 - (i) the person resides in that accommodation;
 - (ii) the part of the dwelling in which he usually resided is not let or sub-let; and
 - (iii) that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,where he has entered the accommodation for the purpose of ascertaining whether it suits his needs and with the intention of returning to the dwelling if it proves not to suit his needs;
 - (b) a period of absence not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as:

- (i) the person intends to return to the dwelling;
- (ii) the part of the dwelling in which he usually resided is not let or sub-let; and
- (iii) that period is unlikely to exceed 13 weeks; and
- (c) a period of absence not exceeding 52 weeks, beginning with the first whole day of that absence, where and for so long as:
 - (i) the person intends to return to the dwelling;
 - (ii) the part of the dwelling in which he usually resided is not let or sub-let;
 - (iii) the person is a person to whom sub-paragraph (3) applies; and
 - (iv) the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period.

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

- (a) is detained in custody on remand pending trial or required, as a condition of bail, to reside—
 - (i) in a dwelling, other than the dwelling referred to in sub-paragraph (1), or
 - (ii) in premises approved under section 13 of the Offender Management Act 2007,
 or is detained in custody pending sentence upon conviction;
- (b) is resident in a hospital or similar institution as a patient;
- (c) is undergoing, or whose partner or dependent child is undergoing, in the United Kingdom or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;
- (d) is following, in the United Kingdom or elsewhere, a training course;
- (e) is undertaking medically approved care of a person residing in the United Kingdom or elsewhere;
- (f) is undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care or medical treatment;
- (g) is, in the United Kingdom or elsewhere, receiving medically approved care provided in accommodation other than residential accommodation;
- (h) is a student;
- (i) is receiving care provided in residential accommodation and is not a person to whom sub-paragraph (2)(a) applies; or
- (j) has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.

(4) This sub-paragraph applies to a person who is

- (a) detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983 (as amended by the Mental Health (Discrimination) Act 2013), or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995 or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986); and
- (b) on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952 or the Prisons (Scotland) Act 1989.

(5) Where sub-paragraph (4) applies to a person, then, for any day when he is on temporary release—

- (a) if such temporary release was immediately preceded by a period of temporary absence under sub-paragraph (2)(b) or (c), he must be treated, for the purposes of sub-paragraph (1), as if he continues to be absent from the dwelling, despite any return to the dwelling;
- (b) for the purposes of sub-paragraph (3)(a), he must be treated as if he remains in detention;
- (c) if he does not fall within paragraph (a), he is not to be considered to be a person who is liable to pay council tax in respect of a dwelling of which he is a resident.

(6) In this paragraph—

- “medically approved” means certified by a medical practitioner;
- “patient” means a person who is undergoing medical or other treatment as an in-patient in any hospital or similar institution;
- “residential accommodation” means accommodation which is provided in
 - (a) a care home;
 - (b) an independent hospital;
 - (c) an Abbeyfield Home; or
 - (d) an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services authority;

“training course” means a course of training or instruction provided wholly or partly by or on behalf of

or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

PART 5 Classes of person excluded from this scheme

20. Classes of person excluded from this scheme

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

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

- (1) The class of person described in this paragraph consists of any person treated as not being in Great Britain.
- (2) Except where a person falls within sub-paragraph (5) or (6), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.
- (3) A person must not be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland unless the person has a right to reside in one of those places.
- (4) For the purposes of sub-paragraph (3), a right to reside does not include a right which exists by virtue of, or in accordance with—
 - (a) regulation 13 of the EEA Regulations;
 - (aa) regulation 14 of the EEA Regulations but only in a case where the right exists under that regulation where the person is -
 - (i) a jobseeker for the purpose of the definition of a ‘qualified person’ in regulation 6(1) of those regulations, or,
 - (ii) a family member (within the meaning of regulation 7 of those regulations) of such a jobseeker
 - (b) regulation 16 of the EEA Regulations, but only in a case where the right exists under that regulation because the applicant satisfies the criteria in paragraph 5 of that regulation.
- (4A) For the purposes of paragraph (3), a right to reside does not include a right which exists by virtue of a person having been granted limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971 by virtue of—
 - (a) article 3 (grant of leave to EEA and Swiss nationals) of the Immigration (European Economic Area Nationals) (EU Exit) Order 2019 made under section 3A of that Act;
 - (b) Appendix EU to the immigration rules made under section 3(2) of that Act; or
 - (c) being a person with a Zambrano right to reside as defined in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of that Act.”;
- (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 sub-paragraph (a) within the meaning of regulation 7(1)(a), (b) or (c) of the EEA Regulations;
 - (c) a person who has a right to reside permanently in the United Kingdom by virtue of regulation 15(1)(c), (d) or (e) of the EEA Regulations;
 - (d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;
 - (e) a person who has been granted, or who is deemed to have been granted, leave outside the rules made under section 3(2) of the Immigration Act 1971¹ where that leave is—
 - (i) discretionary leave to enter or remain in the United Kingdom,
 - (ii) leave to remain under the Destitution Domestic Violence concession which came into effect on 1st April 2012, or
 - (i) leave deemed to have been granted by virtue of regulation 3 of the Displaced Persons (Temporary Protection) Regulations 2005.
 - (f) a person who has humanitarian protection granted under those rules;

¹ As amended by the Immigration Act 2014 and the Immigration Act 2014 (Commencement No. 2) Order 2014

- (g) a person who is not a person subject to immigration control within the meaning of section 115(9) of the Immigration and Asylum Act 1999 and who is in the United Kingdom as a result of his deportation, expulsion or other removal by compulsion of law from another country to the United Kingdom;
- (h) in receipt of income support or on an income-related employment and support allowance or
- (ha) in receipt of an income-based jobseeker's allowance and has a right to reside other than a right to reside falling within paragraph (4).

Transitional provision

The amendment in regulation 21(5) of this policy (or 2(4) for the purposes of SI3312/2014) does not apply to a person who, on 31st March 2015 -

- (a) is liable to pay council tax at a reduced rate by virtue of a council tax support under an authority's scheme established under section 13A(2) of the Act; and
- (b) is entitled to an income-based jobseekers allowance, until the first of the events in paragraph (2) occurs.

The events are -

- (a) the person makes a new application for support under and authority's scheme established under section 13A(2) of the Act; or
- (b) the person ceased to be entitled to an income-based jobseeker's allowance.

In this regulation "the Act" means the Local Government Finance Act 1992.

- (6) A person falls within this sub-paragraph if the person is a Crown servant or member of Her Majesty's forces posted overseas.
- (7) A person mentioned in sub-paragraph (6) is posted overseas if the person is performing overseas the duties of a Crown servant or member of Her Majesty's forces and was, immediately before the posting or the first of consecutive postings, habitually resident in the United Kingdom.
- (8) In this paragraph—
 - "claim for asylum" has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999;
 - "EEA Regulations" means the Immigration (European Economic Area) Regulations 2006.

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

- (1) Subject to paragraph (1A), persons subject to immigration control are not entitled to support under this scheme.
- (1A) A person who is a national of a state which has ratified the European Convention on Social and Medical Assistance (f) (done in Paris on 11th December 1953) or a state which has ratified the Council of Europe Social Charter (signed in Turin on 18th October 1961) and who is lawfully present in the United Kingdom is not a person subject to immigration control for the purpose of paragraph (1).
- (2) "Person subject to immigration control" has the meaning given in section 115(9) of the Immigration and Asylum Act 1999.

23.— Class of person excluded from this scheme: capital limit

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

24. - Class of person excluded from this scheme: students

The class of person described in this paragraph consists of any student to whom paragraph 75(1) applies.

PART 6 Applicable amounts

25.— Applicable amounts: pensioners

- (1) The applicable amount for a pensioner for a week is the aggregate of such of the following amounts as apply in his case—
 - (a) an amount in respect of his personal allowance, determined in accordance with paragraph 1 of Schedule 2 (personal allowance);

- (b) an amount determined in accordance with paragraph 2 of that Schedule in respect of up to two individuals who are either children or young persons and who are members of his family
- (c) if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of that Schedule (family premium);
- (d) the amount of any premiums which may be applicable to him, determined in accordance with Parts 3 and 4 of that Schedule (premiums).

(1A) For the purposes of sub-paragraph (1)(b) as it applies apart from sub-paragraph (1C), where the family includes more than two individuals who are either children or young persons and under paragraph 2 of that Schedule a different amount applies to different individuals, the two amounts to be included in the applicable amount shall be those that result in the greatest possible total amount.

(1B) Sub-paragraph (1C) applies where—

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

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

(1C) Where this paragraph applies, for sub-paragraph (1)(b) substitute—

(b) an amount determined in accordance with paragraph 2 of that Schedule in respect of any child or young person who is a member of his family and in respect of whom the individual element of child tax credit has been included in the determination of the maximum rate of that credit;”.

(2) In Schedule 2—

“additional spouse” means a spouse 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.

26.— Applicable amounts: persons who are not pensioners

(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 or, if he is a member of a couple, an amount in respect of both of them, determined in accordance with paragraph 1 of Schedule 3;

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

(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 other party to the marriage;

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

“patient” means a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005.

27.— Polygamous marriages: persons who are not pensioners

- (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;
 - (d) if he or another partner of the polygamous marriage is responsible for a child or young person who is a member of the same household, the amount specified in Part 2 of that Schedule (family premium);
 - (e) the amount of any premiums which may be applicable to him determined in accordance with Parts 3 and 4 of that Schedule (premiums);
 - (f) the amount of either the—
 - (i) work-related activity component; or
 - (ii) support component,which may be applicable to him in accordance with Parts 5 and 6 of that Schedule (the components);
 - (g) the amount of any transitional addition which may be applicable to him in accordance with Parts 7 and 8 of that Schedule (transitional addition).

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

- (1) Subject to sub-paragraph (2), in determining the applicable amount for a week of an applicant who is not a pensioner—
 - (a) who has, or
 - (b) who (jointly with his partner) has,an award of universal credit, the authority must use the calculation or estimate of the maximum amount of the applicant, or the applicant and his partner jointly (as the case may be), subject to the adjustment described in sub-paragraph (3).
- (2) In determining the applicable amount for a week of an applicant who is a member of a polygamous marriage, the fact that two people are husband and wife is to be disregarded if—
 - (a) one of them is a party to an earlier marriage that still subsists; and
 - (b) the other party to that earlier marriage is living in the same household.
- (3) The adjustment referred to in sub-paragraph (1) is to multiply the maximum amount by 12 and divide the product by 52.
- (4) In this paragraph “maximum amount” means the maximum amount calculated by the Secretary of State in accordance with section 8(2) of the Welfare Reform Act 2012.

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

29.— Maximum council tax support amount under this scheme: pensioners

- (1) Subject to sub-paragraphs (2) to (4), a person's maximum council tax support amount in respect of a day is 100 per cent of the amount A/B where—
 - (a) A is the amount set by the authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and
 - (b) B is the number of days in that financial year,
- (2) In calculating a person's maximum council tax support under this scheme any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in,

or made under, the 1992 Act (other than 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.

29A.— Maximum council tax support amount under this scheme: persons who are not pensioners

- (1) Subject to sub-paragraphs (2) to (4), a person's maximum council tax support amount in respect of a day is **100 per cent** of the amount A/B where—
 - (a) A is the amount set by the authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and
 - (b) B is the number of days in that financial year,
- (2) In calculating a person's maximum council tax support under this scheme any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act (other than 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.

29B - Deduction from an award of council tax support under this scheme: persons who are not pensioners

- (1) Where any award of council tax support is granted to a person who is not a pensioner, the award shall be reduced by an amount of 8%.
- (2) For the avoidance of doubt, any award of council tax support in respect of any claim received from a person who is not a pensioner or any entitlement shall be reduced by an amount of 8%.

30.— Non-dependant deductions: pensioners and persons who are not pensioners

- (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, $£12.40 \times \frac{1}{7}$;
 - (b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply, $£4.05 \times \frac{1}{7}$.
- (2) In the case of a non-dependant aged 18 or over to whom sub-paragraph (1)(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is—
 - (a) less than £217.00, the deduction to be made under this paragraph is that specified in subparagraph (1)(b);
 - (b) not less than £217.00 but less than £377.00, the deduction to be made under this paragraph is $£8.25 \times \frac{1}{7}$

(c) not less than £377.00 but less than £469.00, the deduction to be made under this paragraph is £10.35 x 1/7

- (3) Only one deduction is to be made under this paragraph in respect of a couple or, as the case may be, members of a polygamous marriage (other than where there is an award of universal credit) and, where, but for this paragraph, the amount that would fall to be deducted in respect of one member of a couple or polygamous marriage is higher than the amount (if any) that would fall to be deducted in respect of the other, or any other, member, the higher amount is to be deducted.
- (4) In applying the provisions of sub-paragraph (2) in the case of a couple or, as the case may be, a polygamous marriage, regard must be had, for the purpose of that sub-paragraph, to the couple's or, as the case may be, all members of the polygamous marriage's joint weekly gross income.
- (5) Where in respect of a day—
- (a) a person is a resident in a dwelling but is not himself liable for council tax in respect of that dwelling and that day;
 - (b) other residents in that dwelling (the liable persons) have joint and several liability for council tax in respect of that dwelling and that day otherwise than by virtue of section 9 of the 1992 Act (liability of spouses and civil partners); and
 - (c) the person to whom paragraph (a) refers is a non-dependant of two or more of the liable persons, the deduction in respect of that non-dependant must be apportioned equally between those liable persons.
- (6) No deduction is to be made in respect of any non-dependants occupying an applicant's dwelling if the applicant or his partner is—
- (a) 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 it in accordance with any terms of the armed and reserve forces compensation scheme which allows for a suspension because a person is undergoing medical treatment in a hospital or similar institution.
- (7) No deduction is to be made in respect of a non-dependant if—
- (a) although he resides with the applicant, it appears to the authority that his normal home is elsewhere; or
 - (b) he is in receipt of a training allowance paid in connection with youth training established under section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990; or
 - (c) he is a full-time student within the meaning of Part 11 (students); or
 - (d) he is not residing with the applicant because he has been a patient for a period in excess of 52 weeks, and for these purposes—
 - (i) "patient" has the meaning given in paragraph 19(6), and
 - (ii) where a person has been a patient for two or more distinct periods separated by one or more intervals each not exceeding 28 days, he is to be treated as having been a patient continuously for a period equal in duration to the total of those distinct periods.
 - (e) he is not residing with the applicant because he is a member of the regular forces or the reserve forces (within the meaning of section 374 of the Armed Forces Act 2006(a)) who is absent, while on operations, from the dwelling usually occupied as their home.
- (8) No deduction is to be made in respect of a non-dependant—

(a) who is on income support, state pension credit, an income-based jobseeker's allowance or an income-related employment and support allowance;

(b) to whom Schedule 1 to the 1992 Act applies (persons disregarded for purposes of discount) but this paragraph does not apply to a non-dependant who is a student to whom paragraph 4 of that Schedule refers; or

(c) who is entitled to an award of universal credit where the award is calculated on the basis that the person does not have any earned income.

(9) In the application of sub-paragraph (2) there is to be disregarded from the non-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, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund or the Independent Living Fund (2006) which, had his income fallen to be calculated under paragraph 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);

(d) any payment made under, or by, a trust which is approved by the Secretary of State and which is established for the purpose of giving relief and assistance to a disabled person whose disability was caused by their mother having taken a preparation containing the drug known as Thalidomide during her pregnancy.

(10) For the purposes of sub-paragraph (8), "earned income" has the meaning given in regulation 52 of the Universal Credit Regulations 2013.

PART 8 Alternative maximum council tax support for the purposes of calculating eligibility for support under this scheme and amount of support: Pensioners and persons who are not pensioners

31.— Alternative maximum council tax support under this scheme: pensioners and persons who are not pensioners

- (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

32.— Amount of support under this scheme: Classes A to F

- (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 or D, 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 or E, 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) or 17(f), as the case may be.
- (4) Where the person is within class C or F, that amount is the amount, which is the alternative maximum council tax support in respect of the day in the applicant's case.
- (5) Sub-paragraph (6) applies where both:
 - (a) sub-paragraph (2) or sub-paragraph (3), and
 - (b) sub-paragraph (4),apply to a person.
- (6) The amount of the support to which the person is entitled is whichever is the greater of:
 - (a) the amount of the support given by sub-paragraph (2) or sub-paragraph (3), as the case may be, and
 - (b) the amount of the support given by sub-paragraph (4).

PART 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

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

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

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

- (1) Sub-paragraph (2) applies where it appears to the authority that a non-dependant and an applicant have entered into arrangements in order to take advantage of this scheme and the non-dependant has more income and capital than the applicant.
- (2) Except where—
 - (a) the applicant is a pensioner and is on a guarantee credit, or
 - (b) the applicant is not a pensioner and is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance,the authority must treat the applicant as possessing income and capital belonging to that non-dependant and, in such a case, any income and capital which the applicant does possess is to be disregarded.
- (3) Where an applicant is treated as possessing income and capital belonging to a non-dependant under sub-paragraph (2) the income and capital of that non-dependant must be calculated in accordance with the following provisions of this Part in like manner as for the applicant and, except where the context otherwise requires, any reference to the "applicant" is to be construed for the purposes of this Part as if it were a reference to that non-dependant.

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

35. – Applicant in receipt of guarantee credit: pensioners

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

36.— Calculation of applicant's income and capital in savings credit only cases: pensioners

- (1) In determining the income and capital of an applicant who is a pensioner and who has, or whose partner has, an award of state pension credit comprising only the savings credit, subject to the following provisions of this paragraph, the authority must use the calculation or estimate of the applicant's or as the case may be, the applicant's partner's income and capital made by the Secretary of State for the purpose of determining the award of state pension credit.
- (2) Where the calculation or estimate provided by the Secretary of State includes the amount taken into account in that determination in respect of net income, the authority may only adjust that amount so far as necessary to take into account—
 - (a) the amount of any savings credit payable;
 - (b) in respect of any dependent children of the applicant, child care charges taken into account under paragraph 57(1)(c) (calculation of income on a weekly basis);
 - (c) the higher amount disregarded under this scheme in respect of—

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

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

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

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

(6) In determining the capital of an applicant—

- (a) who has, or
- (b) who (jointly with his partner) has,

an award of universal credit, the authority must use the calculation or estimate of the capital of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.

CHAPTER 4 Income: other pensioners

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

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

39.— Meaning of “income”: pensioners

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

- (b) working tax credit;
- (c) retirement pension income within the meaning of the State Pension Credit Act 2002;
- (d) income from annuity contracts (other than retirement pension income);
- (e) a war disablement pension or war widow's or widower's pension;
- (f) a foreign war disablement pension or war widow's or widower's pension;
- (g) a guaranteed income payment;
- (h) a payment made under article 29(1)(c) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011, in any case where article 31(2)(c) applies;
- (i) income from capital other than capital disregarded under Part 1 of Schedule 9;
- (j) social security benefits, other than retirement pension income or any of the following benefits—
 - (i) disability living allowance;
 - (ii) personal independence payment;
 - (iii) an AFIP;
 - (iv) attendance allowance payable under section 64 of the SSCBA (entitlement to attendance allowance);
 - (v) an increase of disablement pension under section 104 (increase for constant attendance) or 105 of that Act (increase for exceptionally severe disablement);
 - (vi) child benefit;
 - (vii) any guardian's allowance payable under section 77 of the SSCBA (guardian's allowance);
 - (viii) any increase for a dependant, other than the applicant's partner, payable in accordance with Part 4 of that Act (increases for dependants);
- (ix) any—
 - (aa) social fund payment made under Part 8 of the SSCBA (the social fund), or
 - (bb) occasional assistance;
- (x) Christmas bonus payable under Part 10 of that Act (Christmas bonus for pensioners);
- (xi) housing benefit;
- (xii) council tax benefit;
- (xiii) bereavement payment;
- (xiv) statutory sick pay;
- (xv) statutory maternity pay;
- (xvi) ordinary statutory paternity pay payable under Part 12ZA of the SSCBA;
- (xvii) additional statutory paternity pay payable under Part 12ZA of the SSCBA;

- (xviii) statutory adoption pay payable under Part 12ZB of that Act (statutory adoption pay);
- (xix) any benefit similar to those mentioned in the preceding provisions of this paragraph payable under legislation having effect in Northern Ireland;
- (k) all foreign social security benefits which are similar to the social security benefits mentioned above;
- (l) a payment made—
 - (i) under article 30 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (award for children who have reached the child's age limit), in any case where article 30(1)(b) applies; or
 - (ii) under article 12(8) of that Order (unemployability allowances: children who have reached the child's age limit), in any case where sub-paragraph (b) of that article applies;
- (m) a pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria;
- (n) payments under a scheme made under the Pneumoconiosis etc. (Worker's Compensation) Act 1979;
- (o) payments made towards the maintenance of the applicant by his spouse, civil partner, former spouse or former civil partner or towards the maintenance of the applicant's partner by his spouse, civil partner, former spouse or former civil partner, including payments made—
 - (i) under a court order;
 - (ii) under an agreement for maintenance; or
 - (iii) voluntarily;
- (p) payments due from any person in respect of board and lodging accommodation provided by the applicant;
- (q) royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark;
- (r) any payment in respect of any—
 - (i) book registered under the Public Lending Right Scheme 1982; or
 - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982;
- (s) any payment, other than a payment ordered by a court or made in settlement of a claim, made by or on behalf of a former employer of a person on account of the early retirement of that person on grounds of ill-health or disability;
- (t) any sum payable by way of pension out of money provided under—
 - (i) the Civil List Act 1837,
 - (ii) the Civil List Act 1937,
 - (iii) the Civil List Act 1952,
 - (iv) the Civil List Act 1972, or
 - (v) the Civil List Act 1975;
- (u) any income in lieu of that specified in paragraphs (a) to (r);
- (v) any payment of rent made to an applicant who—
 - (i) owns the freehold or leasehold interest in any property or is a tenant of any property;
 - (ii) occupies part of the property; and
 - (iii) has an agreement with another person allowing that person to occupy that property on payment of rent;
- (w) any payment made at regular intervals under an equity release scheme;
- (x) PPF periodic payments within the meaning of section 17(1) of the State Pension Credit Act 2002.

- (2) Where the payment of any social security benefit referred to in sub-paragraph (1) or retirement pension income to which section 16(1)(za) to (e) of the State Pension Credit Act 2002 applies is subject to any deduction (other than an adjustment specified in sub-paragraph (4)) the amount to be taken into account under sub-paragraph (1) is to be the amount before the deduction is made.
- (3) Where an award of any working tax credit or child tax credit is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount

to be taken into account under sub-paragraph (1) is to be the amount of working tax credit or child tax credit awarded less the amount of that deduction.

- (4) The adjustments specified in this sub-paragraph are those made in accordance with—
- (a) the Social Security (Overlapping Benefits) Regulations 1979;
 - (b) the Social Security (Hospital In-Patients) Regulations 1975;
 - (c) section 30DD or section 30E of the SSCBA (reductions in incapacity benefit in respect of pensions and councillor's allowances);
 - (d) section 3 of the Welfare Reform Act 2007 (deductions from contributory employment and support allowance in respect of pensions and councillor's allowances) and regulations made under it;
 - (e) section 14 of the Pensions Act 2014 (pension sharing: reduction in sharer's section 4 pension);
 - (f) section 45B or 55B of the Social Security Contributions and Benefits Act 1992 (reduction in additional pension in Category A retirement pension and shared additional pension: pension sharing).
- (5) In sub-paragraph (1)(w), "equity release scheme" means a loan—
- (a) made between a person ("the lender") and the applicant;
 - (b) by means of which a sum of money is advanced by the lender to the applicant by way of payments at regular intervals; and
 - (c) which is secured on a dwelling in which the applicant owns an estate or interest and which he occupies as his home.

40.— Calculation of weekly income: pensioners

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

(iii) calculating or estimating such other payments as may, in the particular circumstances of the case, enable the applicant's average weekly income to be determined more accurately.

- (3A) Income calculated pursuant to sub-paragraphs (2) and (3) must be taken into account-
- (a) in the case of an application, on the date on which the application was made or treated as made, and the first day of each support week thereafter;
 - (b) in the case of an application or support under a scheme where the applicant commences employment, the first day of the support week following the date the applicant commences that employment, and the first day of each support week thereafter; or
 - (c) in the case of an application or support under a scheme where the applicant's average weekly earnings from employment change, the first day of the support week following the date the applicant's earnings from employment change so as to require recalculation under this paragraph, and the first day of each support week thereafter,
- regardless of whether those earnings were actually received in that support week.
- (4) For the purposes of sub-paragraph (3)(b) the last payments are the last payments before the date the application was made or treated as made.
- (4A) An applicant's earnings from employment as an employed earner not calculated pursuant to sub-paragraphs (2) and (3) must be taken into account -
- (a) In the case of an application, on the date on which the application was made or treated as made, and the first day of each support week thereafter;
 - (b) In the case of an application or support under a scheme where the applicant commences employment, the first day of the support week following the date the applicant commences that employment, and the first day of each support week thereafter; or
 - (c) in the case of an application or support under a scheme where the applicant's average weekly earnings from employment change, the first day of the support week following the date of the change, and the beginning of each support week thereafter,
- regardless of whether those earnings were actually received in that support week.
- (5) If the applicant is entitled to receive a payment to which sub-paragraph (6) applies, the amount of that payment is to be treated as if made in respect of a period of a year.
- (6) This sub-paragraph applies to—
- (a) royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark;
 - (b) any payment in respect of any—
 - (i) book registered under the Public Lending Right Scheme 1982; or
 - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982; and
 - (c) any payment which is made on an occasional basis.
- (7) The period under which any benefit under the benefit Acts is to be taken into account is to be the period in respect of which that benefit is payable.
- (8) Where payments are made in a currency other than Sterling, the value of the payment is to be determined by taking the Sterling equivalent on the date the payment is made.
- (9) The sums specified in Schedule 5 are to be disregarded in calculating—
- (a) the applicant's earnings; and
 - (b) any amount to which sub-paragraph (6) applies where the applicant is the first owner of the copyright, design, patent or trademark, or an original contributor to the book or work referred to in sub-paragraph (6)(b).
- (10) For the purposes of sub-paragraph (9)(b), and for that purpose only, the amounts specified in sub-paragraph (6) is to be treated as though they were earnings.
- (11) Income specified in Schedule 6 is to be disregarded in the calculation of the applicant's income.
- (12) Schedule 9 (capital disregards: pensioners) has effect so that—
- (a) the capital specified in Part 1 is disregarded for the purpose of determining an applicant's income; and
 - (b) the capital specified in Part 2 is disregarded for the purpose of determining an applicant's income under paragraph 71 (calculation of tariff income from capital: pensioners).

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

41.— Earnings of employed earners: pensioners

- (1) Subject to sub-paragraph (2), “earnings”, in the case of employment as an employed earner who is a pensioner, means any remuneration or profit derived from that employment and includes—
- (a) any bonus or commission;
 - (b) any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
 - (c) any payment in lieu of notice;
 - (d) any holiday pay;
 - (e) any payment by way of a retainer;
 - (f) any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of—
 - (i) travelling expenses incurred by the applicant between his home and place of employment;
 - (ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;
 - (g) the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001;
 - (h) statutory sick pay 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 in respect of unfair dismissal or unlawful discrimination;
 - (f) any payment in respect of expenses arising out of the applicant participating as a service user.
- (3) Sub-paragraph (2)(a) does not apply in respect of any non-cash voucher referred to in sub-paragraph (1)(g).

42.— Calculation of net earnings of employed earners: pensioners

- (1) For the purposes of paragraph 57 (calculation of income on a weekly basis), the earnings of an applicant who is a pensioner derived or likely to be derived from employment as an employed earner to be taken into account must, subject to paragraph 40(5) and Schedule 5 (sums to be disregarded from earnings: pensioners), be his net earnings.
- (2) For the purposes of sub-paragraph (1) net earnings must, except where sub-paragraph (5) applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less—
- (a) any amount deducted from those earnings by way of—
 - (i) income tax;
 - (ii) primary Class 1 contributions under the SSCBA;
 - (b) one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;

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

(d) where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, 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 (personal allowances) as is appropriate to his circumstances but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph is to be calculated on a pro rata basis;
- (b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the SSCBA in respect of those earnings if such contributions were payable; and
- (c) one-half of any sum which would be payable by the applicant by way of a contribution towards an occupational or personal pension scheme, if the earnings so estimated were actual earnings.

43.— Calculation of earnings of self-employed earners: pensioners

- (1) Where the earnings of an applicant who is a pensioner consist of earnings from employment as a self-employed earner, the weekly amount of his earnings is to be determined by reference to his average weekly earnings from that employment—
- (a) over a period of one year; or
- (b) where the applicant has recently become engaged in that employment or there has been a change which is likely to affect the normal pattern of business, over such other period (“computation period”) as may, in the particular case, enable the weekly amount of his earnings to be determined more accurately.
- (2) For the purposes of determining the weekly amount of earnings of an applicant to whom sub-paragraph (1)(b) applies, his earnings over the computation period are to be divided by the number equal to the number of days in that period and the product multiplied by 7.
- (3) The period over which the weekly amount of an applicant's earnings is calculated in accordance with this paragraph is to be his assessment period.

44.— Earnings of self-employers earners: pensioners

- (1) Subject to sub-paragraph (2), “earnings”, in the case of employment as a self-employed earner who is a pensioner, means the gross income of the employment.
- (2) “Earnings” in the case of employment as a self-employed earner does not include:
- (a) where an applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation for which payment is made, those payments;
- (b) any payment made by a local authority to an applicant—
- (i) with whom a person is accommodated by virtue of arrangements made under section 22C or 23(2)(a) of the Children Act 1989 or, as the case may be, section 26 or 26A of the Children (Scotland) Act 1995; or
- (ii) with whom a local authority fosters a child under the Looked After Children (Scotland) Regulations 2009 or who is a kinship carer under those Regulations;

- (c) any payment made by a voluntary organisation in accordance with section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations);
- (d) any payment made to the applicant or his partner for a person (“the person concerned”) who is not normally a member of the applicant’s household but is temporarily in his care, by—
 - (i) a local authority but excluding payments of housing benefit made in respect of the person concerned;
 - (ii) a voluntary organisation;
 - (iii) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;
 - (iv) the National Health Service Commissioning Board or a clinical commissioning group established under section 14D of the National Health Service Act 2006;
 - (v) a Local Health Board established under section 11 of the National Health Service (Wales) Act 2006; or
 - (vi) the persons concerned where the payment is for the provision of accommodation to meet that person’s needs for care and support under section 35 or 36 of the Social Services and Well-being (Wales) Act 2014 (respectively, duty and power to meet care and support needs of an adult);
- (da) any payment or part of a payment made by a local authority in accordance with section 26A of the Children (Scotland) Act 1995 (duty to provide continuing care) to a person (“A”) which A passes on to the applicant where A—
 - (i) was formerly in the applicant’s care;
 - (ii) is aged 16 or over; and
 - (iii) continues to live with the applicant;
- (db) any payments made to an applicant under section 73(1)(b) of the Children and Young People (Scotland) Act 2014 (kinship care assistance: further provisions)
- (e) any sports award.

45.— Notional income: pensioners

- (1) An applicant who is a pensioner is to be treated as possessing—
 - (a) subject to sub-paragraph (2), the amount of any retirement pension income—
 - (i) for which no claim has been made; and
 - (ii) to which he might expect to be entitled if a claim for it were made;
 - (b) income from an occupational pension scheme which the applicant elected to defer.
- (2) Sub-paragraph (1)(a) does not apply to the following where entitlement has been deferred—
 - (a) a Category A or Category B retirement pension payable under sections 43 to 55 of the SSCBA;
 - (b) a shared additional pension payable under section 55A of the SSCBA;
 - (c) graduated retirement benefit payable under sections 36 and 37 of the National Insurance Act 196
- (3) For the purposes of sub-paragraph (2), entitlement has been deferred—
 - (a) in the case of a Category A or Category B pension, in the circumstances specified in section 55(3) of the SSCBA;
 - (b) in the case of a shared additional pension, in the circumstances specified in section 55C(3) of the SSCBA; and
 - (c) in the case of graduated retirement benefit, in the circumstances specified in section 36(4) and (4A) of the National Insurance Act 1965.
- (4) This sub-paragraph applies where a person who has attained the qualifying age for state pension credit—
 - (a) is entitled to money purchase benefits under an occupational pension scheme or a personal pension scheme;
 - (b) fails to purchase an annuity with the funds available in that scheme; and
 - (c) either—
 - (i) defers in whole or in part the payment of any income which would have been payable to him by his pension fund holder, or
 - (ii) fails to take any necessary action to secure that the whole of any income which would be payable to him by his pension fund holder upon his applying for it, is so paid, or
 - (iii) income withdrawal is not available to him under that scheme.
- (5) Where sub-paragraph (4) applies, the amount of any income foregone is to be treated as possessed by that person, but only from the date on which it could be expected to be acquired were an application for it to be made.

- (6) The amount of any income foregone in a case where sub-paragraph (4)(c)(i) or (ii) applies is to be the “rate of the annuity which may have been purchased with the fund” and must be determined by the authority, taking account of information provided by the pension fund holder.
- (7) The amount of any income foregone in a case where sub-paragraph (4)(c)(iii) applies is to be the income that the applicant could have received without purchasing an annuity had the funds held under the relevant scheme been held under a personal pension scheme or occupational pension scheme where income withdrawal was available and is to be determined in the manner specified in sub-paragraph (6).
- (8) In sub-paragraph (4), “money purchase benefits” has the same meaning as in the Pension Schemes Act 1993.
- (9) Subject to sub-paragraphs (10) and (12), a person is to be treated as possessing income of which he has deprived himself for the purpose of securing entitlement to support under this scheme or increasing the amount of the support.
- (10) Sub-paragraph (9) does not apply in respect of the amount of an increase of pension or benefit where a person, having made an election in favour of that increase of pension or benefit under Schedule 5 or 5A to the SSCBA or under Schedule 1 to the Social Security (Graduated Retirement Benefit) Regulations 2005, changes that election in accordance with regulations made under Schedule 5 or 5A to that Act in favour of a lump sum.
- (11) In sub-paragraph (10), “lump sum” means a lump sum under Schedule 5 or 5A to the SSCBA or under Schedule 1 to the Social Security (Graduated Retirement Benefit) Regulations 2005.
- (12) Sub-paragraph (9) does not apply in respect of any amount of income other than earnings, or earnings of an employed earner, arising out of the applicant participating as a service user.
- (13) Where an applicant is in receipt of any benefit under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter, the authority must treat the applicant as possessing such benefit at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority selects to apply, to the date on which the altered rate is to take effect.
- (14) In the case of an applicant who has, or whose partner has, an award of state pension credit comprising only the savings credit, where the authority treats the applicant as possessing any benefit at the altered rate in accordance with sub-paragraph (13), the authority must—
 - (a) determine the income and capital of that applicant in accordance with paragraph 36(1) (calculation of applicant’s income in savings credit only cases: pensioners) where the calculation or estimate of that income and capital is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter; and
 - (b) treat that applicant as possessing such income and capital at the altered rate by reference to the date selected by the relevant authority to apply in its area, for the purposes of establishing the period referred to in sub-paragraph (13).
- (15) For the purposes of sub-paragraph (9), a person is not to be regarded as depriving himself of income where—
 - (a) his rights to benefits under a registered pension scheme are extinguished and in consequence of this he receives a payment from the scheme, and
 - (b) that payment is a trivial commutation lump sum within the meaning given by paragraph 7 of Schedule 29 to the Finance Act 2004.
- (16) In sub-paragraph (15), “registered pension scheme” has the meaning given in section 150(2) of the Finance Act 2004.

46.— Income paid to third parties: pensioners

- (1) Any payment of income, other than a payment specified in sub-paragraph (2) or (3), to a third party in respect of an applicant who is a pensioner is to be treated as possessed by the applicant.
- (2) Sub-paragraph (1) does not apply in respect of a payment of income made under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
 - (a) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person’s estate under section 41 of the Solicitors (Scotland) Act 1980;
 - (b) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and

(c) the person referred to in paragraph (a) and his partner does not possess, or is not treated as possessing, any other income apart from that payment.

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

CHAPTER 5 Income: persons who are not pensioners

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

- (1) Where the income of an applicant who is not a pensioner consists of earnings from employment as an employed earner his average weekly earnings must be estimated by reference to his earnings from that employment—
 - (a) over a period immediately preceding the 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 period specified in sub-paragraph (1)(a)(i) or (ii)—
 - (a) if he has received any earnings or expects to receive an amount of earnings for the period that he has been in that employment and those earnings are likely to represent his average weekly earnings from that employment his average weekly earnings must be estimated by reference to those earnings;
 - (b) in any other case, the authority must estimate the applicant's average weekly earnings.
- (3) Where the amount of an applicant's earnings changes the authority must estimate his average weekly earnings by reference to his likely earnings from the employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately 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).

47A - Date on which income consisting of earnings from employment as an employed earner are taken into account

- (1) A claimant's average weekly earnings from employment estimated pursuant to regulation 47 (Average weekly earnings of employed earners) and Section 3 (Employed earners) of this Part shall be taken into account -
 - (a) in the case of a claim, on the date that the claim was made or treated as made and the first day of each benefit week thereafter, regardless of whether those earnings were actually received in that benefit week;
 - (b) in the case of a claim or award where the claimant commences employment, the first day of the benefit week following the date the claimant commences that employment, and the first day of each benefit week thereafter, regardless of whether those earnings were actually received in that benefit week; or
 - (c) in the case of a claim or award where the claimant's average weekly earnings from employment change, the first day of the benefit week following the date of the change, and the beginning of each benefit week thereafter, regardless of whether those earnings were actually received in that benefit week.

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

- (1) Where the income of an applicant who is not a pensioner consists of earnings from employment as a self-employed earner his average weekly earnings must be estimated by reference to his earnings from that employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period must not in any case exceed a year.
- (2) For the purposes of this paragraph the applicant's earnings must be calculated in accordance with paragraphs 53, 61 and 62 (earnings, and net profit, of self-employed earners).

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

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

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

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

51.— Earnings of employed earners: persons who are not pensioners

- (1) Subject to sub-paragraph (2), “earnings”, in the case of employment as an employed earner of a person who is not a pensioner, means any remuneration or profit derived from that employment and includes—
 - (a) any bonus or commission;
 - (b) any payment in lieu of remuneration except any periodic sum paid to an applicant on account of the termination of his employment by reason of redundancy;
 - (c) any payment in lieu of notice or any lump sum payment intended as compensation for the loss of employment but only in so far as it represents loss of income;
 - (d) any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;
 - (e) any payment by way of a retainer;
 - (f) any payment made by the applicant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the applicant's employer in respect of—
 - (i) travelling expenses incurred by the applicant between his home and place of employment;
 - (ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;
 - (g) any award of compensation made under section 112(4) or 117(3)(a) of the Employment Rights Act 1996 (remedies and compensation for unfair dismissal);
 - (h) any payment or remuneration made under section 28, 34, 64, 68 or 70 of the Employment Rights Act 1996 (right to guarantee payments, remuneration on suspension on medical or maternity grounds, complaints to employment tribunals);
 - (i) any such sum as is referred to in section 112 of the SSCBA (certain sums to be earnings for social security purposes);
 - (j) any statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;
 - (k) any remuneration paid by or on behalf of an employer to the applicant who for the time being is on maternity leave, paternity leave or adoption leave or is absent from work because he is ill;

(l) the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001.

- (2) Earnings does not include—
- (a) subject to sub-paragraph (3), any payment in kind;
 - (b) any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment;
 - (c) any occupational pension;
 - (d) any payment in respect of expenses arising out of the applicant's participation in a service user group.
- (3) Sub-paragraph (2)(a) does not apply in respect of any non-cash voucher referred to in sub-paragraph (1)(l).

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

- (1) For the purposes of paragraph 47 (average weekly earnings of employed earners: persons who are not pensioners), the earnings of an applicant who is not a pensioner derived or likely to be derived from employment as an employed earner to be taken into account must, subject to sub-paragraph (2), be his net earnings.
- (2) There is to be disregarded from an applicant's net earnings, any sum, where applicable, specified in paragraphs 1 to 16 of Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners).
- (3) For the purposes of sub-paragraph (1) net earnings must, except where sub-paragraph (6) applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less—
- (a) any amount deducted from those earnings by way of—
 - (i) income tax;
 - (ii) primary Class 1 contributions under the SSCBA;
 - (b) one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;
 - (c) one-half of the amount calculated in accordance with sub-paragraph (5) in respect of any qualifying contribution payable by the applicant; and
 - (d) where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay or statutory adoption pay, any amount deducted from those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions under the SSCBA.
- (4) In this paragraph “qualifying contribution” means any sum which is payable periodically as a contribution towards a personal pension scheme.
- (5) The amount in respect of any qualifying contribution is to be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this paragraph the daily amount of the qualifying contribution is to be determined—
- (a) where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;
 - (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 E), his net earnings is to be calculated by taking into account those earnings over the assessment period, less—
- (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 35 to 37 of the Income Tax Act 2007 (personal allowances) as is appropriate to his circumstances but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph is to be calculated on a pro rata basis;
 - (b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the SSCBA in respect of those earnings if such contributions were payable; and

(c) one-half of any sum which would be payable by the applicant by way of a contribution towards an occupational or personal pension scheme, if the earnings so estimated were actual earnings.

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

- (1) Subject to sub-paragraph (2), “earnings”, in the case of employment as a self-employed earner of a person who is not a pensioner, means the gross income of the employment.
- (2) “Earnings” does not include any payment to which paragraph 31 or 32 of Schedule 8 refers (payments in respect of a person accommodated with the applicant under arrangements made by a local authority or voluntary organisation and payments made to the applicant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the applicant's care) nor does it include any sports award.
- (3) This paragraph applies to—
 - (a) royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark; or
 - (b) any payment in respect of any—
 - (i) book registered under the Public Lending Right Scheme 1982; or
 - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982,where the applicant is the first owner of the copyright, design, patent or trade mark, or an original contributor to the book or work concerned.
- (4) Where the applicant's earnings consist of any items to which sub-paragraph (3) applies, those earnings must be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction is to be treated as a corresponding fraction of a week) by dividing the earnings by—
 - (a) the amount of 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.

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

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

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) (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;

(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.

55.— Capital treated as income: persons who are not pensioners

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

- (2) Any payment received under an annuity is to be treated as income.
- (3) Any earnings to the extent that they are not a payment of income is to be treated as income.
- (4) Any Career Development Loan paid pursuant to section 2 of the Employment and Training Act 1973 is to be treated as income.
- (5) Where an agreement or court order provides that payments must be made to the applicant in consequence of any personal injury to the applicant and that such payments are to be made, wholly or partly, by way of periodic payments, any such periodic payments received by the applicant (but not a payment which is treated as capital by virtue of this Part), is to be treated as income.

56.— Notional income: persons who are not pensioners

- (1) An applicant who is not a pensioner is to be treated as possessing income of which he has deprived himself for the purpose of securing entitlement to 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 pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund where the applicant has not attained the qualifying age for state pension credit;
 - (d) any sum to which paragraph 50(2)(a) of Schedule 10 (capital disregards: persons who are not pensioners) applies which is administered in the way referred to in paragraph 50(1)(a);
 - (e) any sum to which paragraph 51(a) of Schedule 10 refers;
 - (f) rehabilitation allowance made under section 2 of the Employment and Training Act 1973;
 - (g) child tax credit;
 - (h) working tax credit, or
 - (i) any sum to which sub-paragraph (11) applies,
 any income which would become available to the applicant upon application being made, but which has not been acquired by him, is to be treated as possessed by the applicant but only from the date on which it could be expected to be acquired were an application made.
- (3) Any payment of income, other than a payment of income specified in sub-paragraph (4), made—
 - (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) must, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;
 - (b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) must, where it is not a payment referred to in paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;
 - (c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) must be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.
- (4) Sub-paragraph (3) does not apply in respect of a payment of income made—
 - (a) under or by the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006);
 - (b) pursuant to section 19(1)(a) of the Coal Industry Act 1994 (concessionary coal);
 - (c) pursuant to section 2 of the Employment and Training Act 1973 in respect of a person's participation—
 - (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996;
 - (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations;

- (iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;
 - (iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or
 - (v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;
- (d) in respect of a person's participation in the Work for Your Benefit Pilot Scheme;
- (e) in respect of a person's participation in the Mandatory Work Activity Scheme;
- (f) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;
- (g) under an occupational pension scheme, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund where—
- (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;
 - (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
 - (iii) the person referred to in sub-paragraph (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.
- (5) Where an applicant is in receipt of any benefit under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter, the authority must treat the applicant as possessing such benefit at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority selects, to the date on which the altered rate is to take effect.
- (6) Subject to sub-paragraph (7), where—
- (a) an applicant performs a service for another person; and
 - (b) that person makes no payment of earnings or pays less than that paid for a comparable employment in the area,
- the authority must treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.
- (7) Sub-paragraph (6) does not apply—
- (a) to an applicant who is engaged by a charitable or voluntary organisation or who is a volunteer if the authority is satisfied in any of those cases that it is reasonable for him to provide those services free of charge; or
 - (b) in a case where the service is performed in connection with—
 - (i) the applicant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations 1996, other than where the service is performed in connection with the applicant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations; or
 - (ii) the applicant's or the applicant's partner's participation in an employment or training programme as defined in regulation 19(3) of those Regulations for which a training allowance is not payable or, where such an allowance is payable, it is payable for the sole purpose of reimbursement of travelling or meal expenses to the person participating in that programme; or
 - (c) to an applicant who is participating in a work placement approved by the Secretary of State (or a person providing services to the Secretary of State) before the placement starts.
- (8) In sub-paragraph (7)(c) "work placement" means practical work experience which is not undertaken in expectation of payment.
- (9) Where an applicant is treated as possessing any income under any of sub-paragraphs (1) to (8), the foregoing provisions of this Part apply for the purposes of calculating the amount of that income as if a payment had actually been made and as if it were actual income which he does possess.
- (10) Where an applicant is treated as possessing any earnings under sub-paragraph (6) the foregoing provisions of this Part apply for the purposes of calculating the amount of those earnings as if a payment had actually been made and as if they were actual earnings which he does possess except that paragraph 42(2) or 52(3) (calculation of net earnings of employed earners: pensioners and persons who are not pensioners, respectively) do not apply and his net earnings are to be calculated by taking into account those earnings which he is treated as possessing, less—
- (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings

the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 35 to 37 of the Income Tax Act 2007 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph is to be calculated on a pro rata basis;

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

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

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

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

57.— Calculation of income on a weekly basis

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

58.— Treatment of child care charges

- (1) This paragraph applies where an applicant (within the meaning in this paragraph) is incurring relevant child care charges and—
- (a) is a lone parent and is engaged in remunerative work;
- (b) is a member of a couple both of whom are engaged in remunerative work; or
- (c) is a member of a couple where one member is engaged in remunerative work and the other—
- (i) is incapacitated;
- (ii) is an in-patient in hospital; or
- (iii) is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).
- (2) For the purposes of sub-paragraph (1) and subject to sub-paragraph (4), a person to whom sub-paragraph (3) applies must be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he—

- (a) is paid statutory sick pay;
 - (b) is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the SSCBA;
 - (c) is paid an employment and support allowance;
 - (d) is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support (General) Regulations 1987; or
 - (e) is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.
- (3) This sub-paragraph applies to a person who was engaged in remunerative work immediately before—
- (a) the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or
 - (b) the first day of the period in respect of which earnings are credited, as the case may be.
- (4) In a case to which sub-paragraph (2)(d) or (e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.
- (5) Relevant child care charges are those charges for care to which sub-paragraphs (6) and (7) apply, and are to be calculated on a weekly basis in accordance with sub-paragraph (10).
- (6) The charges are paid by the applicant for care which is provided—
- (a) in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or
 - (b) in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.
- (7) The charges are paid for care which is provided by one or more of the care providers listed in sub-paragraph (8) and are not paid—
- (a) in respect of the child's compulsory education;
 - (b) by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible in accordance with paragraph 7 (circumstances in which a person is treated as responsible or not responsible for another); or
 - (c) in respect of care provided by a relative of the child wholly or mainly in the child's home.
- (8) The care to which sub-paragraph (7) refers may be provided—
- (a) out of school hours, by a school on school premises or by a local authority—
 - (i) for children who are not disabled in respect of the period beginning on their eighth birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or
 - (ii) for children who are disabled in respect of the period beginning on their eighth birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or
 - (b) by a child care provider approved in accordance with the Tax Credit (New Category of Child Care Provider) Regulations 1999; or
 - (c) by persons registered under Part 2 of the Children and Families (Wales) Measure 2010; or
 - (d) by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) Order 2010; or
 - (e) by—
 - (i) persons registered under section 59(1) of the Public Services Reform (Scotland) Act 2010; or
 - (ii) local authorities registered under section 83(1) of that Act,
 where the care provided is child minding or day care of children within the meaning of that Act; or
 - (f) by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002; or
 - (g) by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or
 - (h) by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section

34(2) of that Act; or

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

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

(k) by a foster parent or kinship carer under the Fostering Services Regulations 2011, the Fostering Services (Wales) Regulations 2003 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering or kinship carer is looking after; or

(l) by a provider of personal care within the meaning of paragraph 1 of Schedule 1 to the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010 and being a regulated activity prescribed by those Regulations; or

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

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

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

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

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

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

(i) the additional condition specified in paragraph 10 of Schedule 3 (additional condition for the disability premium) to this scheme is treated as applying in his case; and

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

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

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

(e) the applicant's applicable amount would include the support component or the work-related activity component on account of the other member having limited capability for work but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008 or the Employment and Support Allowance Regulations 2013(a);

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

(g) he is, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations 2008 or the Employment and Support Allowance Regulations 2013(a) for a continuous period of not less than 196 days and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;

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

(i) long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the SSCBA;

(ii) attendance allowance under section 64 of the SSCBA;

(iii) severe disablement allowance under section 68 of the SSCBA;

(iv) disability living allowance under section 71 of the SSCBA;

(v) personal independence payment;

- (vi) an AFIP;
 - (vii) increase of disablement pension under section 104 of the SSCBA;
 - (viii) a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under sub-paragraph (ii), (iv), (v) or (vii) above;
 - (ix) main phase employment and support allowance;
 - (i) a pension or allowance to which sub-paragraph (v), (vii) or (viii) of paragraph (h) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this paragraph means a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005;
 - (j) an attendance allowance under section 64 of the SSCBA or disability living allowance would be payable to that person but for—
 - (i) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or
 - (ii) an abatement as a consequence of hospitalisation;
 - (k) the daily living component of personal independence payment would be payable to that person but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);
 - (l) an AFIP would be payable to that person but for any suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;
 - (m) paragraph (h), (i), (j) or (k) would apply to him if the legislative provisions referred to in those paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or
 - (n) he has an invalid carriage or other vehicle provided to him by the Secretary of State or a clinical commissioning group under paragraph 9 of Schedule 1 to the National Health Service Act 2006 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.
- (12) For the purposes of sub-paragraph (11), once sub-paragraph (11)(f) applies to the person, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that sub-paragraph is, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter to apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.
- (13) For the purposes of sub-paragraph (11), once sub-paragraph (11)(g) applies to the person, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter to apply to him for so long as he has, or is treated as having, limited capability for work.
- (14) For the purposes of sub-paragraphs (6) and (8)(a), a person is disabled if he is a person—
- (a) to whom an attendance allowance or the care component of disability allowance is payable or would be payable but for—
 - (i) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or
 - (ii) an abatement as a consequence of hospitalisation;
 - (b) to whom the daily living component of personal independence payment is payable, has ceased to be payable by virtue of a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);
 - (c) who is registered as 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 period specified in sub-paragraph (16) (“the relevant period”) provided that—

(a) in the week before the period of maternity leave, paternity leave or adoption leave began he was in remunerative work;

(b) the applicant is incurring relevant child care charges within the meaning of sub-paragraph (5); and

(c) he is entitled to either statutory maternity pay under section 164 of the SSCBA, ordinary statutory paternity pay by virtue of section 171ZA or 171ZB of that Act, additional statutory paternity pay by virtue of section 171ZEA or 171ZEB of that Act, statutory adoption pay by of section 171ZL of that Act, maternity allowance under section 35 of that Act or qualifying support.

(16) For the purposes of sub-paragraph (15) the relevant period begins on the day on which the person's maternity, paternity leave or adoption leave commences and ends on—

(a) the date that leave ends;

(b) if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, 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; and

(b) “child care element” of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act 2002 (child care element).

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

(a) who has, or

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

59.— Calculation of average weekly income from tax credits

(1) This paragraph applies where an applicant receives a tax credit.

(2) Where this paragraph applies, the period over which a tax credit is to be taken into account is the period set out in sub-paragraph (3).

(3) Where the instalment in respect of which payment of a tax credit is made is—

(a) a daily instalment, the period is 1 day, being the day in respect of which the instalment is paid;

(b) a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;

(c) a two weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;

(d) a four weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.

(4) For the purposes of this paragraph “tax credit” means child tax credit or working tax credit.

60. Disregard of changes in tax, contributions etc.

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

(a) in the basic or other rates of income tax;

(b) in the amount of any personal tax relief;

(c) in the rates of national insurance contributions payable under the SSCBA or in the lower earnings limit or upper earnings limit for Class 1 contributions under that Act, the lower or upper limits applicable to Class 4 contributions under that Act or the amount specified in section 11(4) of that Act (small profits threshold in relation to Class 2 contributions);

- (d) in the amount of tax payable as a result of an increase in the weekly rate of Category A, B, C or D retirement pension or any addition thereto or any graduated pension payable under the SSCBA;
 - (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.

61.— Calculation of net profit of self-employed earners

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

- (e) the repayment of capital on any loan taken out for the purposes of the employment;
 - (f) any expenses incurred in providing business entertainment; and
 - (g) in the case of an applicant who is not a pensioner, any debts, except bad debts proved to be such, but this paragraph does not apply to any expenses incurred in the recovery of a debt.
- (6) A deduction is to be made under sub-paragraph (3)(a) or (4) in respect of the repayment of capital on any loan used for—
- (a) the replacement in the course of business of equipment or machinery; or
 - (b) the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.
- (7) The authority must refuse to make a deduction in respect of any expenses under sub-paragraph (3)(a) or (4) where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.
- (8) For the avoidance of doubt—
- (a) a deduction must not be made under sub-paragraph (3)(a) or (4) in respect of any sum unless it has been expended for the purposes of the business;
 - (b) a deduction must be made there under in respect of—
 - (i) the excess of any value added tax paid over value added tax received in the assessment period;
 - (ii) any income expended in the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair;
 - (iii) any payment of interest on a loan taken out for the purposes of the employment.
- (9) Where an applicant is engaged in employment as a child minder the net profit of the employment is to be one-third of the earnings of that employment, less—
- (a) an amount in respect of—
 - (i) income tax; and
 - (ii) national insurance contributions payable under the SSCBA,
 calculated in accordance with paragraph 62 (deduction of tax and contributions for self-employed earners); and
 - (b) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.
- (10) For the avoidance of doubt where an applicant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments must not be offset against his earnings in any other of his employments.
- (11) The amount in respect of any qualifying premium is to be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this paragraph the daily amount of the qualifying premium must be determined—
- (a) where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and dividing the product by 365;
 - (b) in any other case, by dividing the amount of the qualifying premium by the number equal to the number of days in the period to which the qualifying premium relates.
- (12) In this paragraph, “qualifying premium” means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of application.

62.— Calculation of deduction of tax and contributions of self-employed earners

- (1) The amount to be deducted in respect of income tax under paragraph 61(1)(b)(i), (3)(b)(i) or (9)(a)(i) (calculation of net profit of self-employed earners) must be calculated—
 - (a) on the basis of the amount of chargeable income, and
 - (b) as if that income were assessable to income tax at the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 35 to 37 of the Income Tax Act 2007 (personal allowances) as is appropriate to his circumstances.
- (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 national insurance contributions under paragraph 60(1)(b)(i), (3)(b)(ii) or (9)(a)(ii) is the total of—
- (a) the amount of Class 2 contributions payable under section 11(2) or, as the case may be, 11(8) of the SSCBA at the rate applicable to the assessment period except where the applicant's chargeable income is less than the amount specified in section 11(4) of that Act (small profits threshold) for the tax year applicable to the assessment period; but if the assessment period is less than a year, the amount specified for that tax year must be reduced pro rata; and
- (b) the amount of Class 4 contributions (if any) which would be payable under section 15 of the SSCBA (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable to the assessment period on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year applicable to the assessment period; but if the assessment period is less than a year, those limits must be reduced pro rata.
- (4) In this paragraph “chargeable income” means—
- (a) except where paragraph (b) applies, the earnings derived from the employment less any expenses deducted under sub-paragraph (3)(a) or, as the case may be, (5) of paragraph 61;
- (b) in the case of employment as a child minder, one-third of the earnings of that employment.

CHAPTER 7 Capital

63.— Calculation of capital

- (1) The capital of an applicant to be taken into account must be, subject to sub-paragraph (2), the whole of his capital calculated in accordance with this Part and (in the case of persons who are not pensioners) any income treated as capital under paragraph 64 (income treated as capital: persons who are not pensioners).
- (2) There must be disregarded from the calculation of an applicant's capital under sub-paragraph (1), any capital, where applicable, specified in—
- (a) Schedule 9, in relation to pensioners;
- (b) Schedule 10, in relation to persons who are not pensioners.
- (3) In the case of an applicant who is a pensioner, his capital is to be treated as including any payment made to him by way of arrears of—
- (a) child tax credit;
- (b) working tax credit;
- (c) state pension credit,
- if the payment was made in respect of a period for the whole or part of which 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.

64.— Income treated as capital: persons who are not pensioners

- (1) This paragraph applies in relation to persons who are not pensioners.
- (2) Any bounty derived from employment to which paragraph 9 of Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners) applies and paid at intervals of at least one year is to be treated as capital.
- (3) Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E is to be treated as capital.
- (4) Any holiday pay which is not earnings under paragraph 41(1)(d) or 51(1)(d) (earnings of employed earners) is to be treated as capital.
- (5) Except any income derived from capital disregarded under paragraphs 4, 5, 7, 11, 17, 30 to 33, 50 or 51 of Schedule 10 (capital disregards: persons who are not pensioners), any income derived from capital is to be treated as capital but only from the date it is normally due to be credited to the applicant's account.
- (6) In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer is to be treated as capital.
- (7) Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the

Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006) or the London Bombings Charitable Relief Fund, is to be treated as capital.

- (8) There is to be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self-employment route, but only in so far as those receipts were payable into a special account during the period in which that person was receiving such assistance.
- (9) Any arrears of subsistence allowance which are paid to an applicant as a lump sum must be treated as capital.
- (10) Any arrears of working tax credit or child tax credit must be treated as capital.

65. Calculation of capital in the United Kingdom

Capital which an applicant possesses in the United Kingdom is to be calculated at its current market or surrender value less—

- (a) where there would be expenses attributable to the sale, 10 per cent; and
- (b) the amount of any encumbrance secured on it.

66. Calculation of capital outside the United Kingdom

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

- (a) in a case where there is no prohibition in that country against the transfer to the United Kingdom of an amount equal to its current market or surrender value in that country, at that value;
- (b) in a case where there is such a prohibition, at the price which it would realise if sold in the United Kingdom to a willing buyer,

less, where there would be expenses attributable to sale, 10 per cent and the amount of any encumbrances secured on it.

67.— Notional capital

- (1) An applicant is to be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to support 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 pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund; or
 - (e) any sum to which paragraph 50(2)(a) of Schedule 10 (capital disregards: persons who are not pensioners) applies which is administered in the way referred to in paragraph 50(1)(a); or
 - (f) any sum to which paragraph 51(a) of Schedule 10 refers; or
 - (g) child tax credit; or
 - (h) working tax credit,any capital which would become available to the applicant upon application being made, but which has not been acquired by him, is to be treated as possessed by him but only from the date on which it could be expected to be acquired were an application made.
- (5) Any payment of capital, other than a payment of capital specified in sub-paragraph (6), made—
 - (a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) must, where that payment is a payment of an occupational pension, a pension or

other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;

(b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) must, where it is not a payment referred to in paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;

(c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of the family) must be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

(6) Sub-paragraph (5) does not apply in respect of a payment of capital made—

(a) under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation, or the London Bombings Relief Charitable Fund;

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

(i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996;

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

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

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

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

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

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

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

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

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

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

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

(7) Where an applicant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he may be treated as if he were such sole owner or partner and in such a case—

(a) the value of his holding in that company must, notwithstanding paragraph 63 (calculation of capital) be disregarded; and

(b) he must, subject to sub-paragraph (8), be treated as possessing an amount of capital equal to the value or, as the case may be, his share of the value of the capital of that company and the foregoing provisions of this Chapter apply for the purposes of calculating that amount as if it were actual capital which he does possess.

(8) For so long as the applicant undertakes activities in the course of the business of the company, the amount which he is treated as possessing under sub-paragraph (7) is to be disregarded.

(9) Where an applicant is treated as possessing capital under any of sub-paragraphs (1), (4) or (5) the foregoing provisions of this Chapter apply for the purposes of calculating its amount as if it were actual capital which he does possess.

68.— Diminishing notional capital rule: pensioners

(1) Where an applicant who is a pensioner is treated as possessing capital under paragraph 67(1) (notional capital), the amount which he is treated as possessing—

- (a) in the case of a week that is subsequent to—
 - (i) the relevant week in respect of which the conditions set out in sub-paragraph (2) are satisfied; or
 - (ii) a week which follows that relevant week and which satisfies those conditions,
 is to be reduced by an amount determined under sub-paragraph (3);
- (b) in the case of a week in respect of which sub-paragraph (1)(a) does not apply but where—
 - (i) that week is a week subsequent to the relevant week; and
 - (ii) that relevant week is a week in which the condition in sub-paragraph (4) is satisfied,
 is to be reduced by the amount determined under sub-paragraph (5).
- (2) This sub-paragraph applies to a 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 reduction in council tax under this scheme in that week.
- (3) In a case to which sub-paragraph (2) applies, the amount of the reduction in the amount of capital he is treated as possessing for the purposes of sub-paragraph (1)(a) must be equal to the aggregate of—
 - (a) an amount equal to the additional amount of the reduction in council tax to which sub-paragraph (2)(b) refers;
 - (b) where the applicant has also claimed state pension credit, the amount of any state pension credit or any additional amount of state pension credit to which he would have been entitled in respect of the 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 support in council tax under this scheme in the relevant week but for paragraph 67(1).
- (5) In such a case the amount of the reduction in the amount of capital he is treated as possessing for the purposes of sub-paragraph (1)(b) is equal to the aggregate of—
 - (a) the amount of the support in council tax to which the applicant would have been entitled in the relevant week but for paragraph 67(1);
 - (b) if the applicant would, but for regulation 21 of the State Pension Credit Regulations 2002, have been entitled to state pension credit in respect of the benefit week, within the meaning of regulation 1(2) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled;
 - (c) if the applicant would, but for regulation 47(1) of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the benefit week which includes the last day of the relevant week, the amount which is equal to—
 - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
 - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled;
 - (d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations 1996, have been entitled to an income-based jobseeker's allowance in respect of the benefit week, within the meaning of regulation 1(3) of those Regulations (interpretation), which includes the last day of the

relevant week, the amount to which he would have been entitled; and

(e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations 2008, have been entitled to an income-related employment and support allowance in respect of the benefit week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled.

(6) But if the amount mentioned in paragraph (a), (b), (c), (d) or (e) of sub-paragraph (5) (“the relevant amount”) is in respect of a part-week, the amount that is to be taken into account under that paragraph is to be determined by—

(a) dividing the relevant amount by the number equal to the number of days in that part-week, and

(b) multiplying the result of that calculation by 7.

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

(a) paragraphs (a) to (e) of sub-paragraph (5) apply as if for the words ““relevant week”” there were substituted the words ““relevant subsequent week””; and

(b) subject to sub-paragraph (9), the amount as re-determined has effect from the first week following the relevant subsequent week in question.

(8) The conditions are that—

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

(i) the date on which the applicant made an application in respect of which he was first treated as possessing the capital in question under paragraph 67(1);

(ii) in a case where there has been at least one re-determination in accordance with sub-paragraph (11), the date on which he last made an application which resulted in the weekly amount being re-determined, or

(iii) the date on which he last ceased to be entitled to 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 support in council tax under this scheme is allowed;

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

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

(i) a period of less than a week which is the whole period for which income support, an income-related employment and support allowance or, as the case may be, an income-based jobseeker's allowance is payable; and

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

“relevant week” means the 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.

69.— Diminishing notional capital rule: persons who are not pensioners

- (1) Where an applicant who is not a pensioner is treated as possessing capital under paragraph 67(1) (notional capital), the amount which he is treated as possessing—
 - (a) in the case of a week that is subsequent to—
 - (i) the relevant week in respect of which the conditions set out in sub-paragraph (2) are satisfied; or
 - (ii) a week which follows that relevant week and which satisfies those conditions,is to be reduced by an amount determined under sub-paragraph (3);
 - (b) in the case of a week in respect of which sub-paragraph (1)(a) does not apply but where—
 - (i) that week is a week subsequent to the relevant week; and
 - (ii) that relevant week is a week in which the condition in sub-paragraph (4) is satisfied,is to be reduced by the amount determined under sub-paragraph (5).
- (2) This sub-paragraph applies to a 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 support in council tax 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 reduction in the amount of capital he is treated as possessing for the purposes of sub-paragraph (1)(a) is equal to the aggregate of—
 - (a) an amount equal to the additional amount of the reduction in council tax to which sub-paragraph (2)(b) refers;
 - (b) where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of that benefit to which he would have been entitled in respect of the whole or part of the 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 support in council tax in the relevant week but for paragraph 67(1).
- (5) In such a case the amount of the reduction in the amount of capital he is treated as possessing must be equal to the aggregate of—
 - (a) the amount of council tax benefit to which the applicant would have been entitled in the relevant week but for paragraph 67(1);
 - (b) if the applicant would, but for regulation 49(1) of the Housing Benefit Regulations 2006, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the benefit week which includes the last day of the relevant week, the amount which is equal to—
 - (i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or
 - (ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled;
 - (c) if the applicant would, but for regulation 51(1) of the Income Support (General) Regulations 1987, have been entitled to income support in respect of the benefit week, within the meaning of regulation

2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled;

(d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations 1996, have been entitled to an income-based jobseeker's allowance in respect of the benefit week, within the meaning of regulation 1(3) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled; and

(e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations 2008, have been entitled to an income-related employment and support allowance in respect of the benefit week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled.

(6) But if the amount mentioned in paragraph (a), (b), (c), (d) or (e) of sub-paragraph (5) ("the relevant amount") is in respect of a part-week, the amount that is to be taken into account under that paragraph is to be determined by—

(a) dividing the relevant amount by the number equal to the number of days in that part-week, and

(b) multiplying the result of that calculation by 7.

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

(a) paragraphs (a) to (e) of sub-paragraph (5) apply as if for the words "relevant week" there were substituted the words "relevant subsequent week"; and

(b) subject to sub-paragraph (9), the amount as re-determined has effect from the first week following the relevant subsequent week in question.

(8) The conditions are that—

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

(i) the date on which the applicant made an application for support under this scheme in respect of which he was first treated as possessing the capital in question under paragraph 67(1);

(ii) in a case where there has been at least one re-determination in accordance with sub-paragraph (7), the date on which he last made an application under this scheme which resulted in the weekly amount being re-determined, or

(iii) the date on which he last ceased to be entitled to 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 (6) must not have effect if it is less than the amount which applied in that case immediately before the re-determination and in such a case the higher amount must continue to have effect.

(10) For the purposes of this paragraph—

"part-week"—

(a) in relation to an amount mentioned in sub-paragraph (5)(a), means a period of less than a week for which 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 includes the day on which the further application or, if more than one further application has been made, the last such application was made.

70. Capital jointly held

- (1) Except where an applicant possesses capital which is disregarded under paragraph 67(7) (notional capital), where an applicant and one or more persons are beneficially entitled in possession to any capital asset they must be treated, in the absence of evidence to the contrary, as if each of them were entitled in possession to the whole beneficial interest therein in an equal share and the foregoing provisions of this Chapter apply for the purposes of calculating the amount of capital which the applicant is treated as possessing as if it were actual capital which the applicant does possess.

71. Calculation of tariff income from capital: pensioners

- (1) The capital of an applicant who is a pensioner, calculated in accordance with this Part, is to be treated as if it were a weekly income of—
- (a) £1 for each £500 in excess of £10,000 but not exceeding £16,000; and
 - (b) £1 for any excess which is not a complete £500.

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

- (1) The capital of an applicant who is not a pensioner, calculated in accordance with this Part, is to be treated as if it were a weekly income of—
- (a) £1 for each £250 in excess of £6,000 but not exceeding £16,000;
 - (b) £1 for any excess which is not a complete £250.

CHAPTER 1 General

73.— Students Interpretation

(1) In this Part—

“academic year” means the period of twelve months beginning on 1st January, 1st April, 1st July or 1st September according to whether the course in question begins in the winter, the spring, the summer or the autumn respectively but if students are required to begin attending the course during August or September and to continue attending through the autumn, the academic year of the course is to be considered to begin in the autumn rather than the summer;

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

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

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

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

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

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

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

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

(i) the holder of the allowance or bursary;

(ii) the holder’s parents;

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

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

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

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

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

“full-time course of study” means a full-time course of study which—(a) is not funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers or a full-time course of study which is not funded in whole or in part by the Scottish Ministers at a college of further education or a full-time course of study which is a course of higher education and is funded in whole or in part by the Scottish Ministers;

(b) is funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, the Chief Executive of Skills Funding or by the Welsh Ministers if it involves more than 16 guided learning

hours per week for the student in question, according to the number of guided learning hours per week for that student set out—

(i) in the case of a course funded by the Secretary of State under section 14 of the Education Act 2002 or the Chief Executive of Skills Funding, in the student's learning agreement signed on behalf of the establishment which is funded by either of those persons for the delivery of that course; or

(ii) in the case of a course funded by the Welsh Ministers, in a document signed on behalf of the establishment which is funded by that Council for the delivery of that course; or

(c) is not higher education and is funded in whole or in part by the Scottish Ministers at a college of further education and involves—

(i) more than 16 hours per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff according to the number of hours set out in a document signed on behalf of the college; or

(ii) 16 hours or less per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff and additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 hours per week, according to the number of hours set out in a document signed on behalf of the college;

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

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

“grant income” means—

(a) any income by way of a grant;

(b) any contribution whether or not it is paid;

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

“last day of the course” means—

(a) in the case of a qualifying course, the date on which the last day of that course falls or the date on which the final examination relating to that course is completed, whichever is the later;

(b) in any other case, the date on which the last day of the final academic term falls in respect of the course in which the student is enrolled;

“period of study” means—

(a) in the case of a course of study for one year or less, the period beginning with the start of the course and ending with the last day of the course;

(b) in the case of a course of study for more than one year, in the first or, as the case may be, any subsequent year of the course, other than the final year of the course, the period beginning with the start of the course or, as the case may be, that year's start and ending with either—

(i) the day before the start of the next year of the course in a case where the student's grant or loan is assessed at a rate appropriate to his studying throughout the year or, if he does not have a grant or loan, where a loan would have been assessed at such a rate had he had one; or

(ii) in any other case, the day before the start of the normal summer vacation appropriate to his course;

(c) in the final year of a course of study of more than one year, the period beginning with that year's start and ending with the last day of the course;

“periods of experience” means periods of work experience which form part of a sandwich course;

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

“sandwich course” has the meaning prescribed in regulation 2(9) of the Education (Student Support) Regulations 2008, regulation 4(2) of the Education (Student Loans) (Scotland) Regulations 2007 or regulation 2(8) of the Education (Student Support) Regulations (Northern Ireland) 2007, as the case may be;

“standard maintenance grant” means—

(a) except where paragraph (b) or (c) applies, in the case of a student attending or undertaking a course of study at the University of London or an establishment within the area comprising the City of London

and the Metropolitan Police District, the amount specified for the time being in paragraph 2(2)(a) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (“the 2003 Regulations”) for such a student;

(b) except where paragraph (c) applies, in the case of a student residing at his parent's home, the amount specified in paragraph 3 thereof;

(c) in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980, the amount of money specified as “standard maintenance allowance” for the relevant year appropriate for the student set out in the Student Support in Scotland Guide issued by the Student Awards Agency for Scotland, or its nearest equivalent in the case of a bursary provided by a college of further education or a local education authority;

(d) in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 2003 Regulations other than in sub-paragraph (a) or (b) thereof;

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

(b) a qualifying course;

“student loan” means a loan towards a student's maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998, section 73 of the Education (Scotland) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 and includes, in Scotland, a young student's bursary paid under regulation 4(1)(c) of the Students' Allowances (Scotland) Regulations 2007.

(2) For the purposes of the definition of “full-time student” in sub-paragraph (1), a person must be regarded as attending or, as the case may be, undertaking a full-time course of study or as being on a sandwich course—

(a) subject to sub-paragraph (3), in the case of a person attending or undertaking a part of a modular course which would be a full-time course of study for the purposes of this Part, for the period beginning on the day on which that part of the course starts and ending—

(i) on the last day on which he is registered with the educational establishment as attending or undertaking that part as a full-time course of study; or

(ii) on such earlier date (if any) as he finally abandons the course or is dismissed from it;

(b) in any other case, throughout the period beginning on the date on which he starts attending or undertaking the course and ending on the last day of the course or on such earlier date (if any) as he finally abandons it or is dismissed from it.

(3) For the purposes of paragraph (a) of sub-paragraph (2), the period referred to in that paragraph includes—

(a) where a person has failed examinations or has failed successfully to complete a module relating to a period when he was attending or undertaking a part of the course as a full-time course of study, any period in respect of which he attends or undertakes the course for the purpose of retaking those examinations or that module;

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

(4) In sub-paragraph (2), “modular course” means a course of study which consists of two or more modules, the successful completion of a specified number of which is required before a person is considered by the educational establishment to have completed the course.

74. Treatment of students

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

75.— Students who are excluded from entitlement to support under this scheme

(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.

(2) Sub-paragraph (1)(b) does not apply to a student—

(a) who is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance;

(b) who is a lone parent;

(c) whose applicable amount would, but for this paragraph, include the disability premium or severe disability premium;

(d) whose applicable amount would include the disability premium but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the SSCBA;

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

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

(g) who has a partner who is also a full-time student, if he or that partner is treated as responsible for a child or young person;

(h) who is a single applicant with whom a child is placed by a local authority or voluntary organisation within the meaning of the Children Act 1989 or, in Scotland, boarded out within the meaning of the Social Work (Scotland) Act 1968;

(i) who is—

(i) aged under 21 and whose course of study is not a course of higher education,

(ii) aged 21 and attained that age during a course of study which is not a course of higher education, or

(iii) a qualifying young person or child within the meaning of section 142 of the SSCBA (child and qualifying young person);

(j) in respect of whom—

(i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;

(ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) of regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;

(iii) a payment has been made under or by virtue of regulations made under the Teaching and Higher Education Act 1998;

(iv) a grant has been made under regulation 13 of the Education (Student Support) Regulations 2005 or under regulation 13 of the Education (Student Support) Regulations (Northern Ireland) 2000; or

(v) a supplementary requirement has been determined under paragraph 9 of Schedule 6 to the Students Awards Regulations (Northern Ireland) 1999 or a payment has been made under Article 50(3) of the Education and Libraries (Northern Ireland) Order 1986,

on account of his disability by reason of deafness.

- (3) Sub-paragraph (2)(i)(ii) only applies to an applicant until the end of the course during which the applicant attained the age of 21.
- (4) For the purposes of sub-paragraph (2), once sub-paragraph (2)(e) applies to a full-time student, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that sub-paragraph must, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable or is treated as remaining incapable, of work.
- (5) In sub-paragraph (2)(i) the reference to a course of higher education is a reference to a course of any description mentioned in Schedule 6 to the Education Reform Act 1988.
- (6) A full-time student to whom sub-paragraph (2)(i) applies must be treated as satisfying that sub-paragraph from the date on which he made a request for the supplementary requirement, allowance, bursary or payment as the case may be.

- (7) Sub-paragraph (1)(b) does not apply to a full-time student for the period specified in sub-paragraph (8) if—
- (a) at any time during an academic year, with the consent of the relevant educational establishment, he ceases to attend or undertake a course because he is—
 - (i) engaged in caring for another person; or
 - (ii) ill;
 - (b) he has subsequently ceased to be engaged in caring for that person or, as the case may be, he has subsequently recovered from that illness; and
 - (c) he is not eligible for a grant or a student loan in respect of the period specified in sub-paragraph (8).
- (8) The period specified for the purposes of sub-paragraph (7) is the period, not exceeding one year, beginning on the day on which he ceased to be engaged in caring for that person or, as the case may be, the day on which he recovered from that illness and ending on the day before—
- (a) the day on which he resumes attending or undertaking the course; or
 - (b) the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course,
- whichever first occurs.

CHAPTER 2 Income

76.— Calculation of grant income

- (1) The amount of a student's grant income to be taken into account in assessing his income must, subject to sub-paragraphs (2) and (3), be the whole of his grant income.
- (2) There must be excluded from a student's grant income any payment—
- (a) intended to meet tuition fees or examination fees;
 - (b) in respect of the student's disability;
 - (c) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;
 - (d) on account of the student maintaining a home at a place other than that at which he resides during his course;
 - (e) on account of any other person but only if that person is residing outside the United Kingdom and there is no applicable amount in respect of him;
 - (f) intended to meet the cost of books and equipment;
 - (g) intended to meet travel expenses incurred as a result of his attendance on the course;
 - (h) intended for the child care costs of a child dependant;
 - (i) of higher education bursary for care leavers made under Part 3 of the Children Act 1989.
- (3) Where a student does not have a student loan and is not treated as possessing such a loan, there must be excluded from the student's grant income—
- (a) the sum of £303 per academic year in respect of travel costs; and
 - (b) the sum of £390 per academic year towards the costs of books and equipment, whether or not any such costs are incurred.
- (4) There must also be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.
- (5) Subject to sub-paragraphs (6) and (7), a student's grant income must be apportioned—
- (a) subject to sub-paragraph (8), in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the 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 periods of experience within the period of study must be excluded and the student's grant income must be apportioned equally between the weeks in the period beginning with the 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.

77.— Calculation of covenant income where a contribution is assessed

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

78.— Covenant income where no grant income or no contribution is assessed

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

79. Relationship with amounts to be disregarded under Schedule 8

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

80.— Other amounts to be disregarded

- (1) For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with paragraph 81 (treatment of student loans), any amounts intended for any

expenditure specified in paragraph 76(2) (calculation of grant income), necessary as a result of his attendance on the course must be disregarded.

- (2) But sub-paragraph (1) applies only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under paragraph 76(2) or (3), 77(3), 78(1)(a) or (c) or 81(5) (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

81.— Treatment of student loans

- (1) A student loan is to be treated as income.

- (2) In calculating the weekly amount of the loan to be taken into account as income—

(a) in respect of a course that is of a single academic year's duration or less, a loan which is payable in respect of that period is to be apportioned equally between the weeks in the period beginning with—

(i) except in a case where sub-paragraph (ii) applies, the 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.

82.— Treatment of payments from access funds

(1) This paragraph applies to payments from access funds that are not payments to which paragraph 85(2) or (3) (income treated as capital) applies.

(2) A payment from access funds, other than a payment to which sub-paragraph (3) applies, must be disregarded as income.

(3) Subject to sub-paragraph (4) of this paragraph and paragraph 40 of Schedule 8 (disregards in the calculation of income other than earnings: persons who are not pensioners)—

(a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family, and

(b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable,

must be disregarded as income to the extent of £20 per week.

(4) Where a payment from access funds is made—

(a) on or after 1st September or the first day of the course, whichever first occurs, but before receipt of any student loan in respect of that year and that payment is intended for the purpose of bridging the period until receipt of the student loan; or

(b) before the first day of the course to a person in anticipation of that person becoming a student, that payment must be disregarded as income.

83. Disregard of contribution

Where the applicant or his partner is a student and, for the purposes of assessing a contribution to the student's grant or student loan, the other partner's income has been taken into account, an amount equal to that contribution must be disregarded for the purposes of assessing that other partner's income.

84. Further disregard of student's income

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

85.— Income treated as capital

(1) Any amount by way of a refund of tax deducted from a student's covenant income must be treated as capital.

(2) An amount paid from access funds as a single lump sum must be treated as capital.

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

86. Disregard of changes occurring during summer vacation

In calculating a student's income the authority must disregard any change in the standard maintenance grant, occurring in the recognised summer vacation appropriate to the student's course, if that vacation does not form part of his period of study from the date on which the change occurred to the end of that vacation.

PART 12 Extended Support

CHAPTER 1 Extended Support: pensioners

87. Extended Support: pensioners

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

88.— Extended Support (qualifying contributory benefits): pensioners

- (1) Except in the case of an applicant who is in receipt of state pension credit, an applicant who is entitled to support under this scheme by virtue of falling within any of classes A to C is entitled to 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 or, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more;
 - (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and
 - (d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last 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 sub-paragraph (1)(b).

89.— Duration of extended support period (qualifying contributory benefits): pensioners

- (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.

90.— Amount of extended support (qualifying contributory benefits): pensioners

- (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 support (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.

91.— Extended Support (qualifying contributory benefits)—movers: pensioners

(1) This paragraph applies—

(a) to a mover; and

(b) from the Monday following the day of the move.

(2) The amount of the extended 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.

92.— Relationship between extended support (qualifying contributory benefits) and entitlement to support by virtue of classes A to C

(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 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).

93.— Continuing support where state pension credit claimed: pensioners

(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;

(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; 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) or 29A(1) if, since the date it was last calculated—
 - (a) the applicant's council tax liability has increased; or
 - (b) a change in the deduction under paragraph 30 falls to be made.

CHAPTER 2 Extended Support: persons who are not pensioners

94. Extended Support: persons who are not pensioners

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

95.— Extended Support: persons who are not pensioners

- (1) An applicant who is entitled to support under this scheme by virtue of falling within any of classes D to F 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 or, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more; and
 - (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.
- (2) For the purpose of sub-paragraph (1)(c), an applicant or an applicant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the applicant or the applicant's partner was not entitled to any of those benefits because the applicant or the applicant's partner was engaged in remunerative work as a consequence of their participation in an employment zone programme.
- (3) For the purpose of this paragraph, where an applicant or an applicant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they must be treated as being entitled to and in receipt of jobseeker's allowance.
- (4) An applicant must be treated as entitled to support under this scheme by virtue of falling within any of classes D to F 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 income-related benefit ceased, or in the preceding week; and
 - (c) entitlement to the qualifying income-related benefit ceased in any of the circumstances listed

in sub-paragraph (1)(b).

- (5) This paragraph does not apply where, on the day before an applicant's entitlement to income support ceased, regulation 6(5) of the Income Support (General) Regulations 1987 (remunerative work: housing costs) applied to that applicant.

96.— Duration of extended support period: persons who are not pensioners

- (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 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.

97.— Amount of extended support: persons who are not pensioners

- (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 F 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 F 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 F, if paragraph 95 did not apply to the applicant.
- (2) Sub-paragraph (1) does not apply in the case of a mover.
- (3) Where an applicant is in receipt of an extended support under this paragraph and the applicant's partner makes an application for support under this scheme, no amount of support under this scheme is to be awarded by the authority during the extended support period.

98.— Extended support—movers: persons who are not pensioners

- (1) This paragraph applies—
- (a) to a mover; and
 - (b) from the Monday following the day of the move.
- (2) The amount of the extended 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.

99.— Relationship between extended support and entitlement to support by virtue of classes D to F

- (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).

100.— Extended support (qualifying contributory benefits): persons who are not pensioners

- (1) An applicant who is entitled to support under this scheme by virtue of falling within any of classes D to F 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 or, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more;
 - (c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and
 - (d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last 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 F 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).

101.— Duration of extended support period (qualifying contributory benefits): persons who are not pensioners

- (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.

102.— Amount of extended support (qualifying contributory benefits): persons who are not pensioners

- (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 F 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 F for any support week during the extended support period, if paragraph 100 (extended support (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 F, if paragraph 100 did not apply to the applicant.
- (2) Sub-paragraph (1) does not apply in the case of a mover.
- (3) Where an applicant is in receipt of an extended 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.

103.— Extended support (qualifying contributory benefits)—movers: persons who are not pensioners

- (1) This paragraph applies—
 - (a) to a mover; and
 - (b) from the Monday following the day of the move.
- (2) The amount of the extended 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.

104.— Relationship between extended support (qualifying contributory benefits) and entitlement to support by virtue of classes D to F

- (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

105. Extended Support: applicant moving into the authority's area

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

106.— Date on which entitlement begins

- (1) Subject to sub-paragraph (2), any person by whom or in respect of whom an application for support under 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.

107.— Date on which change of circumstances is to take effect

- (1) Except in cases where paragraph 60 (disregard of changes in tax, contributions, etc.) applies and subject to 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 amounts of council tax) or changes in the discount to which a dwelling may be subject under section 11 or 11A of that Act (discounts), it takes effect from the day on which the change in amount has effect.
- (5) Where the change of circumstances is the applicant's acquisition of a partner, the change takes effect on the day on which the acquisition takes place.
- (6) Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.
- (7) If two or more changes of circumstances occurring in the same 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) not used
 - (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.

107A De Minimis Change - persons who are not pensioners

- (1) Where a change of circumstances occurs which would amend the calculation and subsequent award of Council Tax Support in any support week by an amount of less than **£1.00**, no change to the award shall be made.

108.— Change of circumstances where state pension credit in payment

- (1) Sub-paragraphs (2) and (3) apply where—
- (a) the applicant is in receipt of state pension credit;
 - (b) the amount of state pension credit awarded to him is changed in consequence of a change in the applicant's circumstances or the correction of an official error; and
 - (c) the change in the amount of state pension credit payable to the applicant results in a change in the amount of 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 he 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 he 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)

109.— Making an application

(1) In the case of—

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

(b) in the case of members of a polygamous marriage to whom paragraph 37 (income and capital: award of universal credit) applies, an application is to be made by whichever one of the parties to the earliest marriage that still subsists they agree should so apply or, in default of agreement, by such one of them as the authority determines.

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

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

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

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

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

- (3) Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and sub-paragraph (2) does not apply to him, the authority may, upon written application made to them by a person who, if a natural person, is over the age of 18, appoint that person to exercise on behalf of the person who is unable to act, any right to which that person might be entitled under this scheme and to receive and deal on his behalf with any sums payable to him.
- (4) Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).
- (5) Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4)—
 - (a) it may at any time revoke the appointment;
 - (b) the person appointed may resign his office after having given 4 weeks notice in writing to the authority of his intention to do so;
 - (c) any such appointment must terminate when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).
- (6) Anything required by this scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the person appointed or treated as appointed under this paragraph and the receipt of any such person so appointed shall be a good discharge to the authority for any sum paid.
- (7) The authority must—
 - (a) inform any person making an application of the duty imposed by paragraph 115(1)(a);
 - (b) explain the possible consequences (including prosecution) of failing to comply with that duty; and
 - (c) set out the circumstances a change in which might affect entitlement to the support or its amount.

110.— Date on which an application is made

- (1) Subject to sub-paragraph (7), the date on which an application is made is—
 - (a) in a case where—
 - (i) an award of state pension credit which comprises a guarantee credit has been made to the applicant or his partner, and
 - (ii) the application is made within one month of the date on which the claim for that state pension credit which comprises a guarantee credit was received at the appropriate DWP office,
the first day of entitlement to state pension credit which comprises a guarantee credit arising from that claim;
 - (b) in a case where—
 - (i) an applicant or his partner is a person in receipt of a guarantee credit,
 - (ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and
 - (iii) the application to the authority is received at the designated office within one month of the date of the change,
the date on which the change takes place;
 - (c) in a case where—
 - (i) an award of income support, an income-based jobseeker's allowance or an income-related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and
 - (ii) the application is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,
the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim;
 - (d) in a case where—
 - (i) an applicant or his partner is a person on income support, an income-based jobseeker's allowance

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

the date on which the change takes place;

(e) in a case where—

- (i) the applicant is the former partner of a person who was, at the date of his death or their separation, entitled to 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) Where the defect referred to in paragraph 7 of Schedule 1 to this scheme (application by telephone)—

(a) is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance;

(b) is not corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance where it considers it has sufficient information to decide on the application.

(4) The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.

(5) The conditions are that—

(a) where paragraph 4(a) of Schedule 1 (incomplete form) applies, the authority receives at its designated office the properly completed application or the information requested to complete it or the evidence within one month of the request, or such longer period as the authority may consider reasonable; or

(b) where paragraph 4(b) of Schedule 1 (application not on approved form or further information requested by authority) applies—

(i) the approved form sent to the applicant is received at the designated office properly completed within one month of it having been sent to him; or, as the case may be,

(ii) the applicant supplies whatever information or evidence was requested under paragraph 4 of that Schedule within one month of the request,

or, in either case, within such longer period as the authority may consider reasonable; or

(c) where the authority has requested further information, the authority receives at its designated office the properly completed application or the information requested to complete it within one month of the request or within such longer period as the authority considers reasonable.

(6) Except in the case of an application made by a person treated as not being in Great Britain, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for 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.

111.— Backdating of applications: pensioners

- (1) Subject to sub-paragraph (2), the time for the making of an application under this scheme by a pensioner is as regards any day on which, apart from satisfying the condition of making an application, the applicant is entitled to such 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).

112.— Backdating of applications: persons who are not pensioners

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

113.— Information and evidence

- (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;
 - (ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and
 - (iii) has not previously been allocated a national insurance number.
- (4) Subject to sub-paragraph (5), a person who makes an application, or a person to whom support under this scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or any question arising out of the application or the award, as may reasonably be required by the authority in order to determine that person's entitlement to, or continuing entitlement to 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, the Caxton Foundation” insert “, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Grenfell Tower charitable funds, the Grenfell Tower Residents’ Discretionary Fund, the Windrush Compensation Scheme or the London Bombings Relief Charitable Fund;
 - (aa) a Grenfell Tower support payment;
 - (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 pension scheme, he must where the authority so requires furnish the following information—
- (a) the name and address of the pension fund holder;
 - (b) such other information including any reference or policy number as is needed to enable the personal pension scheme to be identified.

114.— Amendment and withdrawal of application

- (1) A person who has made an application may amend it at any time before a decision has been made on it by a notice in writing delivered or sent to the designated office.
- (2) Where the application was made by telephone in accordance with Part 1 of Schedule 1, the amendment may also be made by telephone.
- (3) Any application amended in accordance with sub-paragraph (1) or (2) is to be treated as if it had been amended in the first instance.
- (4) A person who has made an application may withdraw it by notice to the designated office at any time

before a decision has been made on it.

- (5) Where the application was made by telephone in accordance with Part 1 of Schedule 1, the withdrawal may also be made by telephone.
- (6) Any notice of withdrawal given in accordance with sub-paragraph (4) or (z5) has effect when it is received.
- (7) Where a person, by telephone, amends or withdraws an application the person must (if required to do so by the authority) confirm the amendment or withdrawal by a notice in writing delivered or sent to the designated office.

115.— Duty to notify changes of circumstances

- (1) Subject to sub-paragraphs (3) and (9), 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 his 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) by telephone—
 - (i) where the authority has published a telephone number for that purpose or for the purposes of Part 1 of Schedule 1 unless the authority determines that in any particular case or class of case notification may not be given by telephone; or
 - (ii) in any case or class of case where the authority determines that notice may be given by telephone; or
 - (c) by any other means which the authority agrees to accept in any particular case, within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.
- (3) The duty imposed on a person by sub-paragraph (1) does not extend to notifying—
 - (a) changes in the amount of council tax payable to the authority;
 - (b) changes in the age of the applicant or that of any member of his family;
 - (c) in the case of an applicant in receipt of a relevant benefit, changes in circumstances which affect the amount of the benefit but not the amount of the 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 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;
- (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 or where the absence is from Great Britain, which exceeds or is likely to exceed 4 weeks.
- (8) In addition to the changes required to be reported under sub-paragraph (7), a person whose state pension credit comprises only the savings credit must also report—
 - (a) changes affecting a child living with him which may result in a change in the amount of 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

116. Decision by authority

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.

117.— Notification of decision

- (1) The authority must notify in writing any person affected by a decision made by it under this scheme—
 - (a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;
 - (b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.
- (2) Where the decision is to award 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.
- (5) A person affected to whom the authority sends or delivers a notification of decision may, within one month of the date of the notification of that decision request in writing the authority to provide a written statement setting out the reasons for its decision on any matter set out in the notice.
- (6) The written statement referred to in sub-paragraph (5) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.
- (7) For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under this scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (8).
- (8) This sub-paragraph applies to—
 - (a) the applicant;
 - (b) in the case of a person who is liable to pay council tax in respect of a dwelling and is unable for the time being to act—
 - (i) a deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or
 - (ii) in Scotland, a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on the person's behalf; or
 - (iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney

- Act 1985 or the Mental Capacity Act 2005 or otherwise,
(c) a person appointed by the authority under paragraph 109(3).

PART 16 Circumstances in which a payment may be made

118.— Payment where there is joint and several liability.

- (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 treated as having been so appointed by virtue of paragraph 109(5), the amount of the support may be paid to that person.

119.0 Transitional provisions for restrictions on amounts for children and young persons (pensioners)

- (1) This regulation applies where—
- (a) on 31st March 2018, a person is liable to pay council tax at a reduced rate by virtue of a council tax support under an authority's scheme established under section 13A(2) of the Local Government Finance Act 1992 ("a section 13A(2) scheme"); and
 - (b) the person is, or the person and the person's partner are between them, responsible for more than two individuals who are either children or young persons and who are members of the same household (each such individual is referred to as a protected individual").
- (2) Where this regulation applies, the amendments made by regulation 7 do not apply to the person entitled to a council tax support referred to in paragraph (1) until—
- (a) the person makes a new application for support under an authority's section 13A(2) scheme; or
 - (b) the person or the person's partner (if any) becomes responsible for a new individual, whichever is the first to occur.
- (3) Paragraphs (4) to (8) apply where—
- (a) the amendments made by regulation 7 apply by virtue of paragraph (2)(b);
 - (b) the child tax credit provisions do not apply; and
 - (c) the person has not made a new application for support under an authority's scheme for support under an authority's section 13A(2) scheme.
- (4) Notwithstanding the default provisions, a child amount shall be included in the applicable amount in relation to any protected individual, in relation to any time when the person or the person's partner (if any) is responsible for the individual and the individual is a member of the same household.
- (5) Paragraph (6) applies where—
- (a) the person or the person's partner (if any) is responsible for one or more protected individuals who are members of the same household; and
 - (b) either of them is responsible for one or more new individuals who are members of the same household.

- (6) Where this paragraph applies, any protected individual for whom the person or the person's partner is responsible is to be counted for the purpose of deciding whether, under the default provisions, an additional child amount is to be included in the applicable amount with respect to the new individual or individuals referred to in paragraph (5)(b).
- (7) Paragraph (8) applies where—
- (a) the number of protected individuals for whom either the person or the person's partner (if any) is responsible, and who are members of the same household, is one;
 - (b) the number of new individuals for whom either the person or the person's partner is responsible, and who are members of the same household, is two or more; and
 - (c) a different child amount would apply to different individuals.
- (8) Where this paragraph applies, the child amounts to be included in the applicable amount shall be—
- (a) the child amount in relation to the protected individual; and
 - (b) a child amount in relation to such one of the new individuals as will result in the greatest possible total amount.
- (9) Under paragraph (3), for the purposes of determining whether the child tax credit provisions apply, by virtue of paragraph 6(1B) of Schedule 1 to the 2012 Regulations, where the person or the person's partner is responsible for one or more protected individuals, the total amount that would be included in the applicable amount under the default provisions shall be taken to be the total that would be included under paragraphs (4), (6) and (8).
- (10) For the purposes of this regulation—
- (a) "the 2012 Regulations" means the Council Tax Support Schemes (Prescribed Requirements) (England) Regulations 2012;
 - (b) "applicable amount", "child", "partner" and "young person" have the same meanings as in the 2012 Regulations;
 - (c) "child amount" means the amount determined under paragraph 2 of Schedule 2 to the 2012 Regulations;
 - (d) "child tax credit provisions" means the provisions of paragraph 6(1)(b) of Schedule 1 to the 2012 Regulations (as substituted by paragraph 6(1C) of that Schedule);
 - (e) "default provisions" means the provisions of paragraph 6(1)(b) of Schedule 1 to the 2012 Regulations (as substituted by paragraph 6(1C) of that Schedule);
 - (f) "new individual" means a child or young person who is not a protected individual;
 - (g) any reference to an individual being part of the same household means being part of the same household with the person who is entitled to support under an authority's section 13A(2) scheme and the person's partner (if any);
 - (h) a person is to be treated as responsible for a child or young person in the circumstances set out in regulation 7 of the 2012 Regulations

SCHEDULE 1 - 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.
Paragraphs 2 to 7 apply to an application for support under this scheme.
2.
An application may be made—
 - (a) in writing,
 - (b) by means of an electronic communication in accordance with Part 4 of this Schedule, or
 - (c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.
- 3.

(1) An application which is made in writing must be made to the designated office on a properly completed form.

(2) The form must be provided free of charge by the authority for the purpose.

4.

Where an application made in writing is defective because—

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

(b) it was made in writing but not on the form 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. An application made on a form provided by the authority is properly completed if completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

5.

(1) If an application made by electronic communication is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

6.

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

7.

(1) If an application made by telephone is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

PART 2 Procedure for making an appeal

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

8.

A person who is aggrieved by a decision of the authority 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.

PART 3 Procedure for applying for a discretionary reduction

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

11.

- (1) An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act may be made—
- (a) in writing;
 - (b) by means of an electronic communication in accordance with Part 4 of this Schedule; or
 - (c) where the authority has published a telephone number for the purposes of receiving such applications, by telephone.
- (2) Where—
- (a) the authority has made a determination under section 13A(1)(c) in relation to a class of case in which liability is to be reduced; and
 - (b) a person in that class would otherwise be entitled to a reduction under this scheme,
- that person's application for a reduction under this scheme may also be treated as an application for a reduction under section 13A(1)(c).

PART 4 Electronic communication

12. Interpretation

In this Part—

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

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

13.— Conditions for the use of electronic communication

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

14. Use of intermediaries

The authority may use intermediaries in connection with—

- (a) the delivery of any information by means of an electronic communication; and
- (b) the authentication or security of anything transmitted by such means,

and may require other persons to use intermediaries in connection with those matters.

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

(1) Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of this scheme, on the day the conditions imposed—

- (a) by this Part; and
- (b) by or under an enactment,

are satisfied.

(2) The authority may determine that any information is to be treated as delivered on a different day (whether earlier or later) from the day provided for in sub-paragraph (1).

(3) Information must not be taken to have been delivered to an official computer system by means of an electronic communication unless it is accepted by the system to which it is delivered.

16. Proof of identity of sender or recipient of information

If it is necessary to prove, for the purpose of any legal proceedings, the identity of—

- (a) the sender of any information delivered by means of an electronic communication to an official computer system; or
- (b) the recipient of any such information delivered by means of an electronic communication from an official computer system,

the sender or recipient, as the case may be, is to be presumed to be the person whose name is recorded as such on that official computer system.

17.— Proof of delivery of information

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

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

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

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

18. Proof of content of information

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

SCHEDULE 2 Applicable amounts:

PART 1 Persons who are pensioners

(1) The amount specified in column (2) below in respect of each person or couple specified in column (1) is the amount specified for the purposes of paragraph 25(1)(a) is;
(a) on or after 1st April 2021, the amount specified in column (2) of Table 1 below in respect of each person or couple referred to in column (1) of that Table.

(1A) For the purposes of sub-paragraph (1)(b) as it applies apart from sub-paragraph (1C), where the family includes more than two individuals who are either children or young persons and under paragraph 2 of that Schedule a different amount applies to different individuals, the two amounts to be included in the applicable amount shall be those that result in the greatest possible total amount.

(1B) Sub-paragraph (1C) applies where—

(a) (whether or not as part of a tax credit couple as defined in section 3(5A) of the Tax Credits Act 2002) the applicant has an award of child tax credit (whether or not any amount is payable by way of such credit) in respect of a child or young person who is a member of his family; and
(b) the total amount to be included in the applicable amount under sub-paragraph (1)(b) as substituted by sub-paragraph (1C) would be higher than the total amount that would be included under paragraph (1)(b) apart from sub-paragraph (1C).

(1C) Where this paragraph applies, for sub-paragraph (1)(b) substitute—

(b) an amount determined in accordance with paragraph 2 of that Schedule in respect of any child or young person who is a member of his family and in respect of whom the individual element of child tax credit has been included in the determination of the maximum rate of that credit;

Transitional provisions for restrictions on amounts for children and young persons

(1) This regulation applies where—

(a) on 31st March 2018, a person is liable to pay council tax at a reduced rate by virtue of a council tax reduction under an authority's scheme established under section 13A(2) of the Local Government Finance Act 1992 ("a section 13A(2) scheme"); and
(b) the person is, or the person and the person's partner are between them, responsible for more than two individuals who are either children or young persons and who are members of the same household (each such individual is referred to as a "protected individual").

(2) Where this regulation applies, the amendments made by regulation 7 do not apply to the person entitled to a council tax reduction referred to in paragraph (1) until—

(a) the person makes a new application for a reduction under an authority's section 13A(2) scheme; or
(b) the person or the person's partner (if any) becomes responsible for a new individual, whichever is the first to occur.

(3) Paragraphs (4) to (8) apply where—

(a) the amendments made by regulation 7 apply by virtue of paragraph (2)(b);
(b) the child tax credit provisions do not apply; and
(c) the person has not made a new application for a reduction under an authority's scheme for a reduction under an authority's section 13A(2) scheme.

(4) Notwithstanding the default provisions, a child amount shall be included in the applicable amount in relation to any protected individual, in relation to any time when the person or the person's partner (if any) is responsible for the individual and the individual is a member of the same household.

(5) Paragraph (6) applies where—

(a) the person or the person's partner (if any) is responsible for one or more protected individuals who are members of the same household; and
(b) either of them is responsible for one or more new individuals who are members of the same household.

(6) Where this paragraph applies, any protected individual for whom the person or the person’s partner is responsible is to be counted for the purpose of deciding whether, under the default provisions, an additional child amount is to be included in the applicable amount with respect to the new individual or individuals referred to in paragraph (5)(b).

(7) Paragraph (8) applies where—

(a) the number of protected individuals for whom either the person or the person’s partner (if any) is responsible, and who are members of the same household, is one;

(b) the number of new individuals for whom either the person or the person’s partner is responsible, and who are members of the same household, is two or more; and

(c) a different child amount would apply to different individuals.

(8) Where this paragraph applies, the child amounts to be included in the applicable amount shall be—

(a) the child amount in relation to the protected individual; and

(b) a child amount in relation to such one of the new individuals as will result in the greatest possible total amount.

(9) Under paragraph (3), for the purposes of determining whether the child tax credit provisions apply, by virtue of paragraph 6(1B) of Schedule 1 to the 2012 Regulations, where the person or the person’s partner is responsible for one or more protected individuals, the total amount that would be included in the applicable amount under the default provisions shall be taken to be the total that would be included under paragraphs (4), (6) and (8).

(10) For the purposes of this regulation—

(a) “the 2012 Regulations” means the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012;

(b) “applicable amount”, “child”, “partner” and “young person” have the same meanings as in the 2012 Regulations;

(c) “child amount” means the amount determined under paragraph 2 of Schedule 2 to the 2012 Regulations;

(d) “child tax credit provisions” means the provisions of paragraph 6(1)(b) of Schedule 1 to the 2012 Regulations (as substituted by paragraph 6(1C) of that Schedule);

(e) “default provisions” means the provisions of paragraph 6(1)(b) of Schedule 1 to the 2012 Regulations (as substituted by paragraph 6(1C) of that Schedule);

(f) “new individual” means a child or young person who is not a protected individual;

(g) any reference to an individual being part of the same household means being part of the same household with the person who is entitled to a reduction under an authority’s section 13A(2) scheme and the person’s partner (if any);

(h) a person is to be treated as responsible for a child or young person in the circumstances set out in regulation 7 of the 2012 Regulations.

Table 1

<i>Column (1) Person, couple or polygamous marriage</i>	<i>Column (2) Amount</i>
(1) Single applicant or lone parent who has attained pensionable age	£187.75.
(2) Couple one or both members	£280.85.
(3) If the applicant is a member of a polygamous marriage and one or more members of the marriage have attained pensionable age	
(a) for the applicant and the other party to the marriage;	(a) 280.85;
(b) for each additional spouse who is a member of the same household as the applicant.	(b) £93.10.

2. Child or young person amounts

- (1) The amounts specified in column (2) below in respect of each person specified in column (1) are the amounts, for the relevant period specified in column (1), specified for the purposes of paragraph 25(1)(b).

Column (1)	Column (2)
Child or young Person	Amount
Person in respect of the period— (a) beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday; (b) beginning on the first Monday in September following that person's sixteenth birthday and ending on the day preceding that person's twentieth birthday.	(a) £68.27; (b) £68.27

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

PART 2 Family premium

3. Family premium

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

- (a) is £17.45 in respect of a reduction week which begins in the period beginning with 1st April 2015 and ending with 30th April 2016;
(b) is nil in respect of a reduction week which begins after 1st May 2016.

Transitional provision

(1) The amendment in regulation Part 2-3 (Family Premium) of this policy (or 2(4)(b) for the purposes of SI2041/2015) does not apply to a person who, on 30th April 2016, is liable to pay council tax at a reduced rate by virtue of a council tax reduction under an authority's scheme established under section 13A (2) of the Act and is—

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

(2) Paragraph (1) does not apply if—

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

(3) For the purposes of this regulation—

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

PART 3 - Premiums

4. The premiums specified in Part 4 shall, for the purposes of paragraph 24(1)(d), be applicable to an applicant who satisfies the condition specified in this Part in respect of that premium.

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

- (a) in the case of a benefit to which the Social Security (Overlapping Benefits) Regulations 1979 applies, any period during which, apart from the provision of those Regulations, he would be in receipt of that benefit; and
- (b) any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the Employment and Training Act 1973, or by Skills Development Scotland, Scottish Enterprise or Highland and Islands Enterprise under section 2 of the Enterprise and New Towns (Scotland) Act 1990 or for any period during which he is in receipt of a training allowance.

(2) For the purposes of the carer premium under paragraph 9 of this Schedule, a person shall be treated as being in receipt of a carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012.

Severe disability premium

6.—(1) The condition is that the applicant is a severely disabled person.

(2) For the purposes of sub-paragraph (1), an applicant shall be treated as being a severely disabled person if, and only if—

- a. in the case of a single applicant, a lone parent or an applicant who is treated as having no partner in consequence of sub-paragraph (3)—
 - (i) he is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012; and
 - (ii) subject to sub-paragraph (6), he has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing; and
 - (iii) no person is entitled to, and in receipt of, a carer's allowance under section 70 of the SSCBA or has an award of universal credit which includes the carer element under regulation 29 of the Universal Credit Regulations 2013 in respect of caring for him;
- b. in the case of an applicant who has a partner—
 - (i) the applicant is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012;
 - (ii) his partner is also in receipt of such an allowance or, if he is a member of a polygamous marriage, each other member of that marriage is in receipt of such an allowance; and
 - (iii) subject to sub-paragraph (6), the applicant has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing,and either a person is entitled to and in receipt of a carer's allowance or has an award of universal credit that includes the carer element in respect of caring for only one of the couple or, if he is a member of a polygamous marriage, for one or more but not all the members of the marriage, or as the case may be, no person is entitled to and in receipt of such an allowance or has such an award of universal credit in respect of caring for either member of a couple or any of the members of the marriage.

(3) Where an applicant has a partner who does not satisfy the condition in sub-paragraph (2)(b)(ii), and that partner is blind or is treated as blind within the meaning of sub-paragraph (4), that partner shall be treated for the purposes of sub-paragraph (2) as if he were not a partner of the applicant.

(4) For the purposes of sub-paragraph (3), a person is blind if he is registered in a register compiled by a local authority under section 29 of the National Assistance Act 1948 (welfare services) or, in Scotland, has been certified as blind and in consequence he is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994.

- (5) For the purposes of sub-paragraph (4), a person who has ceased to be registered as blind on regaining his eyesight shall nevertheless be treated as blind and as satisfying the additional condition set out in that sub-paragraph for a period of 28 weeks following the date on which he ceased to be so registered.
- (6) For the purposes of sub-paragraph (2)(a)(ii) and (2)(b)(iii) no account shall be taken of—
- (a) a person receiving attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012; or
 - (b) a person who is blind or is treated as blind within the meaning of sub-paragraphs (4) and (5).
- (7) For the purposes of sub-paragraph (2)(b) a person shall be treated—
- (a) as being in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, if he would, but for his being a patient for a period exceeding 28 days, be so in receipt;
 - (b) as being in receipt of the daily living component of personal independence payment paid at the rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012 if he would, but for his being a patient for a period exceeding 28 days, be so in receipt, notwithstanding section 86 of that Act and regulations made there under;
 - (c) as being entitled to and in receipt of a carer's allowance or having an award of universal credit which includes the carer element if he would, but for the person for whom he was caring being a patient in hospital for a period exceeding 28 days, be so entitled and in receipt or have such an award of universal credit.
- (8) For the purposes of sub-paragraph (2)(a)(iii) and (2)(b)—
- (a) no account shall be taken of an award of carer's allowance to the extent that payment of such an award is back-dated for a period before the date on which the award is first paid; and
 - (b) references to a person being in receipt of a carer's allowance or as having an award of universal credit which includes the carer element shall include reference to a person who would have been in receipt of that allowance or had such an award of universal credit but for the application of a restriction under section 6B or 7 of the Social Security Fraud Act 2001 (loss of benefit).

Enhanced disability premium

- 7.—(1) The condition is—
- (a) that the care component of disability living allowance is, or would, but for a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA or but for an abatement as a consequence of hospitalisation, be payable at the highest rate prescribed under section 73(2) of that Act in respect of a child or young person who is a member of the applicant's family; or
 - (b) (as the case may be) that the daily living component of personal independence payment is, or would, but for a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA or but for an abatement as a consequence of hospitalisation under section 86 of the Welfare Reform Act 2012, be payable at the enhanced rate prescribed in accordance with Part 4 of that Act.
- (2) Where the condition in sub-paragraph (1) ceases to be satisfied because of the death of a child or young person, the condition is that the applicant or partner is entitled to child benefit in respect of that person under section 145A of the SSCBA (entitlement after death of child or qualifying young person).

Disabled child premium

8. The condition is that a child or young person for whom the applicant or a partner of his is responsible and who is a member of the applicant's household—
- (a) is in receipt of disability living allowance or personal independence payment or is no longer in receipt of such allowance or payment because he is a patient, provided that the child or young person continues to be a member of the family; or
 - (b) is blind within the meaning of paragraph 6(4) of this Schedule or treated as blind in accordance with paragraph 6(5); or
 - (c) is a child or young person in respect of whom section 145A of the SSCBA (entitlement after death of child or qualifying young person) applies for the purposes of entitlement to child benefit but only for the period prescribed under that section, and in respect of whom a disabled child premium was included in the applicant's applicable amount immediately before the death of that child or young person, or ceased to be included in the applicant's applicable amount because of that child or young person's death.

Carer premium

9.—(1) The condition is that the applicant or his partner is, or both of them are, entitled to a carer's allowance.

(2) Where a carer premium has been awarded but—

- (a) the person in respect of whose care the carer's allowance has been awarded dies; or
- (b) the person in respect of whom the premium was awarded ceases to be entitled, or ceases to be treated as entitled, to a carer's allowance, this paragraph shall be treated as satisfied for a period of eight weeks from the relevant date specified in sub-paragraph (3).

(3) The relevant date for the purposes of sub-paragraph (2) is—

- (a) in a case within sub-paragraph (2)(a), the Sunday following the death of the person in respect of whose care the carer's allowance has been awarded (or beginning with the date of death if the date occurred on a Sunday);
- (b) in a case within sub-paragraph (2)(b), the date on which that person who was entitled to a carer's allowance ceases to be entitled to it.

(4) For the purposes of this paragraph, a person shall be treated as being entitled to and in receipt of a carer's allowance for any period not covered by an award but in respect of which a payment is made in lieu of an award.

Persons in receipt of concessionary payments

10. For the purpose of determining whether a premium is applicable to a person under paragraphs 6 to 9 of this Schedule, any concessionary payment made to compensate that person for the non-payment of any benefit mentioned in those paragraphs shall be treated as if it were a payment of that benefit.

Person in receipt of benefit

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

PART 4 - Amounts of premium specified in Part 3

<i>Provision</i>	<i>Amount</i>
(a) where the applicant satisfies the condition in paragraph 6(2)(a);	(a) £66.95;
(b) where the applicant satisfies the condition in paragraph 6(2)(b)—	(b)
(a) in a case where there is someone in receipt of a carer's allowance or who has an award of universal credit which includes the carer element under regulation 29 of the Universal Credit Regulations 2013, or if he or any partner satisfies that condition only by virtue of paragraph 6(7);	(i) £66.95;
(b) in a case where there is no-one in receipt of such an allowance or such an award of universal credit.	(ii) £133.90.
(2) Enhanced disability premium	(2) £26.60 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) £65.52 in respect of each child or young person in respect of whom
(4) Carer Premium.	

the condition specified in paragraph 8 is satisfied

(4) £37.50 in respect of each person who satisfies the condition specified in paragraph 9.

SCHEDULE 3 - 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>Person or couple</i>	<i>Amount</i>
(1) A single applicant who–	(1)
(a) is entitled to main phase employment and support allowance;	(a) £74.35
(b) is aged not less than 25;	(b) £74.35
(c) is aged not less than 18 but less than 25.	(c) £58.90
(2) Lone parent.	(2) £74.35
(3) Couple.	(3) £116.80
(4) If the applicant is a member of a polygamous marriage	
(a) for the applicant and the other party to the marriage;	(a) £116.80
(b) for each additional spouse who is a member of the same household as the applicant.	(b) £42.45

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 period 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;	£68.27
(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.	£68.27

(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 this scheme in respect of a family of which at least one member is a child or young person shall be
- a. where the applicant is a lone parent to whom sub-paragraph (3) of Schedule 3 of the Housing Benefit Regulations 2006 applies, £22.20;
 - b. in any other case, £17.60;

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 applies, any period during which, apart from the provisions of those Regulations, he would be in receipt of that benefit; and
 - (b) any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the Employment and Training Act 1973 or by Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise under section 2 of the Enterprise and New Towns (Scotland) Act 1990 for any period during which he is in receipt of a training allowance.
- (2) For the purposes of the carer premium under paragraph 14, a person is to be treated as being in receipt of carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA or the daily living component of personal independence payment payable under Part 4 of the Welfare Reform Act 2012.

Disability premium

9.
The condition is that—
- (a) where the applicant is a single applicant or a lone parent, he has not attained the qualifying age for state pension credit and the additional condition specified in paragraph 10 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, 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 child care charges); or

(v) was in receipt of an AFIP, but payment has been suspended in accordance with any terms of the armed and reserve forces compensation scheme which allow for suspension because a person is undergoing medical treatment in a hospital or similar institution; or

(vi) he has an invalid carriage or other vehicle provided to him by the Secretary of State or a clinical commissioning group under paragraph 9 of Schedule 1 to the National Health Service Act 2006 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972; or

(vii) is blind and in consequence registered in a register compiled by a local authority under section 29 of the National Assistance Act 1948 (welfare services) or, in Scotland, has been certified as blind and in consequence he is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or

(b) the applicant—

(i) is, or is treated as, incapable of work in accordance with the provisions of, and regulations made under, Part 12A of the SSCBA (incapacity for work); and

(ii) has been incapable, or has been treated as incapable, of work for a continuous period of not less than—

(aa) in the case of an applicant who is terminally ill within the meaning of section 30B(4) of the SSCBA, 196 days;

(bb) in any other case, 364 days.

(2) For the purposes of sub-paragraph (1)(a)(vii), a person who has ceased to be registered as blind on regaining his eyesight is nevertheless to be treated as blind and as satisfying the additional condition set out in that sub-paragraph for a period of 28 weeks following the date on which he ceased to be so registered.

(3) For the purposes of sub-paragraph (1)(b), once the disability premium is applicable to an applicant by virtue of his satisfying the additional condition specified in that provision, if he then ceases, for a period of 8 weeks or less, to be treated as incapable of work or to be incapable of work he is, on again becoming so incapable of work, immediately thereafter to be treated as satisfying the condition in sub-paragraph

(1)(b).

(4) For the purposes of sub-paragraph (1)(b), once the disability premium is applicable to an applicant by virtue of his satisfying the additional condition specified in that provision, he is to continue to be treated as satisfying that condition for any period spent by him in undertaking a course of training provided under section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990 or for any period during which he is in receipt of a training allowance.

(5) For the purposes of sub-paragraph (1)(b), where any two or more periods of incapacity are separated by a break of not more than 56 days, those periods are to be treated as one continuous period.

(6) For the purposes of this paragraph, a reference to a person who is or was in receipt of long-term incapacity benefit includes a person who is or was in receipt of short-term incapacity benefit at a rate equal to the long-term rate by virtue of section 30B(4)(a) of the Act (short-term incapacity benefit for a person who is terminally ill), or who would be or would have been in receipt of short-term incapacity benefit at such a rate but for the fact that the rate of short-term incapacity benefit already payable to him is or was equal to or greater than the long-term rate.

(7) In the case of an applicant who is a welfare to work beneficiary (a person to whom regulation 13A(1) of the Social Security (Incapacity for Work) (General) Regulations 1995 applies, and who again becomes incapable of work for the purposes of Part 12A of the SSCBA)—

(a) the reference to a period of 8 weeks in sub-paragraph (3); and

(b) the reference to a period of 56 days in sub-paragraph (5),

in each case is to be treated as a reference to a period of 104 weeks.

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

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, a lone parent or an applicant who is treated as having no partner in consequence of sub-paragraph (3)—

(i) he is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012, or an AFIP; and

(ii) subject to sub-paragraph (4), he has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing; and

(iii) no person is entitled to, and in receipt of, a carer's allowance under section 70 of the SSCBA in respect of caring for him;

(b) in the case of an applicant who has a partner—

(i) the applicant is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012, or an AFIP; and

(ii) his partner is also in receipt of such an allowance or, if he is a member of a polygamous marriage, all the partners of that marriage are in receipt of such an allowance; and

(iii) subject to sub-paragraph (4), the applicant has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing,

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

(3) Where an applicant has a partner who does not satisfy the condition in sub-paragraph (2)(b)(ii), and that partner is blind or is treated as blind within the meaning of paragraph 10(1)(a)(v) and (2), that partner is to be treated for the purposes of sub-paragraph (2)(b)(ii) as if he were not a partner of the applicant.

(4) For the purposes of sub-paragraph (2)(a)(ii) and (2)(b)(iii) no account is to be taken of—

(a) a person receiving attendance allowance, or disability living allowance by virtue of the care component at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment payable at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012; or

(b) a person who is blind or is treated as blind within the meaning of paragraph 10(1)(a)(v) and (2).

(5) For the purposes of sub-paragraph (2)(b) a person is to be treated—

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

(b) as being entitled to and in receipt of a carer's allowance if he would, but for the person for whom he was caring being a patient in hospital for a period exceeding 28 days, be so entitled and in receipt.

(6) For the purposes of sub-paragraph (2)(a)(iii) and (2)(b), no account is to be taken of an award of carer's allowance to the extent that payment of such an award is back-dated for a period before the date on which the award is first paid.

(7) In sub-paragraph (2)(a)(iii) and (b), references to a person being in receipt of a carer's allowance include references to a person who would have been in receipt of that allowance but for the application of a restriction under section 6B or 7 of the Social Security Fraud Act 2001 (loss of benefit provisions).

Enhanced disability premium

12.—

(1) Subject to sub-paragraph (2), the condition is that—

(a) the Secretary of State has decided that the applicant has, or is to be treated as having, limited capability for work-related activity; or

(b) the care component of disability living allowance is, or would be payable at the highest rate prescribed under section 72(3) of the SSCBA, but for a suspension of benefit in accordance with regulations made under section 113(2) of the SSCBA or but for an abatement as a consequence of hospitalisation be payable at the highest rate prescribed under section 72(3) of the SSCBA in respect of—

(i) the applicant; or

(ii) a member of the applicant's family,

who has not attained the qualifying age for state pension credit; or

(c) the daily living component of personal independence payment is, or would be payable at either rate under Part 4 of the Welfare Reform Act 2012, but for a suspension of benefit in accordance with section 86 of the Welfare Reform Act 2012 in respect of—

(i) the applicant; or

(ii) a member of the applicant's family,

who has not attained the qualifying age for state pension credit.

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

(3) The condition is not satisfied if the person to whom sub-paragraph (1) refers is—

(a) an applicant who—

(i) is not a member of a couple or a polygamous marriage; and

(ii) is a patient within the meaning of paragraph 58(11)(i) (treatment of child care charges) and has been for a period of more than 52 weeks; or

(b) a member of a couple or a polygamous marriage where each member is a patient within the meaning of paragraph 58(11)(i) and has been for a period of more than 52 weeks.

13. Disabled child premium

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

(a) is in receipt of disability living allowance or personal independence payment or is no longer in receipt

of such allowance because he is a patient, provided that the child or young person continues to be a member of the family; or

(b) is blind or treated as blind within the meaning of paragraph 10; or

(c) is a child or young person in respect of whom section 145A of the SSCBA (entitlement after death of child or qualifying young person) applies for the purposes of entitlement to child benefit but only for the period prescribed under that section, and in respect of whom a disabled child premium was included in the applicant's applicable amount immediately before the death of that child or young person, or ceased to be included in the applicant's applicable amount because of that child or young person's death.

14. Carer premium

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

(2) Where a carer premium is awarded but—

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

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

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

(3) The relevant date for the purposes of sub-paragraph (2) is—

(a) where sub-paragraph (2)(a) applies, the Sunday following the death of the person in respect of whose care a carer's allowance has been awarded or the date of death if the death occurred on a Sunday;

(b) in any other case, the date on which the person who has been entitled to a carer's allowance ceases to be entitled to that allowance.

(4) Where a person who has been entitled to a carer's allowance ceases to be entitled to that allowance and makes an application for 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 ceased to be entitled to that allowance.

Persons in receipt of concessionary payments

15.

For the purpose of determining whether a premium is applicable to a person under paragraphs 10 to 14, 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

17.—

(1) Disability Premium—

<i>Premium</i>	<i>Amount</i>
(1) Disability Premium—	(1)
(a) where the applicant satisfies the condition in paragraph 9(a);	(a) £34.95
(b) where the applicant satisfies the condition in paragraph 9(b).	(b) £49.80

(2) Severe Disability Premium—	(2)
(a) where the applicant satisfies the condition in paragraph 11(2)(a);	(a) £66.95
(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 has an award of universal credit which includes the carer element under regulation 29 of the Universal Credit Regulations 2013 ; and if he or any partner satisfies that condition only by virtue of paragraph 11(5);	(b)(i) £66.95
(ii) (ii) in a case where there is no-one in receipt of such an allowance or such an award of universal credit	(b)(ii) £133.90
(3) Disabled Child Premium.	(3) £65.52 in respect of each child or young person in respect of whom the condition specified in paragraph 13 of Part 3 of this Schedule is satisfied.
(4) Carer Premium.	(4) £37.50 in respect of each person who satisfies the condition specified in paragraph 14.
(5) Enhanced disability premium	(5)
(a) £26.60 in respect of each child or young person in respect of whom the conditions specified in paragraph 12 are satisfied;	
(b) £17.10 in respect of each person who is neither—	
(i) a child or young person; nor	
(ii) a member of a couple or a polygamous marriage,	
in respect of whom the conditions specified in paragraph 12 are satisfied;	
(c) £24.50 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 £29.55.

24. No work-related activity component will be awarded where the applicant or partner makes a new claim for Employment and Support Allowance on or after 1st April 2017. The amount of the support component is £39.20.

PART 7

Transitional Addition

25.—

(1) The applicant is entitled to the transitional addition calculated in accordance with paragraph 28 where the applicant or the applicant's partner ("the relevant person")—

(a) is entitled to a converted employment and support allowance; or

(b) is appealing a conversion decision as described in regulation 5(2)(b) of the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No. 2) Regulations 2008 and—

(i) is treated as having limited capability for work by virtue of regulation 30 of the Employment and Support Allowance Regulations 2008 as modified by the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No. 2) Regulations 2008; and

(ii) is not in receipt of an income-related employment and support allowance,

unless the amount of the transitional addition calculated in accordance with paragraph 28 would be nil.

(2) The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following—

(a) the reduction of the transitional addition to nil in accordance with paragraph 29;

(b) the termination of the applicant's award of support under this scheme;

(c) the relevant person ceasing to meet the requirements of sub-paragraph (1)(a) or (b), as the case may be;

(d) the applicant or the applicant's partner becoming entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support;

(e) 5th April 2020.

26.—

(1) This paragraph applies where—

(a) the applicant's entitlement to a transitional addition ends, by virtue of the termination of the applicant's award of 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 reduction 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 reduction 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 - Amount of alternative maximum council tax support: pensioners and persons who are not 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) 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 may be) applies; and
- (b) “persons to whom paragraph 75(1) of this scheme applies” includes any person to whom that paragraph would apply were they, and their partner if they had one, below the qualifying age for state pension credit.

(2) In this Schedule “council tax due in respect of that day” means the council tax payable under section 10 of the 1992 Act less—

- (a) any reductions made in consequence of any enactment in, or under, the 1992 Act (other than 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 may be appropriate to the dwelling under the 1992 Act.

(1)	(2)
Second adult	Alternative maximum council tax support
(a) Where the second adult or all second adults are in receipt of income support, an income-related employment and support allowance or state pension credit or are persons on an income-based jobseeker's allowance;	(a) 25 per cent of the council tax due in respect of that day;
(b) where the gross income of the second adult or, where there is more than one second adult, their aggregate gross income disregarding any income of persons on income support, an income-related employment and support allowance, state pension credit or an income-based jobseeker's allowance—	(b)
(i) is less than £215.00 per week;	(i) 15 per cent of the council tax due in respect of that day;
(ii) is not less than £215.00 per week but less than £279.00 per week;	(ii) 7.5 per cent of the council tax due in respect of that day;

2.

In determining a second adult's gross income for the purposes of this Schedule, the following must be disregarded from that income—

- (a) any attendance allowance, 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 falls to be disregarded for the purposes of discount in accordance with Schedule 1 to the 1992 Act, his income must be disregarded in determining the amount of any alternative maximum council tax 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 - Sums disregarded from applicant's earnings: pensioners

1.

Where two or more of paragraphs 2 to 5 apply in any particular case the overall maximum sum which falls to be disregarded in that case under those paragraphs is restricted to—

- (a) £25 in the case of a lone parent;
- (b) £20 in any other case.

2.

In a case where an applicant is a lone parent, £25 of earnings.

3.—

(1) In a case of earnings from any employment or employments to which sub-paragraph (2) applies, £20.

(2) This paragraph applies to employment—

- (a) as a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;
- (b) a part-time fire-fighter employed by a fire and rescue authority (as defined in section 1 of the Fire (Scotland) Act 2005) or a joint fire and rescue board constituted by an amalgamation scheme made under section 2(1) of that Act;
- (c) as an auxiliary coastguard in respect of coast rescue activities;
- (d) in the manning or launching of a lifeboat if the employment is part-time;
- (e) as a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001.

(3) If—

- (a) any of the earnings of the applicant or, if he has a partner, his partner, or both of them, are disregarded under sub-paragraph (1); and
- (b) either of them has, or both of them have, other earnings,

so much of those other earnings as would not, in the aggregate with the earnings disregarded under that sub-paragraph, exceed £20.

4.—

(1) If the applicant or, if he has a partner, his partner is a carer, or both are carers, £20 of any earnings received from his or their employment.

(2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings must for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) must not exceed £20 of the aggregated amount.

(3) In this paragraph the applicant or his partner is a carer if paragraph 14 of Part 3 of Schedule 3 (amount applicable for carers) is satisfied in respect of him.

5.—

(1) £20 is disregarded if the applicant or, if he has a partner, his partner—

- (a) is in receipt of—
 - (i) long-term incapacity benefit under section 30A of the SSCBA;
 - (ii) severe disablement allowance under section 68 of that Act;
 - (iii) attendance allowance under sections 64 of that Act;

(iv) disability living allowance;

(v) personal independence payment;

(vi) an AFIP;

(vii) any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983;

(viii) the disability element or the severe disability element of working tax credit under Schedule 2 to the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002; or

(ix) main phase employment and support allowance; or

(b) is or are registered as blind in a register compiled by a local authority under section 29 of the National Assistance Act 1948 (welfare services) or, in Scotland, has been certified as blind and in consequence is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or

(c) is, or is treated as, incapable of work in accordance with the provisions of, and regulations made under, Part 12A of the SSCBA (incapacity for work), and has been incapable, or has been treated as incapable, of work for a continuous period of not less than—

(i) in the case of an applicant who is terminally ill within the meaning of section 30B(4) of the Act, 196 days;

(ii) in any other case, 364 days; or

(d) has, or is treated as having, limited capacity for work within the meaning of section 1(4) of the Welfare Reform Act 1997 or limited capability for work-related activity within the meaning of section 2(5) of that Act and either—

(i) the assessment phase as defined in section 24(2) of the Welfare Reform Act has ended; or

(ii) regulation 7 of the Employment and Support Allowance Regulations 2008 or regulation 7 of the Employment and Support Allowance Regulations 2013 (circumstances where the condition that the assessment phase has ended before entitlement to the support component 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 guarantee credit: pensioners) does not apply,

the amount specified in sub-paragraph (7) (“the specified amount”).

(2) Where this paragraph applies, paragraphs 1 to 5 and 8 do not apply; but in any case where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 2, then paragraph 2 applies instead of this paragraph.

(3) Notwithstanding paragraph 33 (calculation of income and capital of members applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple (“A”) it does not apply to the other member of that couple (“B”) except to the extent provided in sub-paragraph (4).

(4) Where A's earnings are less than the specified amount, there is also to be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.

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

(a) in receipt of a contributory employment and support allowance;

(b) in receipt of incapacity benefit;

(c) in receipt of severe disablement allowance;

(d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.

(6) “Exempt work” means work of the kind described in—(a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations 2008 or regulation 39(1)(a), (b) or (c) of the Employment and Support Allowance Regulations 2013; or (as the case may be); or

(b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,

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

(7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

7.

Any amount or the balance of any amount which would fall to be disregarded under paragraph 18 or 19 of Schedule 6 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full amount disregarded thereunder.

8.

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

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

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

9.

Any earnings, other than earnings referred to in paragraph 40(9)(b), derived from employment which ended before the day in respect of which the applicant first satisfies the conditions for entitlement to 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 falls to be disregarded under this Schedule is to be increased by £17.10.

(2) The conditions of this sub-paragraph are that—

(a) the applicant, or if he has a partner, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 applies; or

(b) the applicant—

(i) is, or any partner of his is, aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or

(ii) if he is a member of a couple—

(aa) at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and

(bb) his family includes at least one child or young person; or

(iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or

(iv) is, or if he has a partner, one of them is, engaged in remunerative work for on average not less than 16 hours per week and paragraph 5(1) above is satisfied in respect of that person.

(3) The following are the amounts referred to in sub-paragraph (1)–

(a) any amount disregarded under this Schedule;

(b) the amount of child care charges calculated as deductible under paragraph 57(1)(c) (deductions from income of certain child care charges); and

(c) £17.10.

(4) The provisions of paragraph 10 (remunerative work) apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in sub-paragraph (1) of that paragraph was a reference to 30 hours.

11.

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

SCHEDULE 6 - Amounts to be disregarded in the calculation of income other than earnings: pensioners

1.

In addition to any sum which falls to be disregarded in accordance with paragraphs 2 to 6, the whole of any of the following—

- (a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 2 or 3);
- (b) a war widow's pension or war widower's pension;
- (c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;
- (d) a guaranteed income payment and, if the amount of that payment has been abated to less than £10 by a pension or payment falling within article 39(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011, so much of that pension or payment as would not, in aggregate with the amount of any guaranteed income payment disregarded, exceed £10;
- (e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;
- (f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;
- (g) a pension paid by a government to victims of National Socialist persecution

2.

The whole of any amount included in a pension to which paragraph 1 relates in respect of—

- (a) the applicant's need for constant attendance;
- (b) the applicant's exceptionally severe disablement.

3.

Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.

4.

Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under that Order.

5.

In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983 (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.

6.—

(1) Any payment which is—

- (a) made under any of the Dispensing Instruments to a widow, widower or surviving civil partner of a person—
 - (i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and
 - (ii) whose service in such capacity terminated before 31st March 1973; and
- (b) equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006.

(2) In this paragraph “the Dispensing Instruments” means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).

7.
£15 of any widowed parent's allowance to which the applicant is entitled under section 39A of the SSCBA.

8.
£15 of any widowed mother's allowance to which the applicant is entitled under section 37 of the SSCBA.

9.
Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for whom such accommodation is provided for the whole or any part of a week, equal to—

- (a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20, 100 per cent. of such payments; or
- (b) where the aggregate of any such payments exceeds £20, £20 and 50 per cent. of the excess over £20.

10.
If the applicant—

- (a) owns the freehold or leasehold interest in any property or is a tenant of any property; and
- (b) occupies a part of that property; and
- (c) has an agreement with another person allowing that person to occupy another part of that property on payment of rent and—
 - (i) the amount paid by that person is less than £20 per week, the whole of that amount; or
 - (ii) the amount paid is £20 or more per week, £20.

11.
Where an applicant receives income under an annuity purchased with a loan, which satisfies the following conditions—

(a) that the loan was made as part of a scheme under which not less than 90 per cent. of the proceeds of the loan were applied to the purchase by the person to whom it was made of an annuity ending with his life or with the life of the survivor of two or more persons (in this paragraph referred to as “the annuitants”) who include the person to whom the loan was made;

(b) that at the time the loan was made the person to whom it was made or each of the annuitants had attained the age of 65 or if it was higher at the time, pensionable age;

(c) that the loan was secured on a dwelling in Great Britain and the person to whom the loan was made or one of the annuitants owns an estate or interest in that dwelling;

(d) that the person to whom the loan was made or one of the annuitants occupies the dwelling on which it was secured as his home at the time the interest is paid; and

(e) that the interest payable on the loan is paid by the person to whom the loan was made or by one of the annuitants,

the amount, calculated on a weekly basis, equal to—

(i) where, or insofar as, section 369 of the Income and Corporation Taxes Act 1988 (mortgage interest payable under deduction of tax) applies to the payments of interest on the loan, the interest which is payable after deduction of a sum equal to income tax on such payments at the applicable percentage of income tax within the meaning of section 369(1A) of that Act;

(ii) in any other case, the interest which is payable on the loan without deduction of such a sum.

12.—
(1) Any payment, other than a payment to which sub-paragraph (2) applies, made to the applicant by Trustees in exercise of a discretion exercisable by them.

(2) This sub-paragraph applies to payments made to the applicant by Trustees in exercise of a discretion exercisable by them for the purpose of—

- (a) obtaining food, ordinary clothing or footwear or household fuel;
- (b) the payment of rent, council tax or water charges for which that applicant or his partner is liable;
- (c) meeting housing costs of a kind specified in Schedule 2 to the State Pension Credit Regulations 2002.

(3) In a case to which sub-paragraph (2) applies, £20 or—

- (a) if the payment is less than £20, the whole payment;
- (b) if, in the applicant's case, £10 is disregarded in accordance with paragraph 1(a) to (g), £10 or the whole payment if it is less than £10; or
- (c) if, in the applicant's case, £15 is disregarded under paragraph 7 or paragraph 8 and—
 - (i) he has no disregard under paragraph 1(a) to (g), £5 or the whole payment if it is less than £5;
 - (ii) he has a disregard under paragraph 1(a) to (g), nil.

(4) For the purposes of this paragraph, “ordinary clothing or footwear” means clothing or footwear for normal daily use, but does not include school uniforms, or clothing and footwear used solely for sporting activities.

13.

Any increase in pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 paid in respect of a dependent other than the pensioner's partner.

14.

Any payment ordered by a court to be made to the applicant or the applicant's partner in consequence of any accident, injury or disease suffered by the person or a child of the person to or in respect of whom the payments are made.

15.

Periodic payments made to the applicant or the applicant's partner under an agreement entered into in settlement of a claim made by the applicant or, as the case may be, the applicant's partner for an injury suffered by him.

16.

Any income which is payable outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.

17.

Any banking charges or commission payable in converting to Sterling payments of income made in a currency other than Sterling.

18.

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

- (a) under, or pursuant to regulations made under powers conferred by, section 22 of the Teaching and Higher Education Act 1998, that student's award;
- (b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or
- (c) the student's student loan,

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

19.—

- (1) Where the applicant is the parent of a student aged under 25 in advanced education who either—
 - (a) is not in receipt of any award, grant or student loan in respect of that education; or

(b) is in receipt of an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,

and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 18, an amount specified in sub-paragraph (2) in respect of each week during the student's term.

(2) For the purposes of sub-paragraph (1), the amount is to be equal to—

(a) the weekly amount of the payments; or

(b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),

whichever is less.

20.—

(1) Where an applicant's family includes at least one child or young person, £15 of any payment of maintenance, whether under a court order or not, which is made or due to be made by the applicant's spouse, civil partner, former spouse or former civil partner or the applicant's partner's spouse, civil partner, former spouse, or former civil partner.

(2) For the purposes of sub-paragraph (1), where more than one maintenance payment falls to be taken into account in any week, all such payments must be aggregated and treated as if they were a single payment.

21.

Except in a case which falls under paragraph 10 of Schedule 5, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10.

22.

Where the total value of any capital specified in Part 2 (capital disregarded only for the purposes of determining deemed income) of Schedule 9 does not exceed £10,000, any income actually derived from such capital.

23.

Except in the case of income from capital specified in Part 2 of Schedule 9, any actual income from capital.

24.

Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.

SCHEDULE 7 - Sums disregarded in the calculation of earnings: persons who are not pensioners

1.

In the case of an applicant who has been engaged in remunerative work as an employed earner or, had the employment been in Great Britain, would have been so engaged—

(a) where—

- (i) the employment has been terminated because of retirement; and
- (ii) on retirement he is entitled to a retirement pension under the Act, or is not so entitled solely because of his failure to satisfy the contribution conditions,

any earnings paid or due to be paid in respect of that employment, but only for a period commencing on the day immediately after the date on which the employment was terminated;

(b) where before the first day of entitlement to support under this scheme the employment has been terminated otherwise than because of retirement, any earnings paid or due to be paid in respect of that employment except—

(i) any payment of the nature described in—

- (aa) paragraph 51(1)(e) (retainer), or
- (bb) section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds); and

(ii) any award, sum or payment of the nature described in—

- (aa) paragraph 51(1)(g) or (i) (compensation etc. relating to employment), or
- (bb) section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals),

including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;

(c) where before the first day of entitlement to 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 so engaged and who has ceased to be so employed, from the date of the cessation of his employment, any earnings derived from that employment except earnings to which paragraph 53(3) and (4) (earnings of self-employed earners) apply.

4.—

(1) In a case to which this paragraph applies and paragraph 5 does not apply, £20; but notwithstanding paragraph 33 (calculation of income and capital of members of an applicant's family and of a polygamous marriage) if this paragraph applies to an applicant it does not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £20.

(2) This paragraph applies where the applicant's applicable amount includes an amount by way of the disability premium, severe disability premium, work-related activity component or support component under Schedule 3 (applicable amounts: persons who are not pensioners).

(3) This paragraph applies where—

(a) the applicant is a member of a couple and his applicable amount includes an amount by way of the disability premium under Schedule 3; and

(b) he or his partner has not attained the qualifying age for state pension credit and at least one is engaged in employment.

5.

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

6.—

(1) In a case to which neither paragraph 4 nor paragraph 5 applies to the applicant and, subject to sub-paragraph (2), where the applicant's applicable amount includes an amount by way of the carer premium under Schedule 3 (applicable amounts: persons who are not pensioners), £20 of the earnings of the person who is, or at any time in the preceding eight weeks was, in receipt of carer's allowance or treated in accordance with paragraph 14(2) of that Schedule as being in receipt of carer's allowance.

(2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings must for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) must not exceed £20 of the aggregated amount.

7.

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

(a) specified in paragraph 9(1), so much of the other member's earnings as would not when aggregated with the amount disregarded under paragraph 6 exceed £20;

(b) other than one specified in paragraph 9(1), so much of the other member's earnings from such other employment up to £10 as would not when aggregated with the amount disregarded under paragraph 5 exceed £20.

8.

In a case where paragraphs 4, 6, 7 and 9 do not apply to the applicant and he is one of a couple and a member of that couple is in employment, £10; but, notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it must not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £10.

9.—

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

(a) a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;

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

(c) an auxiliary coastguard in respect of coast rescue activities;

- (d) a person engaged part-time in the manning or launching of a life boat;
- (e) a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001;

but, notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it must not apply to his partner except to the extent specified in sub-paragraph (2).

(2) If the applicant's partner is engaged in employment—

- (a) specified in sub-paragraph (1), so much of his earnings as would not in aggregate with the amount of the applicant's earnings disregarded under this paragraph exceed £20;
- (b) other than one specified in sub-paragraph (1), so much of his earnings from that employment up to £10 as would not in aggregate with the applicant's earnings disregarded under this paragraph exceed £20.

10.

Where the applicant is engaged in one or more employments specified in paragraph 9(1), but his earnings derived from such employments are less than £20 in any week and he is also engaged in any other employment, so much of his earnings from that other employment, up to £5 if he is a single applicant, or up to £10 if he has a partner, as would not in aggregate with the amount of his earnings disregarded under paragraph 9 exceed £20.

11.

In a case to which none of the paragraphs 4 to 10 applies, £5.

12.—

(1) Where—

- (a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;
- (b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and
- (c) paragraph 14 does not apply,

the amount specified in sub-paragraph (7) (“the specified amount”).

(2) Where this paragraph applies, paragraphs 4 to 11 do not apply; but in any case where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 5, then paragraph 5 applies instead of this paragraph.

(3) Notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple (“A”) it does not apply to the other member of that couple (“B”) except to the extent provided in sub-paragraph (4).

(4) Where A's earnings are less than the specified amount, there must also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.

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

- (a) in receipt of a contributory employment and support allowance;
- (b) in receipt of incapacity benefit;
- (c) in receipt of severe disablement allowance; or
- (d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.

(6) "Exempt work" means work of the kind described in—

(a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations 2008; or (as the case may be)

(b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,

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

(7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

13.

Any amount or the balance of any amount which would fall to be disregarded under paragraph 23 or 24 of Schedule 8 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full disregard there under.

14.

Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, his earnings.

15.

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

16.

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

17.

Any earnings of a child or young person.

18.—

(1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under paragraphs 4 to 12 must be increased by £17.10.

(2) The conditions of this sub-paragraph are that—

(a) the applicant, or if he is a member of a couple, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 applies; or

(b) the applicant—

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

(ii) is a member of a couple and—

(aa) at least one member of that couple, is engaged in remunerative work for on average not less than 16 hours per week; and

(bb) his applicable amount includes a family premium under paragraph 4 of Schedule 3; or

(iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or

(iv) is, or if he is a member of a couple, at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and—

(aa) the applicant's applicable amount includes a disability premium under paragraph 9, the work-

related activity component under paragraph 21 or the support component under paragraph 22 of Schedule 3 respectively;

(bb) where he is a member of a couple, at least one member of that couple satisfies the qualifying conditions for the disability premium or either of the components referred to in paragraph (aa) above and is engaged in remunerative work for on average not less than 16 hours per week; or

(c) the applicant is, or if he has a partner, one of them is, a person to whom regulation 18(3) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 (eligibility for 50 plus element) applies, or would apply if an application for working tax credit were to be made in his case.

(3) The following are the amounts referred to in sub-paragraph (1) –

(a) the amount calculated as disregardable from the applicant's earnings under paragraphs 4 to 12;

(b) the amount of child care charges calculated as deductible under paragraph 57(1)(c); and

(c) £17.10.

(4) The provisions of paragraph 10 (remunerative work) apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in sub-paragraph (1) of that paragraph were a reference to 30 hours.

19.

In this Schedule “part-time employment” means employment in which the person is engaged on average for less than 16 hours a week.

SCHEDULE 8 - Sums disregarded in the calculation of income other than earnings: persons who are not pensioners

1.
Any payment made to the applicant in respect of any child care, travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Work for Your Benefit Pilot Scheme.
2.
Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme.
3.
Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme.
4.
Any amount paid by way of tax on income which is to be taken into account under regulation 30 (calculation of income other than earnings).
5.
Any payment in respect of any expenses incurred or to be incurred by an applicant who is—
 - (a) engaged by a charitable or voluntary organisation, or
 - (b) a volunteer,if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under paragraph 56(5) (notional income: persons who are not pensioners).
6.
Any payment in respect of expenses arising out of the applicant's participation in a service user group.
7.
In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.
8.
Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his income.
9.
Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker's allowance, the whole of the applicant's income.
10.
Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No. 3) Regulations 1999 as in force at that date, the whole of his income.
11.
Any disability living allowance, personal independence payment or an AFIP.
12.
Any concessionary payment made to compensate for the non-payment of—
 - (a) any payment specified in paragraph 11 or 14;
 - (b) income support;
 - (c) an income-based jobseeker's allowance;
 - (d) an income-related employment and support allowance.
- 13.

Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.

14.

Any attendance allowance.

15.

Any payment to the applicant as holder of the Victoria Cross or of the George Cross or any analogous payment.

16.—

(1) Any payment—

(a) by way of an education maintenance allowance made pursuant to—

(i) regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc.);

(ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);

(iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;

(b) corresponding to such an education maintenance allowance, made pursuant to—

(i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and the Welsh Ministers to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or

(ii) regulations made under section 181 of that Act; or

(c) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

(2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to—

(a) regulations made under section 518 of the Education Act 1996;

(b) regulations made under section 49 of the Education (Scotland) Act 1980; or

(c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,

in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

17.

Any payment made to the applicant by way of a repayment under regulation 11(2) of the Education (Teacher Student Loans) (Repayment etc.) Regulations 2002.

18.—

(1) Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 except a payment—

(a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;

(b) of an allowance referred to in section 2(3) of the Employment and Training Act 1973 or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or

(c) intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.

(2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1)(c) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

19.—

(1) Subject to sub-paragraph (2), any of the following payments—

(a) a charitable payment;

(b) a voluntary payment;

(c) a payment (not falling within paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;

(d) a payment under an annuity purchased—

(i) pursuant to any agreement or court order to make payments to the applicant; or

(ii) from funds derived from a payment made,

in consequence of any personal injury to the applicant; or

(e) a payment (not falling within paragraphs (a) to (d)) received by virtue of any agreement or court order to make payments to the applicant in consequence of any personal injury to the applicant.

(2) Sub-paragraph (1) does not apply to a payment which is made or due to be made by—

(a) a former partner of the applicant, or a former partner of any member of the applicant's family; or

(b) the parent of a child or young person where that child or young person is a member of the applicant's family.

20.

Subject to paragraph 40, the whole of any of the following, namely—

(a) a war disablement pension (except insofar as such a pension falls to be disregarded under paragraph 13 or 14);

(b) a war widow's pension or war widower's pension;

(c) a pension payable to a person as a widow, widower or surviving civil partner under any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown;

(d) a guaranteed income payment and, if the amount of that payment has been abated to less than £10 by a pension or payment falling within article 31(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005, so much of that pension or payment as would not, in aggregate with the amount of any guaranteed income payment disregarded, exceed £10;

(e) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;

(f) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in paragraphs (a) to (d) above;

(g) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.

21.

Subject to paragraph 40, £15 of any—

- (a) widowed mother's allowance paid pursuant to section 37 of the SSCBA;
- (b) widowed parent's allowance paid pursuant to section 39A of the SSCBA.

22.—

(1) Any income derived from capital to which the applicant is or is treated under paragraph 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 there under, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,

and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 23, an amount specified in sub-paragraph (2) in respect of each week during the student's term.

(2) For the purposes of sub-paragraph (1), the amount must be equal to—

- (a) the weekly amount of the payments; or
- (b) the amount by way of a personal allowance for a single applicant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),

whichever is less.

25.

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

26.

Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person other than one to whom paragraph 25 or 27 refers and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family—

- (a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family,

is less than £20, the whole of that amount; or

(b) where the aggregate of any such payments is £20 or more per week, £20.

27.

Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to—

(a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20, 100 per cent of such payments;

(b) where the aggregate of any such payments exceeds £20, £20 and 50 per cent of the excess over £20.

28.—

(1) Any income in kind, except where paragraph 54(10)(b) (provision of support under section 95 or 98 of the Immigration and Asylum Act 1999 in the calculation of income other than earnings) applies.

(2) The reference in sub-paragraph (1) to ““income in kind”” does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.

29.

Any income which is payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of that income.

30.—

(1) Any payment made to the applicant in respect of a person who is a member of his family—

(a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance or with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978 (schemes for payments of allowances to adopters) or in accordance with an adoption allowance scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (adoption allowances schemes);

(b) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child's maintenance where the child is living with a person as a result of a residence order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);

(c) which is a payment made by an authority, as defined in Article 2 of the Children (Northern Ireland) Order 1995, in pursuance of Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child's maintenance);

(d) in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services);

(2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

31.

Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made—

(a) by a local authority under—

(i) section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),

(ii) section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or

(iii) regulations 33 or 51 of the Looked After Children (Scotland) Regulations 2009 (fostering and kinship care allowances and fostering allowances); or

(b) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).

32.

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

(a) a health authority;

- (b) a local authority but excluding payments of housing benefit made in respect of the person concerned;
- (c) a voluntary organisation;
- (d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;
- (e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or
- (f) a Local Health Board established under section 11 of the National Health Service (Wales) Act 2006.

33.

Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

34.—

(1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ("A") which A passes on to the applicant.

(2) Sub-paragraph (1) applies only where A—

- (a) was formerly in the applicant's care, and
- (b) is aged 18 or over, and
- (c) continues to live with the applicant.

35.—

(1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments—

- (a) on a loan which is secured on the dwelling which the applicant occupies as his home; or
- (b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.

(2) A payment referred to in sub-paragraph (1) is only to be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—

- (a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (1)(b); and
- (b) meet any amount due by way of premiums on—
 - (i) that policy; or
 - (ii) in a case to which sub-paragraph (1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).

36.

Any payment of income which by virtue of paragraph 64 (income treated as capital: persons who are not pensioners) is to be treated as capital.

37.

Any—

- (a) social fund payment made pursuant to Part 8 of the SSCBA (the social fund); or
- (b) occasional assistance.

38.

Any payment under Part 10 of the SSCBA (Christmas bonus for pensioners).

39.

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

40.

The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under paragraph 33(3) (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under paragraph 77(2)(b) and paragraph 78(1)(d) (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 81(2) (treatment of student loans), paragraph 82(3) (treatment of payments from access funds) and 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, 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 support of council tax under section 13 of the 1992 Act (reduction of liability for council tax).

46.—

(1) Any payment or repayment made—

(a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);

(b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);

(c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies).

(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers which is analogous to a payment or repayment mentioned in sub-paragraph (1).

47.

Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins).

48.

Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.

49.—

(1) Where an applicant's applicable amount includes an amount by way of family premium, £15 of any payment of maintenance, other than child maintenance, whether under a court order or not, which is made or due to be made by the applicant's former partner, or the applicant's partner's former partner.

(2) For the purpose of sub-paragraph (1) where more than one maintenance payment falls to be taken into account in any week, all such payments must be aggregated and treated as if they were a single payment.

(3) A payment made by the Secretary of State in lieu of maintenance must, for the purpose of sub-paragraph (1), be treated as a payment of maintenance made by a person specified in sub-paragraph (1).

50.—

(1) Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the applicant's family, except where the person

making the payment is the applicant or the applicant's partner.

(2) In sub-paragraph (1) –

“child maintenance” means any payment towards the maintenance of a child or young person, including any payment made voluntarily and payments made under—(a) the Child Support Act 1991;

(b) the Child Support (Northern Ireland) Order 1991;

(c) a court order;

(d) a consent order;

(e) a maintenance agreement registered for execution in the Books of Council and Session or the sheriff court books;

“liable relative” means a person listed in regulation 54 (interpretation) of the Income Support (General) Regulations 1987, other than a person falling within sub-paragraph (d) of that definition.

51.

Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.

52.

Any guardian's allowance.

53.—

(1) If the applicant is in receipt of any benefit under Part 2, 3 or 5 of the SSCBA, any increase in the rate of that benefit arising under Part 4 (increases for dependants) or section 106(a) (unemployability supplement) of that Act, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.

(2) If the applicant is in receipt of any pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006, any increase in the rate of that pension or allowance under that Order, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.

54.

Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under that Order.

55.

In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983 (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.

56.—

(1) Any payment which is—

(a) made under any of the Dispensing Instruments to a widow, widower or surviving civil partner of a person—

(i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and

(ii) whose service in such capacity terminated before 31st March 1973; and

(b) equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 2006.

(2) In this paragraph “the Dispensing Instruments” means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).

57.

Any council tax support to which the applicant is entitled.

58.

Except in a case which falls under sub-paragraph (1) of paragraph 18 of Schedule 7, where the applicant is a

person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10.

59.

Any payment made under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).

60.—

(1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person—

(a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;

(b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity,

in respect of which such assistance is or was received.

(2) Sub-paragraph (1) applies only in respect of payments which are paid to that person from the special account.

61.—

(1) Any payment of a sports award except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) “food” does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

62.

Where the amount of subsistence allowance paid to a person in a 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.

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.

PART 1 Capital to be disregarded

1.

Any premises acquired for occupation by the applicant which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.

2.

Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.

3.

Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.

4.

Any premises occupied in whole or in part—

(a) by a person who is a relative of the applicant or his partner as his home where that person has attained the qualifying age for state pension credit or is incapacitated;

(b) by the former partner of the applicant as his home; but this provision does not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.

5.

Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.

6.

Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from his former partner or the dissolution of a civil partnership with his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

7.

Any premises where the applicant is taking reasonable steps to dispose of the whole of his interest in those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

8.

All personal possessions.

9.

The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner or, if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of those assets.

10.

The assets of any business owned in whole or in part by the applicant if—

(a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but

(b) he intends to become engaged (or, as the case may be, re-engaged) as a self-employed earner in that business as soon as he recovers or is able to become engaged, or re-engaged, in that business,

for a period of 26 weeks from the date on which the application for 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.— Any payment made under or by—

(a) the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, “the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Grenfell Tower charitable funds, the

Grenfell Tower Residents' Discretionary Fund, the Windrush Compensation Scheme or the London Bombings Relief Charitable Fund (collectively referred to in this paragraph as "the Trusts"); or

- (aa) a Grenfell Tower support payment
 - (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 or from a Grenfell Tower support payment and which is made to or for the benefit of that person's partner or former partner—
- (a) from whom he is not, or where that person has died was not, estranged or divorced, or
 - (b) with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death.
- (3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person which derives from a payment made under or by any of the Trusts or from a Grenfell Tower support payment and which is made to or for the benefit of the person who is suffering from haemophilia or who is a qualifying person.
- (4) Sub-paragraph (3) does not apply if—
- (a) the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced, or
 - (b) where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death.
- (5) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts or from a Grenfell Tower support payment, 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 or from a Grenfell Tower support payment, 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—
- (a) any payment of income or capital made under or deriving from any of the Trusts; or
 - (b) a Grenfell Tower support payment.

16A.

Any payment made under, or by, a trust which is approved by the Secretary of State and which is established for the purpose of giving relief and assistance to a disabled person whose disabilities were caused by their mother having taken a preparation containing the drug known as Thalidomide during her pregnancy

17.—

- (1) An amount equal to the amount of any payment made in consequence of any personal injury to the applicant or, if the applicant has a partner, to the partner.
- (2) Where the whole or part of the payment is administered—
 - (a) by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998, or the

Court of Protection, or on behalf of a person where the payment can only be disposed of by order or direction of any such court;

(b) in accordance with an order made under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules; or

(c) in accordance with the terms of a trust established for the benefit of the applicant or his partner,

the whole of the amount so administered.

18.

Any amount specified in paragraph 19, 20, 21 or 25 for a period of one year beginning with the date of receipt.

19.

Amounts paid under a policy of insurance in connection with the loss of or damage to the property occupied by the applicant as his home and to his personal possessions.

20.

So much of any amounts paid to the applicant or deposited in the applicant's name for the sole purpose of—

(a) purchasing premises which the applicant intends to occupy as his home; or

(b) effecting essential repairs or alterations to the premises occupied or intended to be occupied by the applicant as his home.

21.—

(1) Subject to paragraph 22 any amount paid—

(a) by way of arrears of benefit;

(b) by way of compensation for the late payment of benefit;

(c) in lieu of the payment of benefit;

(d) to rectify, or compensate for, an official error, as defined for the purposes of paragraph 22, being an amount to which that paragraph does not apply;

(e) by a local authority out of funds provided under either section 93 of the Local Government Act 2000 under a scheme known as “Supporting People” or section 91 of the Housing (Scotland) Act 2001.

(f) by way of occasional assistance including arrears and payments in lieu of occasional assistance (and in this paragraph “occasional assistance” has the same meaning as in paragraph 16 of Schedule 1).

(2) In sub-paragraph (1), “benefit” means—(a) attendance allowance under section 64 of the Act;

(b) disability living allowance;

(c) personal independence payment;

(d) an AFIP;

(e) income support;

- (f) income-based jobseeker's allowance;
- (g) state pension credit;
- (h) housing benefit;
- (i) council tax benefit;
- (j) child tax credit;
- (k) an increase of a disablement pension under section 104 of the SSCBA (increase where constant attendance is needed), and any further increase of such a pension under section 105 of the Act (increase for exceptionally severe disablement);
- (l) any amount included on account of the applicant's exceptionally severe disablement or need for constant attendance in a war disablement pension or a war widow's or widower's pension;
- (m) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;
- (n) working tax credit;
- (o) income-related employment and support allowance;
- (p) social fund payments under Part 8 of the SSCBA; or
- (q) universal credit
- (q)maternity allowance under section 35 of the SSCBA (state maternity allowance for employed or self-employed earner);
- (r)early years assistance given in accordance with section 32 of the Social Security (Scotland) Act 2018; or
- (s)funeral expense assistance given in accordance with section 34 of that Act

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(a);
 - (c) paragraph 9(2) of Schedule 5 to the Council Tax Benefit Regulations 2006;
 - (d) paragraph 20A of Schedule 5 to the State Pension Credit Regulations 2002,

(e) paragraph 11(2) of Schedule 9 to the Employment and Support Allowance Regulations 2008(b),

(f) paragraph 18 of Schedule 10 to the Universal Credit Regulations 2013 (b),

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; 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 pension scheme or a personal pension scheme.

25.

Any arrears of supplementary pension which is disregarded under paragraph 4 of Schedule 6 (amounts to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 5 or 6 of that Schedule.

26.

The dwelling occupied as the home; but only one dwelling is to be disregarded under this paragraph.

27.—

(1) Subject to sub-paragraph (2), where an applicant falls within class C (alternative maximum council tax 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.

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 (general social welfare);
 - (e) section 8 of the Carers and Direct Payments Act (Northern Ireland) 2002 (direct payments);
- or
- (f) by virtue of regulations made under section 50 or 52 of the Social Services and Well-being (Wales) Act 2014 (direct payments)

29A.

- (1) Any payment made by a local authority in accordance with section 26A of the Children (Scotland) Act 1995 (duty to provide continuing care)(a).
- (2) Any payment or part of a payment made by a local authority in accordance with that section to a person (“A”) which A passes on to the applicant where A—
 - (a) was formerly in the applicant’s care;
 - (b) is aged 16 or over; and
 - (c) continues to live with the applicant.”

29B.

A payment made under the Age-Related Payments Regulations 2013(c).

29B.

Any payments to an applicant made under section 49 of the Children and Families Act 2014 (personal budgets and 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, to or for the benefit of the applicant or the applicant's partner, or both, that property.

SCHEDULE 10 - Capital disregards: persons who are not pensioners

1.

Any payment made to the applicant in respect of any child care, travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Work for Your Benefit Scheme but only for 52 weeks beginning with the date of receipt of the payment.

2.

Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.

3.

Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme but only for 52 weeks beginning with the date of receipt of the payment.

4.

The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, but, notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), only one dwelling is to be disregarded under this paragraph.

5.

Any premises acquired for occupation by the applicant which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.

6.

Any sum directly attributable to the proceeds of sale of any premises formerly occupied by the applicant as his home which is to be used for the purchase of other premises intended for such occupation within 26 weeks of the date of sale or such longer period as is reasonable in the circumstances to enable the applicant to complete the purchase.

7.

Any premises occupied in whole or in part—

(a) by a partner or relative of a single applicant or any member of the family as his home where that person has attained the qualifying age for state pension credit or is incapacitated;

(b) by the former partner of the applicant as his home; but this provision does not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.

8.

Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his capital.

9.

Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and his partner is on income-based jobseeker's allowance, the whole of the applicant's capital.

10.

Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.

11.—

(1) The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner, or if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

(2) The assets of any business owned in whole or in part by the applicant where—

(a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but

(b) he intends to become engaged or, as the case may be, re-engaged as a self-employed earner in that business as soon as he recovers or is able to become engaged or re-engaged in that business,

for a period of 26 weeks from the date on which the application for 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,

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 possessions 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 may be, the applicant's partner.

(2) But sub-paragraph (1)—

(a) applies only for the period of 52 weeks beginning with the day on which the applicant first receives any payment in consequence of that personal injury;

(b) does not apply to any subsequent payment made to him in consequence of that injury (whether it is made by the same person or another);

(c) ceases to apply to the payment or any part of the payment from the day on which the applicant no

longer possesses it;

(d) does not apply to any payment from a trust where the funds of the trust are derived from a payment made in consequence of any personal injury to the applicant.

(3) For the purposes of sub-paragraph (2)(c), the circumstances in which an applicant no longer possesses a payment or a part of it include where the applicant has used a payment or part of it to purchase an asset.

(4) References in sub-paragraphs (2) and (3) to the applicant are to be construed as including references to his partner (where applicable).

19.

The value of the right to receive any income under a life interest or from a life rent.

20.

The value of the right to receive any income which is disregarded under paragraph 15 of Schedule 7 or paragraph 29 of Schedule 8.

21.

The surrender value of any policy of life insurance.

22.

Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.

23.

Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or sections 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

24.—

(1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 of the Children (Scotland) Act 1995 (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) to a person ("A") which A passes on to the applicant.

(2) Sub-paragraph (1) applies only where A—

- (a) was formerly in the applicant's care, and
- (b) is aged 18 or over, and
- (c) continues to live with the applicant.

25.

Any—

- (a) social fund payment made pursuant to Part 8 of the SSCBA (the social fund); or
- (b) occasional assistance.

26.

Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.

27.

Any capital which by virtue of paragraph 55 or 81 (capital treated as income: persons who are not pensioners, treatment of student loans) is to be treated as income.

28.

Where any payment of capital is made in a currency other than sterling, any banking charge or commission

payable in converting that payment into sterling.

29.—

(1) Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the London Bombings Relief Charitable Fund.

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

(a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

(a) the person who is suffering from haemophilia or who is a qualifying person;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Sub-paragraph (3) does not apply if—

(a) the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced, or

(b) where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death.

(5) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

(a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and

(b) the payment is made either—

(i) to that person's parent or step-parent; or

(ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

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

(6) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where—

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either—

(i) to that person's parent or step-parent; or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(7) In the case of a person to whom or for whose benefit a payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.

(8) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts is to be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, and the London Bombings Relief Charitable Fund.

30.—

(1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

(2) In this paragraph “dwelling” includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated.

31.

Any premises where the applicant is taking reasonable steps to dispose of those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

32.

Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.

33.

Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.

34.

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

35.

The value of the right to receive an occupational or personal pension.

36.

The value of any funds held under a personal pension scheme.

37.

The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.

38.

Any payment in kind made by a charity or under or by the Trusts, the Fund, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).

39.

Any payment made pursuant to section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990, but only for the period of 52 weeks beginning on the date of receipt of the payment.

40.

Any payment in consequence of a reduction of council tax under section 13 of the 1992 Act (reduction of liability for council tax), but only for a period of 52 weeks from the date of the receipt of the payment.

41.

Any grant made in accordance with a scheme made under section 129 of the Housing Act 1988 or section 66 of the Housing (Scotland) Act 1988 (schemes for payments to assist local housing authority and local authority tenants to obtain other accommodation) which is to be used—

- (a) to purchase premises intended for occupation as his home; or
- (b) to carry out repairs or alterations which are required to render premises fit for occupation as his home,

for a period of 26 weeks from the date on which he received such a grant or such longer period as is reasonable in the circumstances to enable the purchase, repairs or alterations to be completed and the applicant to commence occupation of those premises as his home.

42.

Any arrears of supplementary pension which is disregarded under paragraph 54 of Schedule 8 (sums to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 55 or 56 of that Schedule, but only for a period of 52 weeks from the date of receipt of the arrears.

43.—

(1) Any payment or repayment made—

- (a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);
- (b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);
- (c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Regulations 2003 (travelling expenses and health service supplies),

but only for a period of 52 weeks from the date of receipt of the payment or repayment.

(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers which is analogous to a payment or repayment mentioned in sub-paragraph (1), but only for a period of 52 weeks from the date of receipt of the payment or repayment.

44.

Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins), but only for a period of 52 weeks from the date of receipt of the payment.

45.

Any payment made under Part 8A of the SSCBA (entitlement to health in pregnancy grant).

46.

Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.

47.

Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.

48.

Any payment made by a local authority under section 3 of the Disabled Persons (Employment) Act 1958. to homeworkers assisted under the Blind Homeworkers' Scheme.

49.— Not used

50.—

(1) Any sum of capital to which sub-paragraph (2) applies and—

(a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 or by the Court of Protection;

(b) which can only be disposed of by order or direction of any such court; or

(c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.

(2) This sub-paragraph applies to a sum of capital which is derived from—

(a) an award of damages for a personal injury to that person; or

(b) compensation for the death of one or both parents where the person concerned is under the age of 18.

51.

Any sum of capital administered on behalf of a person in accordance with an order made under section 13 of the Children (Scotland) Act 1995, or under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules, where such sum derives from—

(a) award of damages for a personal injury to that person; or

(b) compensation for the death of one or both parents where the person concerned is under the age of 18.

52.

Any payment to the applicant as holder of the Victoria Cross or George Cross.

53.

In the case of a person who is receiving, or who has received, assistance under the self-employment route, any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.

54.—

(1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that payment except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) “food” does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

55.—

(1) Any payment—

(a) by way of an education maintenance allowance made pursuant to—

(i) regulations made under section 518 of the Education Act 1996;

(ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;

(iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;

(b) corresponding to such an education maintenance allowance, made pursuant to—

(i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and the Welsh Ministers to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or

(ii) regulations made under section 181 of that Act; or

(c) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

(2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to—

(a) regulations made under section 518 of the Education Act 1996;

(b) regulations made under section 49 of the Education (Scotland) Act 1980; or

(c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,

in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

56.

In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.

57.

Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of receipt of the payment.

58.

Where an ex-gratia payment of £10,000 has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or internment of—

(a) the applicant;

(b) the applicant's partner;

(c) the applicant's deceased spouse or deceased civil partner; or

(d) the applicant's partner's deceased spouse or deceased civil partner,

by the Japanese during the Second World War, £10,000.

59.—

(1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant's family who is—

- (a) a diagnosed person;
- (b) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
- (c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
- (d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.

(2) Where a trust payment is made to—

(a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;

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

(c) a person referred to in sub-paragraph (1)(d), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending—

- (i) two years after that date; or
- (ii) on the day before the day on which that person—
 - (aa) ceases receiving full-time education; or
 - (bb) attains the age of 20,

whichever is the latest.

(3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is—

- (a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;
- (b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or
- (c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death,

but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.

(4) Where a payment as referred to in sub-paragraph (3) is made to—

(a) a person referred to in sub-paragraph (3)(a), that sub-paragraph applies for the period beginning on the date on which that payment is made and ending on the date on which that person dies;

(b) a person referred to in sub-paragraph (3)(b), that sub-paragraph applies for the period beginning on the date on which that payment is made and ending two years after that date; or

(c) person referred to in sub-paragraph (3)(c), that sub-paragraph applies for the period beginning on the date on which that payment is made and ending—

- (i) two years after that date; or
- (ii) on the day before the day on which that person—
 - (aa) ceases receiving full-time education; or
 - (bb) attains the age of 20,

whichever is the latest.

(5) In this paragraph, a reference to a person—

- (a) being the diagnosed person's partner;
- (b) being a member of a diagnosed person's family;
- (c) acting in place of the diagnosed person's parents,

at the date of the diagnosed person's death includes a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home, an Abbeyfield Home or an independent hospital on that date.

(6) In this paragraph—

“diagnosed person” means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeld-Jakob disease;

“relevant trust” means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeld-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;

“trust payment” means a payment under a relevant trust.

60.

The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant's partner, the applicant's deceased spouse or deceased civil partner or the applicant's partner's deceased spouse or deceased civil partner—

- (a) was a slave labourer or a forced labourer;
- (b) had suffered property loss or had suffered personal injury; or
- (c) was a parent of a child who had died,

during the Second World War.

61.—

(1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.

(2) For the purposes of sub-paragraph (1) “local authority” includes in England a county council.

62.

Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care).

63.

Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

64.

Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).



Northumberland County Council

COUNCIL

3 NOVEMBER 2021

Treasury Management Annual Report for the Financial Year 2020-21

Report of Jan Willis, Interim Executive Director of Finance and S151 Officer

Cabinet Member: Councillor Richard Wearmouth – Deputy Leader and Portfolio Holder for Corporate Services

Purpose of the Report

This report provides details of performance against the Treasury Management Strategy Statement (TMSS) 2020-21, approved by the County Council on 19 February 2020. The report provides a review of borrowing and investment performance for 2020-21, set in the context of the general economic conditions prevailing during the year. It also reviews specific Treasury Management prudential indicators defined by the (CIPFA) Treasury Management Code of Practice and CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code), and approved by the Authority in the TMSS.

Recommendations

Members receive the report and note the performance of the Treasury Management function for 2020-21.

Link to the Corporate Plan

This report supports the “We want to be efficient, open and work for everyone” priority included in the Council’s Corporate Plan 2018-21 “A Council that Works for Everyone”.

Key Issues

The Local Government Act 2003 (the Act) and supporting Regulations require the Council to produce an annual review of treasury management activities and present the actual performance against prudential and treasury indicators. This report meets the requirements of both the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code of Practice, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

The report provides a review of the Treasury Management activities for 2020-21; and sets out performance against the Treasury Management Strategy Statement for 2020-21.

TREASURY MANAGEMENT ANNUAL REPORT 2020-21

1. INTRODUCTION

1.1. Background

This Treasury Management Annual Report provides a review of the activities of the Treasury Management function for the period 1 April 2020 to 31 March 2021 and shows performance against the Treasury Management Strategy Statement (TMSS) for 2020-21. Its production and submission to Council is a requirement of the CIPFA Code of Practice on Treasury Management.

Treasury management is defined as:

“The management of the local authority’s investments and cash flows, its banking, money market and capital market transactions; the effective control of the risks associated with those activities; and the pursuit of optimum performance consistent with those risks.”

1.2. Statutory and Regulatory Requirements

The Local Government Act 2003 (the Act) and supporting Regulations require the Council to produce an annual review of treasury management activities and the actual performance against prudential and treasury indicators. This report meets the requirements of both the Chartered Institute of Public Finance and Accountancy (CIPFA) Treasury Management Code of Practice, (the Code), and the CIPFA Prudential Code for Capital Finance in Local Authorities, (the Prudential Code).

The regulatory environment places responsibility on members for the review and scrutiny of treasury management policy and activities. This report is therefore, important as it provides details of the outturn position for treasury activities and highlights compliance with the Council’s policies previously approved by members.

1.3. Basis and Content of Treasury Management Annual Report for 2020-21

The report covers:

- Overview of and compliance with the Treasury Management Strategy for the financial year 2020-21;
- Economic conditions and interest rates during 2020-21;
- Overview of the treasury position at 31 March 2021;
- Borrowing activity for 2020-21;
- Investment activity for 2020-21;
- Performance against budget; and,
- Treasury management limits and prudential indicators position.

2. TREASURY MANAGEMENT STRATEGY FOR 2020-21

2.1. Overview of the 2020-21 Strategy

The 2020-21 treasury management strategy was approved prior to the coronavirus pandemic. At the time the expectation for interest rates within the treasury management strategy for 2020-21 was for UK Bank Rate (often referred to as Base Rate) to remain low at 0.75% with an increase to 1.00% around the final quarter of 2020-21. Longer term borrowing rates were also forecast to gently rise during the year, in line with increasing bond yields.

With investment returns anticipated to remain low (at least in the short term), the proposed strategy for 2020-21 was to continue to operate with an under borrowing position - i.e. use investments in lieu of external borrowing – and to meet the remaining external borrowing requirement for the year (estimated at that time at £225 million net of maturing loans) primarily from medium to longer term borrowing, but with the caveat that shorter term/temporary borrowing may also be considered, particularly if the anticipated rates increases did not materialise as quickly as projected.

2.2. Compliance

Significant levels of additional grant were received from Central Government during the year to help support the Council's response to the pandemic. It was essential that those funds remained liquid and were readily accessible at short notice. This necessitated a temporary increase in April 2020 (authorised by the Executive Director of Finance and S151 Officer), in the approved limits for Money Market Funds, in order to support the management of the increased overnight cash balances from £25 million to £35 million per Counter Party / Bank, and from £150 million to £175 million for overall Money Market Fund balances.

With the exception of the above, all other treasury activities met the Treasury indicators set out in the TMSS, and borrowing was within the borrowing limits set by the Council. Throughout the period, all treasury activities have been conducted within the parameters of the TMSS 2020-21, alongside best practice suggested by the CIPFA Treasury Management Code and Central Government.

3. ECONOMIC CONDITIONS AND INTEREST RATES DURING 2020-21

3.1. Economy

2020-21 will go down in history as being the year of the pandemic. The extraordinary impact of the outbreak and shutdown measures to contain it plunged the global economy into a severe contraction and caused an economic downturn that exceeded that of the financial crisis of 2008-09.

Both the Government and the Bank of England took rapid action in March 2020 at the height of the crisis to provide support to financial markets to ensure their proper functioning, and to support the economy and protect jobs. The Monetary Policy Committee (MPC) cut Bank Rate from 0.75% to 0.25% and then to 0.10% in March

2020 and embarked on a £200bn programme of quantitative easing (QE) (purchase of gilts to reduce borrowing costs throughout the economy by lowering gilt yields).

While Bank Rate remained unchanged for the rest of the year, financial markets were concerned that the MPC could cut Bank Rate to a negative rate. This was however firmly discounted at the February 2021 MPC meeting when it was established that commercial banks would be unable to implement negative rates for at least six months – by which time the economy was expected to be making a strong recovery and negative rates would no longer be needed.

Repeated rounds of support to businesses such as the furlough scheme, cheap loans and other measures have come at a huge cost in terms of the Government's budget deficit, ballooning the debt to gross domestic product (GDP) ratio to around 100%. As announced in The Budget on 3 March 2021, increased fiscal support to the economy and employment during 2021 and 2022 will be followed by substantial tax rises in the following three years to help to pay for the cost of the pandemic. This should help further to strengthen the economic recovery from the pandemic and to return the Government's finances to a balanced budget in 2025-26. Whilst this will stop the Debt to GDP ratio rising beyond 100%, there is concern that the Government's debt is now twice as sensitive to interest rate rises as before the pandemic due to QE operations substituting fixed long-term debt for floating rate debt. There is, therefore, an incentive for the Government to promote Bank Rate staying low e.g. by using fiscal policy in conjunction with the monetary policy action by the Bank of England to keep inflation from rising too high, and / or by amending the Bank's policy mandate to allow for a higher target for inflation.

GDP grew by 2.1% in March 2021, but remained at 5.9% below its level in February 2020, which was the last month not affected by the coronavirus pandemic.

3.2. Borrowing Rates

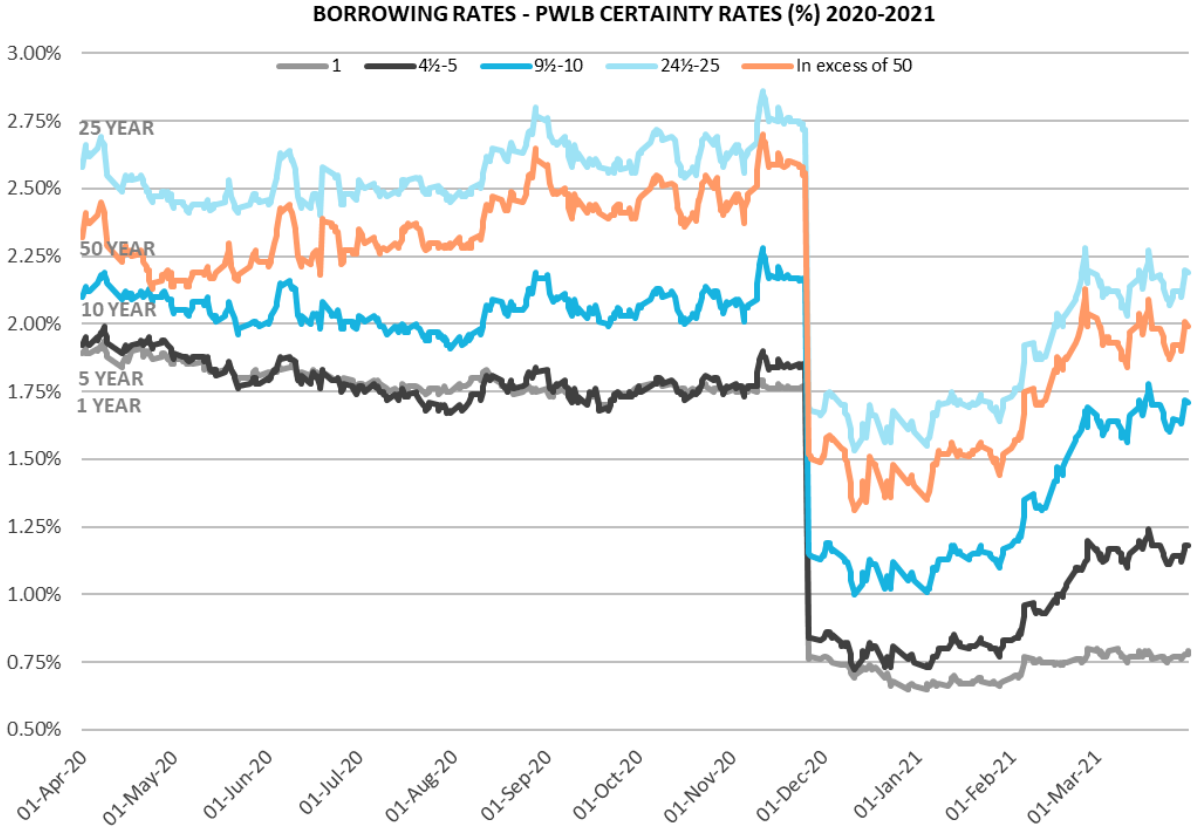
PWLB borrowing rates are driven by gilt yields (the interest rate of government debt), and in turn the inverse relationship between gilt prices and gilt yields – when prices / demand increase, yields fall. Also, demand for 'safe-haven' gilts typically strengthens when worries grow about the outlook for the economy.

Gilt yields fell sharply from the start of 2020 and then spiked up during the financial markets melt down in March when the pandemic started hitting western countries, before being rapidly countered by central banks flooding the markets with liquidity.

While US treasury yields do exert influence on UK gilt yields so that the two often move in tandem, they diverged during the first three quarters of 2020-21 but then converged in the final quarter. Expectations of economic recovery started earlier in the US than the UK but once the UK vaccination programme started making rapid progress in the new year of 2021, gilt yields and PWLB rates started rising sharply as confidence in economic recovery rebounded. At the close of the day on 31 March 2021, all gilt yields from 1 to 5 years were between 0.19 – 0.58% while the 10-year and 25-year yields were at 1.11% and 1.59%.

Following the changes imposed by HM Treasury in the margins over gilt yields for PWLB rates in 2019-20, in November 2020 the Chancellor announced the conclusion to the review of margins over gilt yields for PWLB rates. This resulted in standard and certainty margins being reduced by 1%, along with a tightening in the lending criteria to prevent councils borrowing from the Public Works Loan Board where there is an intention to buy investment assets primarily for yield at any point in the next three years.

The following graph shows PWLB (borrowing) rate movements during the year, for a selection of maturity periods.



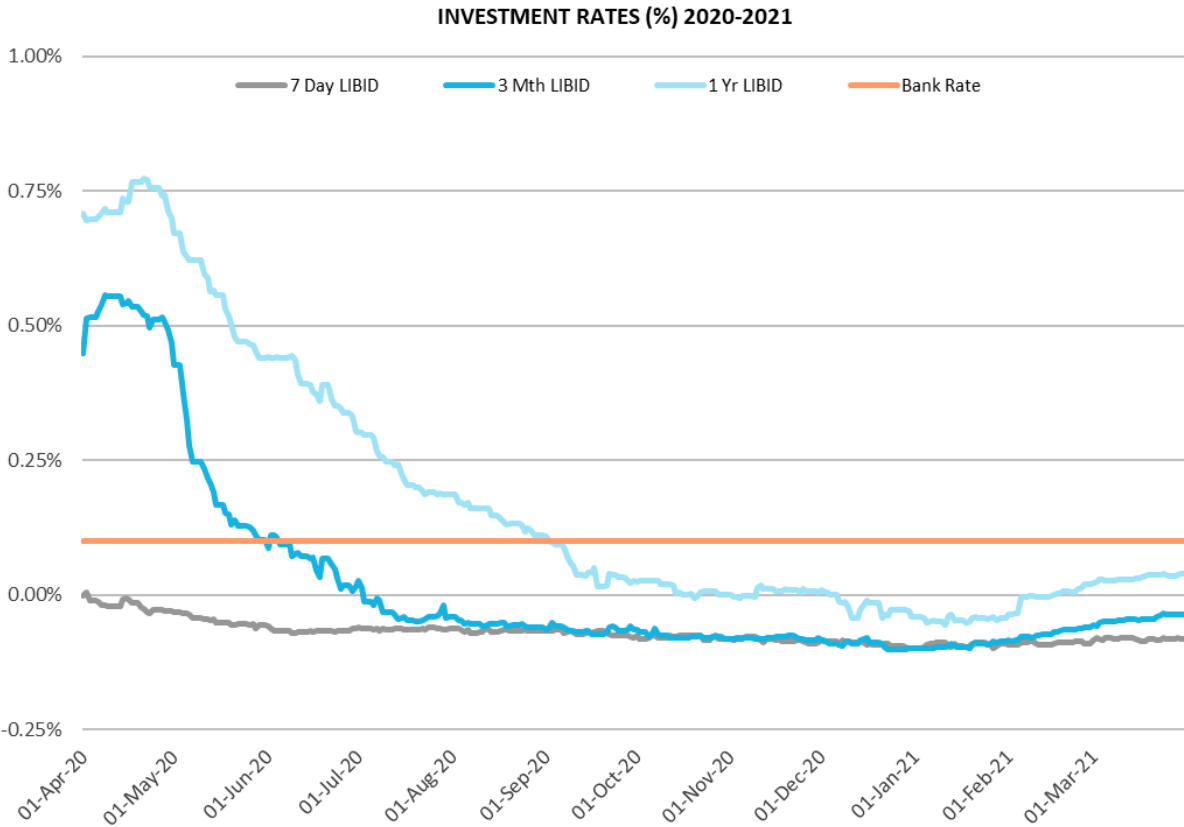
3.3. Investment Rates

The expectation for interest rates within the treasury management strategy for 2020-21 was that Bank Rate would continue at the start of the year at 0.75 % before rising to end 2022-23 at 1.25%. This forecast was invalidated by the Covid-19 pandemic bursting onto the scene in March 2020 which caused the Monetary Policy Committee to cut Bank Rate in March, first to 0.25% and then to 0.10%, in order to counter the hugely negative impact of the national lockdown on large swathes of the economy. Investment returns which had been low during 2019-20, plunged during 2020-21 to near zero or even into negative territory.

The Bank of England and the Government also introduced new programmes of supplying the banking system and the economy with massive amounts of cheap credit so that banks could help cash-starved businesses to survive the lockdown. The Government also supplied huge amounts of finance to local authorities to pass on to

businesses. This meant that for most of the year there was much more liquidity in financial markets than there was demand to borrow, with the consequent effect that investment earnings rates plummeted. Most local authority lending managed to avoid negative rates and one feature of the year was the growth of inter local authority lending.

The following graph shows a selection of investment rate movements during the year:



4. THE PORTFOLIO POSITION AT 31 MARCH 2021

4.1. Current Borrowing

The Council’s debt at 1 April 2020 and 31 March 2021 is shown below:

TABLE 1: BORROWING	Total Principal 1 April 2020 £m	Weighted Average Rate %	Total Principal 31 March 2021 £m	Weighted Average Rate %
Public Works Loan Board Loans	468.344	2.65	459.814	2.65
LOBOs	176.500	3.95	176.500	3.95
Market / Local Authority (>1yr)*	170.100	2.35	144.100	2.50
Market / Local Authority (<1yr)*	10.000	1.15	32.034	0.34
Salix	0.037	-	0.024	-
TOTAL EXTERNAL BORROWING	824.981	2.85	812.472	2.82

* Note: above figures are based on the term of loans at their inception.

4.2. Current Investments

The table below summarises the investment position at 1 April 2020 and 31 March 2021:

TABLE 2: INVESTMENTS	Total Outstanding 1 April 2020 £m	Weighted Average Rate %	Total Outstanding 31 March 2021 £m	Weighted Average Rate %
Fixed Term Investments – Long Term (>1yr)*	33.250	3.24	33.250	3.24
Fixed Term Investments – Short Term (<1yr)*	72.000	0.93	91.000	0.13
Money Market Funds	85.800	0.47	82.350	0.02
TOTAL INVESTMENTS (excl. Cash)	191.050	1.13	206.600	0.59

* Note: above figures are based on the term of investments at their inception.

5. BORROWING ACTIVITY 2020-21

5.1. Introduction

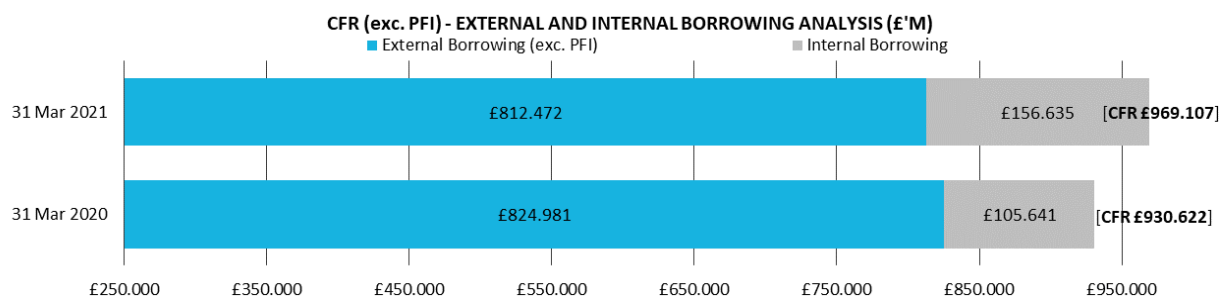
The Council borrows to fund the Capital programme, as well as to fund loans to third parties for policy reasons.

5.2. Borrowing Need – Capital Financing Requirement

The Council's long-term borrowing requirement or need to borrow is measured by the Capital Financing Requirement ("CFR"). The CFR represents total historic outstanding capital expenditure which has not yet been paid for from either revenue or cash-backed capital resources (such as grants and capital receipts). The CFR is repaid over time by an annual charge to revenue, known as the Minimum Revenue Provision (MRP). This charge, which is equivalent to depreciation, effectively spreads the cost of debt associated with capital expenditure over the useful economic life of the underlying assets.

At the same time the Council has significant levels of 'cash-backed' balances that are available for investment. Accordingly, the capital financing requirement (or borrowing requirement) need not always be met or funded externally from physical loans. At least in the short term, investment balances can be 'used' in lieu of borrowing externally; by withdrawing investments (in turn foregoing investment income) and instead using the cash to fund part of the borrowing requirement. This is often referred to as 'internal' or 'under' borrowing.

The following graph summarises the CFR (excluding PFIs) and external borrowing movements during the year:



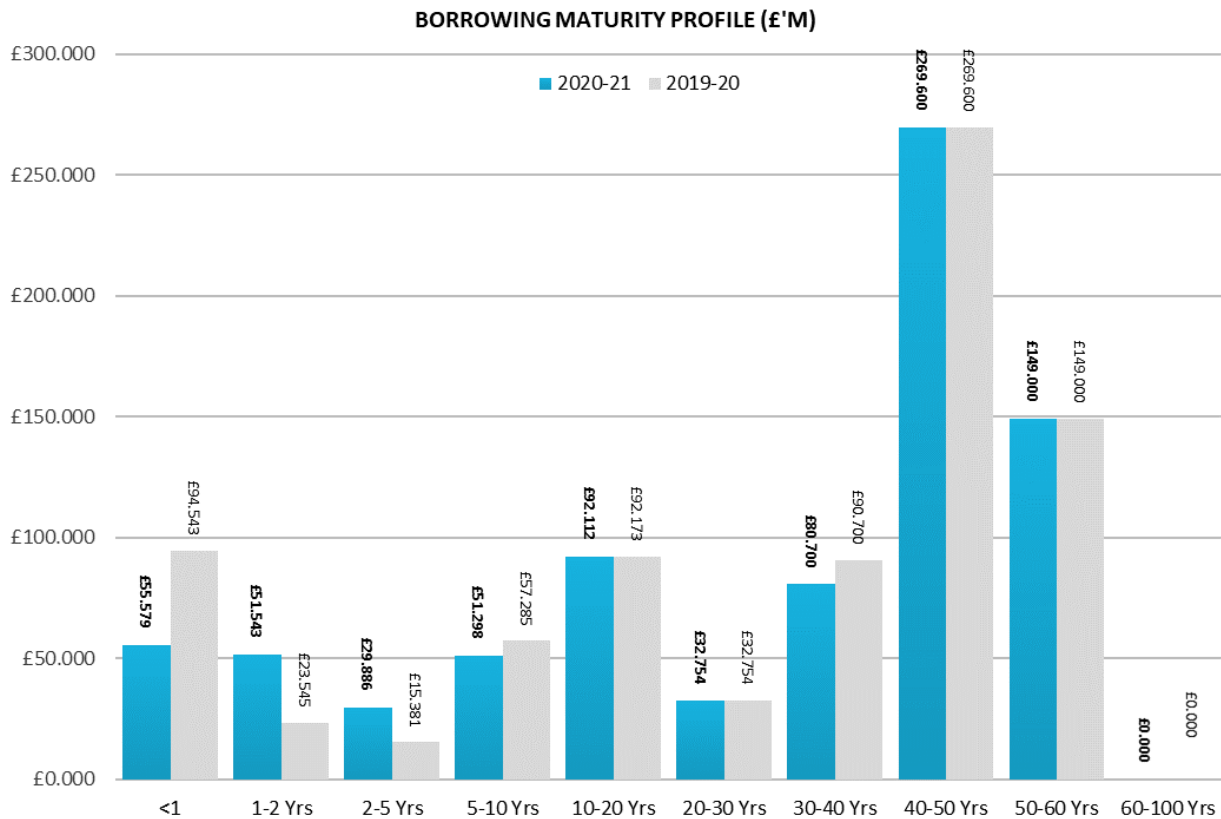
The inter-relationship (and reconciliation) between the CFR, external borrowing and investments is further analysed in the 'Balance Sheet Review' attached at Appendix 1.

The CFR (excluding PFIs) increased by £38.485 million during the year, but was lower than originally budgeted at 31 March 2021 at £969.107 million against an original budget of £1,064.646 million; due to re-profiling of the capital programme and unscheduled loan repayments from Advance Northumberland.

External borrowing was undertaken during 2020-21 to replace maturing existing loans. £94.543 million of loans matured and were repaid during the year and £82.034 million of new / replacement borrowing was taken out. As a result, total external borrowing decreased by £12.509 million, from £824.981 million at the start of year to £812.472 million at 31 March 2021. This in turn led to an increase in 'internal borrowing' (i.e. the difference between the CFR and actual external borrowing) of £50.994 million, from £105.641 million at the start of year to £156.635 million at 31 March 2021, which is shown in the graph above.

The new borrowing was made up of 6 long term loans from other local authorities totalling £50.000 million (ranging between 1.5 and 3 years), plus 4 short term loans from other local authorities totalling £32.034 million. The weighted average maturity (WAM) of all new borrowing during the year was 1.67 years. This resulted in the year-end WAM of the portfolio decreasing slightly from 31.98 to 31.65 years. The weighted average rate of all new borrowing in 2020-21 was 0.60%.

The following graph shows the maturity of the loan portfolio at 31 March 2021 by monetary value (£812.472 million in total). LOBOs are shown as held to maturity. In the current climate it is not envisaged that loans would be called for repayment within the next 12 months, as rates are so low.



5.3. Borrowing Performance / Benchmarking

The weighted average rate of interest paid on all borrowing during the year was 2.92%, and the average rate on loans at 31 March 2021 was 2.82%, a decrease of 0.03% compared to the start of the year figure of 2.85%.

The weighted average and overall borrowing levels were lower than originally budgeted, due to the re-profiling of the capital programme, and therefore the reduced need to borrow.

Interest paid on external borrowing was £2.656 million below budget at £23.002 million (original budget of £25.658 million). This was largely attributable to the reduced capital spend and the reduced need to borrow – weighted average borrowing for the year totalled £787.582 million compared to an original estimate of £848.699 million – as well as the overall average rate of interest paid over the year being lower than budgeted – at 2.92% compared to an original estimate of 3.02%.

6. INVESTMENT ACTIVITY 2020-21

6.1. Introduction

The Council has significant levels of ‘cash-backed’ balances that are available for investment; in the form of General Fund and HRA balances, and the numerous earmarked reserves and provisions.

The Council’s investment policy (as set out in the Treasury Management Strategy Statement for 2020-21) is governed by the Ministry of Housing, Communities and Local Government’s Guidance on Local Government Investments (“the Guidance”)

and the revised CIPFA Treasury Management in Public Services Code of Practice and Cross Sectoral Guidance Notes (“the CIPFA TM Code”). This policy sets out the approach for choosing investment counterparties and is based on credit ratings provided by two of the main credit rating agencies, supplemented by additional market data, (such as rating outlooks, credit default swaps, bank share prices etc).

All investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

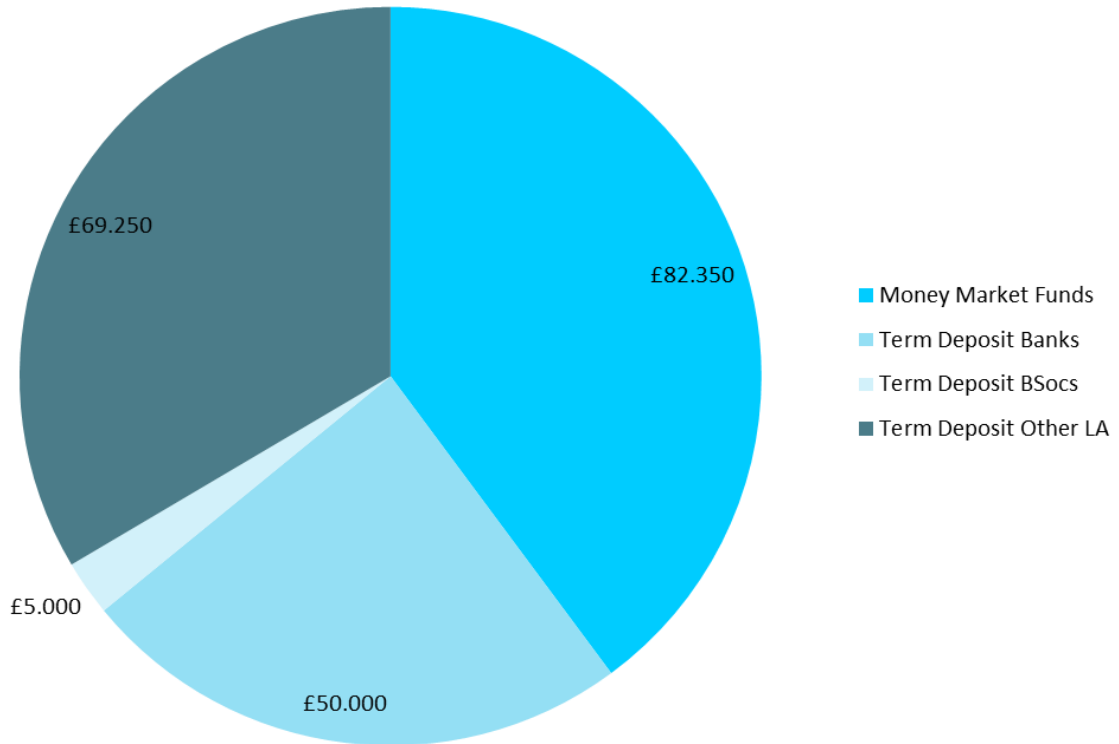
As identified in section 5 above, a significant proportion of available investment balances were used as ‘internal borrowing’ to support the financing of the CFR. This totalled £156.635 million at 31 March 2021 (an increase of £50.994 million compared to 31 March 2020). However, the level of balances available for investment increased during the year by £53.665 million, and the net difference between outstanding creditors and debtors (referred to as working capital) increased by £13.122 million. (See Balance Sheet Review at Appendix 1).

As a result, overall external investments (excluding cash and accrued interest) increased during the year from £191.050 million to £206.600 million, and the Council maintained an average balance of £196.871 million of internally managed funds.

The weighted average maturity (WAM) of the £206.600 million of investments held at the year-end was 0.30 years (0.46 years at 31 March 2020). This is heavily influenced by the £33.250 million of long-term investments which in themselves have a WAM of 1.61 years.

An analysis of the year-end investment balance (excluding cash) by counterparty category is shown in the following chart:

INVESTMENT COUNTERPARTY ANALYSIS 31 MAR 2021(£'M)



6.2. Investment Performance / Benchmarking

As covered in section 3.3 above, investment returns plunged during 2020-21. However, the fall in rates was largely negated by an increase in the overall level of balances available for investment.

Budgeted investment returns for 2020-21 were based on a weighted average rate of return of 1.94% and an average balance of £72.541 million. Actual average investment balances were significantly higher than anticipated at £196.871 million - largely due to the additional grant support received to tackle the coronavirus pandemic. However, as these 'additional' sums were invested short term (for liquidity reasons), at the prevailing low interest rates, this in turn impacted on the overall weighted rate of return for the year, reducing it to 0.74%.

Overall, income from core treasury management investments slightly exceeded the budget for the year by £0.052 million, totalling £1.456 million against an original estimate of £1.404 million.

Whilst the overall rate of return was maximised by the longer-term investments with other Local Authorities, which were taken out a number of years earlier, the performance still compares favourably against the average London Interbank Bid Rate (LIBID) benchmark indicators of:

- 7 Day: negative 0.07%
- 3 Month: 0.14%
- 1 Year: 0.17%

Data from Link Asset Services’ investment benchmarking club shows Northumberland compares very favourably. Looking at the weighted average rate on investments held at 31 March 2021, Northumberland’s rate of 0.59% was higher than the average for its benchmarking group (0.24%), as well as English Unitary Authorities (0.19%) and overall Link benchmarking group population (0.21%).

Note: the above figures are exclusive of interest received on loans to third parties. These loans are made for policy reasons; and not day-to-day treasury undertakings in relation to the investment of cash flows etc.; and, as a result are not classed as core treasury management activities. Actual returns on these facilities totalled £18.989 million, which was lower than the budget by £1.405 million, largely due to the deferral of interest on the loan notes to Newcastle International Airport.

7. OVERALL TREASURY MANAGEMENT BUDGET PERFORMANCE

Overall net Treasury Management costs (including Minimum Revenue Provision, amortisation of premiums and discounts and PFI contracts etc.) were £2.001 million lower than budgeted, at £33.909 million when compared to the budget of £35.910 million. The key variances are summarised in the following table:

	Additional Cost / (Saving) £m
Interest Payable – External Borrowing	(2.6)
Interest Payable – PFI	0
Interest Receivable – Treasury Management Activity	(0.0)
Interest Receivable – Loans to Third Parties	1
Minimum Revenue Provision (MRP)	(1.1)
Other	(0.0)
TOTAL NET UNDERSPEND	(2.0)

Notes:

- Contrary to section 6.2, the above figures DO include interest received from loans to third parties; on the basis that the underlying borrowing (and therefore interest payable) in respect of these loans is reflected in the above costs and cannot be separately identified and excluded.
- PFI interest changed following re-assessment of PFI modelling.
- MRP charges for the year were lower than budgeted due a lower than expected opening CFR at the beginning of year, plus a voluntary provision in respect of Advance Northumberland loans.
- The above figures exclude the MRP payments made in respect of other third party loans, which are funded from the principal repayments made by the borrower and therefore have a neutral impact on Council budgets.

8. PRUDENTIAL INDICATORS AND TREASURY LIMITS 2020-21

The Prudential Code has been developed by CIPFA. The Code has a central role in capital finance decision making, including borrowing for capital investment. Its key objectives are to provide a framework for local authority finance that will ensure individual authorities' capital expenditure plans are affordable; all external borrowing is within prudent and sustainable levels; and, that treasury management decisions are taken in accordance with good professional practice.

To ensure compliance with the Code, councils are required to approve a set of Prudential Indicators for the financial year and adhere to these indicators during the course of that year. Details of the Prudential Indicators and Treasury Management Limits for 2020-21 are provided in Appendix 2.

Implications

Policy The report provides a review of the Treasury Management activities for 2020-21 and sets out performance against the Treasury Management Strategy Statement for 2020-21. It is consistent with “We want to be efficient, open and work for everyone” priority included in the Council’s Corporate Plan 2018-21.

Finance and value for money The financial implications of the 2020-21 investment and borrowing transactions have been taken into account within the revenue budget and outturn for 2020-21.

Northumberland County Council acknowledges that effective treasury management will provide support towards the achievement of its business and service objectives. It is therefore committed to the principles of achieving best value in treasury management within the context of effective risk management, and to employing suitable performance measurement techniques, for example comparison with other members of the CIPFA and Capita benchmarking clubs.

Legal Under Section 1 of the Local Government Act 2003 (the Act) the Council may borrow money for any purpose relevant to its functions under any enactment, or for the purpose of the prudent management of its financial affairs.

The Act and supporting regulations also require the Council to ‘have regard to’ the Chartered Institute of Public Finance and Accountancy (CIPFA) Prudential Code and the CIPFA Treasury Management Code of Practice (which were adopted by Northumberland County Council in February 2010).

Procurement There are no direct procurement implications for the County Council.

Human Resources There are no direct staffing implications for the County Council.

Property There are no direct property implications for the County Council.

Equalities Not applicable for the County Council.

(Impact Assessment attached)

Yes No
N/A

Risk Assessment	The report highlights the principal financial risks within the Treasury Management function. The identification, monitoring and control of risk are the prime criteria by which the effectiveness of the County Council's Treasury Management activities will be measured. Accordingly, the analysis and reporting of Treasury Management activities will focus on their risk implications for the Council. The investment priority is security and liquidity rather than yield, which is a secondary aim.
Crime & Disorder	There are no Crime and Disorder implications for the County Council.
Customer Consideration	There are no Customer Considerations for the County Council.
Carbon reduction	There are no Carbon Reduction implications for the County Council.
Wards	All.

Background Papers:

Treasury Management Strategy Statement for 2020-21. Approved by Council on 19 February 2020.

CIPFA Treasury Management in the Public Services: Code of Practice and Cross-Sectoral Guidance notes (revised 2011).

CIPFA Prudential Code for Capital Finance in Local Authorities.

Guidance on Local Government Investments; The Local Government Act 2003.

Local Authorities (Capital Finance and Accounting) Regulations 2012 (S.I.2012/265).

Report sign off:

Monitoring Officer	Neil Masson
Interim Executive Director of Finance & Section 151 Officer	Jan Willis
Relevant Executive Director	Jan Willis
Chief Executive	Daljit Lally
Portfolio Holder	Richard Wearmouth

Author and Contact Details

Alistair Bennett – Technical Accountant

(01670) 625504

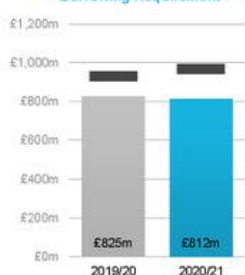
Alistair.Bennett@northumberland.gov.uk

NORTHUMBERLAND COUNTY COUNCIL

2020/21 Desktop Balance Sheet Review

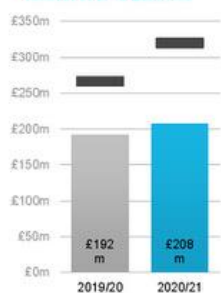
CAPITAL FINANCING AND BORROWING (£'000)			2019/20 (£'000)	2020/21 (£'000)	Change (£'000)	
	2019/20	2020/21				
Capital Financing Requirement	£1,000,278	£1,036,717	1,420,253	Capital Financing Requirement (CFR)		
Underlying Borrowing Requirement	£930,622	£969,107	1,798	Property, Plant & Equipment	1,392,832	
External Borrowing	£824,981	£812,472	1,150	Investment Property	2,029	
Under Borrowing	£105,641	£156,635	2,214	Intangible Assets	1,734	
Net Borrowing (exc TFR debt)	£633,154	£604,851	13,375	Assets Held for Sale	2,085	
			418,260	Capital Investments (non-TM)	14,067	
			(175,063)	Capital Long-term Debtors	410,526	
			(672,968)	Revaluation Reserve	(161,748)	
			(8,741)	Capital Adjustment Account	(615,375)	
				Financial Instruments Revaluation Reserve (capital)	(9,433)	
			1,000,278	CFR (as per Prudential Code)	1,036,717	36,439
			4,759	PFI Prepayment	4,650	
			(74,415)	PFI Liability	(72,260)	
			930,622	Underlying Borrowing Requirement	969,107	38,485
				External Borrowing		
			(94,543)	Short-Term	(55,579)	
			(730,438)	Long-Term	(756,893)	
			(824,981)	TOTAL External Borrowing (Principal)	(812,472)	12,509
			105,641	Under Borrowing	156,635	50,994

External Borrowing vs Underlying Borrowing Requirement



RESERVES / BALANCES AND INVESTMENTS (£'000)			2019/20 (£'000)	2020/21 (£'000)	Change (£'000)	
	2019/20	2020/21				
Balances Available for Investment	£266,180	£319,845	(56,926)	Reserves / Balances		
External Investments	£191,827	£207,621	(31,709)	General Fund Balance	(70,469)	
(Internal Investments)	£74,353	£112,224	(3,174)	Housing Revenue Account Balance (inc MRA)	(37,497)	
			(126,833)	Collection Fund Adjustment Account	21,906	
			(3,102)	Earmarked reserves / other balances	(177,538)	
			(12,072)	Capital Receipts Reserve	(4,025)	
			(32,364)	Provisions (exc. any accumulating absences)	(8,392)	
			(266,180)	Capital Grants Unapplied	(43,830)	
				Amount Available for Investment	(319,845)	(53,665)
				Investments		
			72,000	Short-Term	99,250	
			33,249	Long-Term	25,000	
			86,578	Cash & Cash Equivalents	83,371	
			191,827	TOTAL Investments	207,621	15,794
			(74,353)	(Internal Investments)	(112,224)	(37,871)

Investments vs Balances



Analysis of (Internal Investments)



WORKING CAPITAL (£'000)			2019/20 (£'000)	2020/21 (£'000)	Change (£'000)	
	2019/20	2020/21				
TOTAL Working Capital (Surplus)	-£31,289	-£44,411	77,653	Working Capital		
			(79,424)	Debtors	89,930	
			(4,245)	Creditors	(104,917)	
			(27,772)	Capital Grants Receipts In Advance	(21,251)	
			1,827	Cash Overdrawn	(13,729)	
			(31,961)	Stock / WIP	1,260	
				NET Working Capital (Surplus)	(48,707)	(16,746)
				Other		
			(7,522)	Balance LT Debtors	(4,200)	
			(1)	Balance of LT Liabilities	(1)	
			8,195	FIAA - Premiums, (Discounts) etc	8,497	
			672	Other Long-Term Working Capital	4,296	3,624
			(31,289)	TOTAL Working Capital (Surplus)	(44,411)	(13,122)

Analysis of Working Capital



PERFORMANCE AGAINST CAPITAL PRUDENTIAL INDICATORS

Authorised Limit and Operational Boundary for External Debt

These are important indicators and are part of the Local Government Act 2003 requirements.

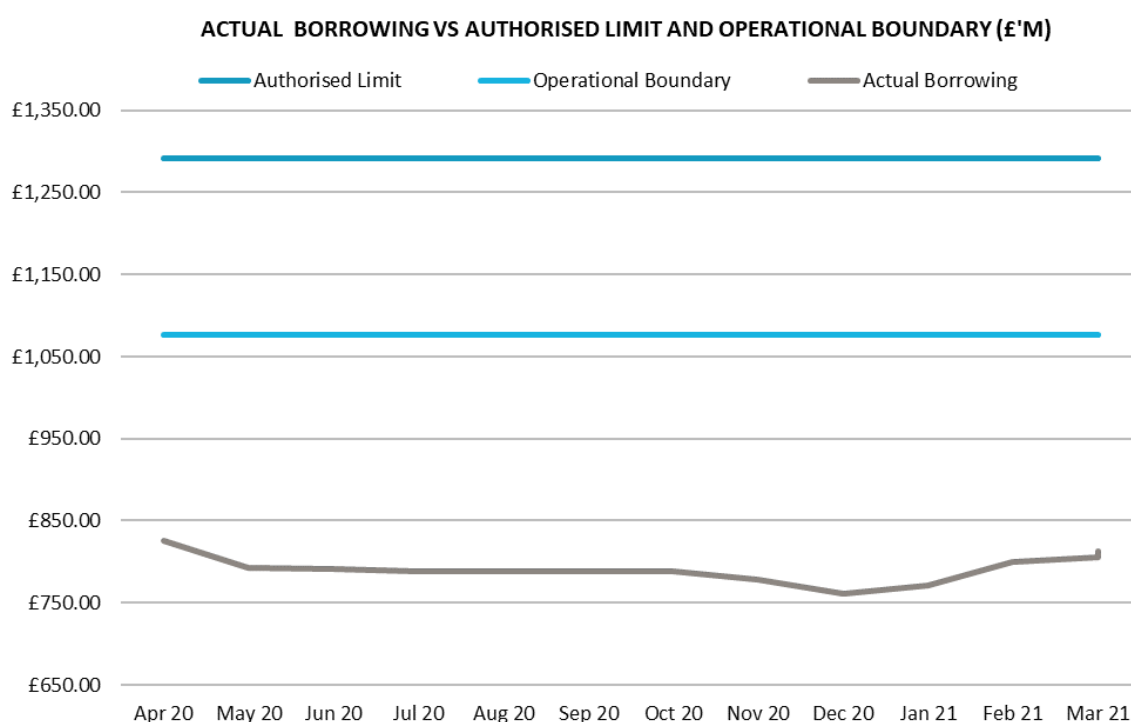
The authorised limit - is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level.

The operational boundary is the expected borrowing position of the Council during the year. Periods where the actual position is either below or over the boundary is acceptable subject to the authorised limit not being breached.

The table below demonstrates that during 2020-21 the Council has maintained gross borrowing within its authorised limit.

	Authorised Limit for External Debt £m	Operational Boundary £m	Actual 31 March 2021 £m
External Borrowing	1,208.524	1,007.104	812.472
Other Long Term Liabilities (PFI)	82.551	68.792	67.610
TOTAL EXTERNAL DEBT	1,291.075	1,075.896	880.082

The following graph shows the external borrowing limits and actual borrowing over the year:



Treasury Management Limits on Activity

The purpose of this is to restrain the activity of the treasury function within certain limits, thereby managing risk and reducing the impact of any adverse movement in interest rates.

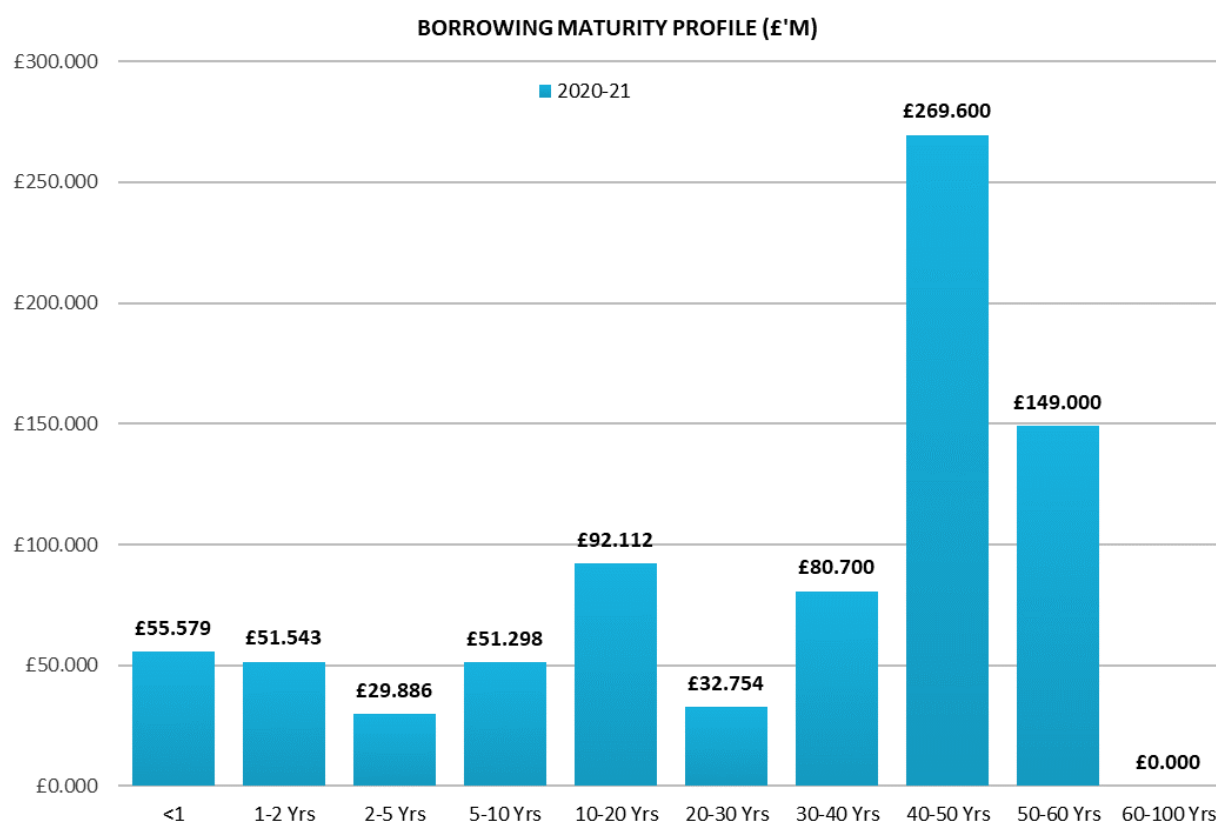
Lender option, borrower option loans (LOBOs) callable within 12 months are classed as variable; and if the rate is fixed for a longer period they are classed as fixed. At 31 March 2021 the total of variable rate loans was £74.000 million and is within the set limit.

	Limit for 2020-21	Actual 31 March 2021
Fixed Rate Exposure	0% - 100%	90.89%
Variable Rate Exposure	0% - 50%	9.11%

Maturity Structure of Borrowing

Measuring maturity structure of borrowing ensures a reasonable spread of maturing debt as a safety mechanism to ensure significant amounts of debt do not mature at a time when interest rates for refinancing the debt may be high.

The following graph shows maturity of loans by monetary value. LOBOs are shown as held to maturity. In the current climate it is not envisaged that loans would be called for repayment within the next 12 months as rates are low.



Investments for periods longer than 365 days

These limits are set with regard to the Council’s liquidity requirements and to reduce the need for early sale of an investment and are based on the availability of funds after each year-end.

	Limit 2020-21 £m	Actual Highest £m	Actual 31 March 2021 £m
Principal sums invested > 364 days	120.000	33.250	33.250



Northumberland County Council

COUNCIL

DATE: 3 NOVEMBER 2021

Proposed Constitutional Changes

Report of Neil Masson, Senior Manager and Deputy Monitoring Officer, Legal Services

Purpose of report

To review and update the Constitution and make related appointments.

Recommendations

Following consideration by the Constitution Working Group, Council is recommended to:

1. Amend Part 3 of the Constitution – Membership of Committees 2020/21 in the following respect:
 - Amendment of the table of committees on page 45 of the Constitution, to reflect the size of the Petitions Committee, Standards Committee and Staff and Appointments Committees is now 9 members, following the decision of full council on the 26th May 2021
 - Amendment of the year specified in the table of committees on page 45 of the Constitution from 2020/21 to 2021/22
2. Agree that references to the Chief Executive also being a Director of the NHS Foundation Trust and the Executive director of HR/OD and Deputy CEO being seconded from the NHS Foundation Trust are removed from the relevant sections of the Constitution, as set out in paragraph 6 below.
3. Note that the functions of the Executive Director of HR/OD and Deputy Chief Executive are currently being exercised by the Chief Executive as Head of Paid service in accordance with Part 4.1 para 5.9 of the constitution, except in matters where there is a conflict of interest, whereby those matters will be delegated to the appropriate Executive Director.
4. Note that following the current Management Review, the revised structure will be reported to a future meeting of Constitution Working Group and the constitution amended accordingly

Link to Corporate Plan

This report is relevant to the “How” priority included in the current NCC Corporate Plan 2018-2021

Key issues

- At the full meeting of Council on the 26th May 2021 the Council’s committees were appointed.
- The size of three committees – Petitions Committee, Standards Committee and Staff and Appointments Committee, were increased to nine members, from that previously. However, there was no corresponding resolution to amend part 3 of the constitution, which states that the size of these committees is 8.
- The Council therefore now needs to amend the table of committees within the Constitution at Part 3 (page 45) to reflect the decision of the Council on the 26th May 2021.
- References within the constitution to the Chief Executive’s role with the NHS Foundation Trust are now obsolete and need to be deleted
- The Deputy Chief Executive and Executive Director of HR & OD post is currently vacant and consideration needs to be given to how this is dealt with in the constitution.

Background

Part 3 – Matters Reserved to Elected Members and Committee Terms of Reference

1. At the meeting of the Council on the 26th May 2021 Council resolved to appoint committees and working groups as set out in an appendix to the agenda circulated to members. The minutes are set out below:

8. APPOINTMENTS - CHAIRS AND VICE CHAIRS AND COMMITTEES

The Chair advised that there had been some changes in terms of group sizes and updated information would be provided by Democratic Services. An updated appendix three had been circulated to all members and he encouraged all members to get in touch with him if they had any queries.

He asked members to agree that authority to confirm the final appointments to the Committees by Groups be delegated to the Chief Executive.

Councillor Bridgett noted that there had been an increase in numbers on some of the committees and working groups, and sought clarification on a couple of committees regarding the gifting of places by the Administration to minority groups as some names were already identified, but in others they had not been. The Business Chair confirmed that some places had been gifted and that the document had been worked on right up to the last minute.

It was moved by Councillor Castle and seconded by Councillor Dickinson that the delegation to the Chief Executive as detailed above be agreed.

RESOLVED that:-

(a) the appointment of the Chairs and Vice Chairs set out in Appendix two to the agenda be agreed;

(b) the appointment of Committees and Working Groups detailed in Appendix three be agreed, and authority be delegated to the Chief Executive to confirm the final appointments to the Committees.

2. The increase in size of some committee and working groups related to the following:

- Petitions Committee
- Staff and Appointments Committee
- Standards Committee
- Climate Change Working Group
- Constitution Working Group
- Food Poverty Working Group
- Member Services Working Group
- Safeguarding and Corporate Parenting Working Group
- VCS Liaison Working Group

3. Of the above it is only the three committees that are set out in terms of size in Part 3 of the Constitution, being 8 members for each committee. As such the resolution of the 26th May 2021 should have included authorisation to amend the constitution to reflect the increased size to 9 members for these committees. This report seeks to rectify this. Working Groups are not set out within the Constitution and so no amendment is needed in respect of them.

4. Accordingly the Working Group is asked to recommend that Council should authorise amendment of the Constitution, specifically the table at the beginning of Part 3 (page 45 in the current version of the Constitution) to reflect the Council's decision that the Petitions Committee, Standards Committee and Staff and Appointments Committee are constituted of 9 members.

References to the Chief Executive also being a Director of the NHS Foundation Trust

5. There are numerous references to the Chief executive also being a Director of the NHS Foundation Trust. However, this is no longer accurate and these references need to be deleted from the constitution. There are also references to the Executive Director of HR/OD and Deputy CEO being a secondment from the NHS Foundation Trust which are no longer accurate and need to be deleted.

6. These reference can be found at:

- Part 2 Article 12 para 12.01 'Functions and areas of Responsibility' of 'Chief Executive (Head of Paid Service) (page 33)
- Part 2 Article 12 para 12.01 'Functions and areas of Responsibility' of 'Executive Director of HR/OD and Deputy Chief Executive (page 34)
- Part 4.1 para 9.3 (page 77)
- Part 8.3 Management Structure – reference to Chief Executive being Director of NHS Foundation Trust (page 216)
- Part 8.3 Management Structure – reference to Executive director of HR/OD & Deputy CEO being NHS Secondment (page 216)

Senior Management Review and impact on Constitution

7. As members will be aware there is currently a review of the Council's management structure being conducted by external consultants. Although parts of the constitution may be inaccurate in respect of Chief Officers and areas of responsibility, it is not considered appropriate at this time to amend the constitution pending the review. The Chief Executive has previously exercised delegated powers to re-allocate functions of Chief Officers upon those officers leaving the employment of the organisation. With regards to the functions of the Executive Director of HR/OD and Deputy Chief Executive, these are now being exercised by the Chief Executive. As these include HR functions, for any matters which relate to the Chief Executive, these will be delegated to an appropriate Executive Director.
8. The relevant sections of the scheme of delegation referred to in paragraph 7 above are as follows:

5.8 The Head of Paid Service may allocate or re-allocate responsibility for functions between Officers as necessary for the effective discharge of those functions or to cover absence of particular Officers.

5.9Where a function is delegated to an Executive Director it shall also be exercisable by the Head of Paid Service, except the functions of Monitoring Officer and Section 151 Officer and their deputy...

Implications

Policy	No significant implications
Finance and value for money	No Financial Implications
Legal	None other than as reflected in the report
Procurement	N/A

Human Resources	N/A
Property	N/A
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input checked="" type="checkbox"/> N/A <input type="checkbox"/>	Issues relating to equalities are reflected, where appropriate, in the report and appendices
Risk Assessment	N/A
Crime & Disorder	N/A
Customer Consideration	N/A
Carbon reduction	N/A
Health and Wellbeing	None significant
Wards	All

Background papers:

None

Report sign off.

Authors must ensure that officers and members have agreed the content of the report:

	Full Name of Officer
Monitoring Officer/Legal	Neil Masson
Interim Executive Director of Finance & S151 Officer	Jan Willis
Relevant Service Director	N/A
Chief Executive	Daljit Lally
Portfolio Holder(s)	Councillor B Flux

Author and Contact Details

Neil Masson

Senior Manager, Legal Services and Deputy Monitoring Manager

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Northumberland

County Council

COUNCIL

DATE: 3 NOVEMBER 2021

Review of Planning Terms of Reference

Report of the Interim Executive Director of Planning & Local Services: Rob Murfin

Report of Cabinet Member: Councillor Colin Horncastle

Purpose of report

To review the Strategic Planning Committee Terms of Reference and Powers as set out in the Councils Constitution. This change is proposed following a formal recommendation for clarification from the Local Government Ombudsman.

Recommendations

Following consideration by Constitution Working Group, Council is recommended to agree that the Strategic Planning Committee Terms of Reference are amended to ensure clarity on whether an application is to be considered at Strategic Planning Committee or at the Local Area Council Planning Committee. The proposed wording is as follows and is marked up in bold and italics:

STRATEGIC PLANNING COMMITTEE Terms of Reference and Powers

(a) To exercise the powers and duties of the Council as Planning Authority in relation to development management under the Town and Country Planning Acts and other associated/related legislation and in particular, but not limited to, those functions listed in Schedule 1 to the Local Authorities (Functions and Responsibilities) (England) Regulations 2000, including the following matters which specifically require a decision by the Strategic Planning Committee:

- minerals and waste planning
- development concerning major energy and physical infrastructure proposals such as wind farms
- planning applications involving more than 100 houses and/or more than 1,000 sq metres of commercial floorspace
- planning applications involving less than 100 houses and/or less than 1,000 sq metres of commercial floorspace which raise significant strategic planning policy issues, and
- any other planning applications which represent a significant departure from the Development Plan

All applications are to be determined by the Chief Planning Officer in accordance with the powers set out in the internal scheme of delegation except for the following which fall to the **Local Area Council Planning Committee to be determined:**

- Applications submitted by or on behalf of elected members of the Council or by their spouses/partners
- Applications involving land and/or premises in the ownership or under the control of elected members of the Council or their spouses/partners
- Applications in which any senior officer* of the Council has a personal and prejudicial interest
- Determination of applications submitted by or on behalf of the Council (or by or on behalf of companies controlled by the Council); or of applications relating to land in which the Council (or company) has a significant interest (NB council to refuse such applications is delegated)
- Approval of applications where, in the opinion of the Relevant Officer, such an approval would constitute a departure from the approved Development Plan and would require a reference to the Secretary of State
- Any application which an elected member of the Council requests should be considered by the Committee, provided the request is in writing, is received within 21 days of the application appearing on the weekly list, and is supported by bona fide planning reasons (which will be reported to the Committee together with the Councillor's name)
- Any application which the Relevant Officer considers should be determined by the Committee because of special planning issues or considerations it raises including significant local interest, and
- Determination of applications where there are contrary comments received within the consultation period given raising bona fide planning issues from statutory consultees as defined in National Planning Practice Guidance.

*For the purposes of the Scheme of Delegation, Senior Officer is defined as Director or Head of Service (or equivalent title)

(b) Those functions prescribed by the Local Authorities (Functions and Responsibilities) (England) Regulations 2000 as not being executive functions and not elsewhere allocated by this Constitution

Link to Corporate Plan

This report is relevant to the "Living" priority included in the NCC Corporate Plan 2018-2021 - "We want you to feel safe, healthy and cared for."

Key issues

1. Proposed amendments to the Council's Constitution are acceptable and allow for the Constitution to evolve as issues arise. This review means that this section of the Constitution is clear and resolves any ambiguity.

Background

1.1 As a result of a complaint regarding the determination of a planning application the Local Government Ombudsman was asked to investigate the complaint after the complainant had exhausted the Council's internal complaints process.

1.2 The complainant argued that there were faults in the Council's consideration of a reserved matters planning application. He said the approved development will increase flood risk to his home, has reduced its value and the process has caused him and his wife considerable stress

1.3 In response and having investigated the matter fully the Local Government Ombudsman came to the following conclusion

The Council's constitution

41. During my consideration of the complaint Mr X raised a point about whether the application should have been considered by the strategic planning committee of the Council rather than at a local area committee.

42. The section of the constitution is not clear and a literal interpretation would be that this type of application (and others) would need to be considered by the strategic planning committee. The Council accepted it is unclear and will seek to ensure that it is appropriately amended. But I accept the Council's position that its intention was always that such applications would be considered by local area committees. So while the unclear drafting is fault it has not affected the consideration of the application.

Summary

43. There were faults by the Council as I detail above. But they do not call into question the decision reached on the application. There is not, therefore, significant injustice to Mr X that warrants any action or remedy by the Council.

Agreed action

44. The Council will correct the unclear wording in the constitution. It should do so within three months of the final decision.

Final decision

45. There was fault by the Council but it did not cause significant injustice to Mr X

1.4 The Ombudsman did not uphold the complaint as set out in paragraph 1.2 above regarding the determination of the Planning application however they have concluded that the Constitution was not clear and should be reviewed.

1.5 The LGO's decision was made on 10th August 2021 and the Council have 3 months from that date of that decision to make the necessary changes.

Conclusion

1.1 The relevant section of the Councils constitution has been reviewed with the additional wording highlighted in bold and italics as set out in the recommendation. It is considered that the simple changes bring clarity and reduce any ambiguity as to which committee applications should be referred to.

Implications

Policy	The proposals are considered to be a reasonable and measured response to the recommendation of the Local Government Ombudsman
Finance and value for money	The proposals have no cost implications for the County Council
Legal	There are no implications of a significant nature
Procurement	N/A
Human Resources	None significant
Property	N/A
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input checked="" type="checkbox"/>	An Equalities Impact Assessment is not considered necessary given the proposals included in this report
Risk Assessment	N/A
Crime Disorder &	N/A

Customer Consideration	The measures and amendments proposed in this report are considered to preserve and protect the position of customers in relation to these matters
Carbon reduction	N/A
Health and Wellbeing	N/A
Wards	All

Background papers:

Council's Constitution

Local Government Ombudsman Decision letter dated 10th August 2021

Report sign off.

Authors must ensure that officers and members have agreed the content of the report:

	Full Name of Officer
Monitoring Officer/Legal	Neil Masson
Executive Director of Finance & S151 Officer	Jan Willis
Relevant Executive Director	Rob Murfin
Chief Executive	Daljit Lally
Portfolio Holder(s)	C Horncastle

Author and Contact Details

Report Author **Rob Murfin Director of Planning**

Rob.murfin@northumberland.gov.uk

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1. ELECTION OF DEPUTY BUSINESS CHAIR

To elect a Deputy Business Chair of the remainder of the ensuing year.

2. DEPUTY CABINET MEMBERS

To note that the Leader has appointed G. Stewart as Deputy Cabinet Member for Community Services. The Deputy Cabinet Member for Adult Wellbeing remains C. Seymour and the Deputy Cabinet Member for Corporate Services position remains vacant.

3. COMMITTEE APPOINTMENTS AND CHAIRS/VICE CHAIRS

To agree the following amendments to Committee places (changes in name are shown in italics) and to agree the election of Chair or Vice Chair. Changes to Chair/Vice Chair are shown in italics.

1. Audit Committee

Membership and Terms of Reference

8 members (4:3:1)

Quorum – 3 (must be at least 2 opposition members)

Chair: S. Watson (Ind member)

Vice Chair: D. Towns

Conservative	Labour	Independent Group	Liberal Democrats	Green Party	Ind Non-Grouped
T. Cessford	<i>M. Murphy</i>	C. Taylor			
P. Jackson	A. Scott				
N. Oliver	A. Wallace				
D. Towns					

2. Communities and Place Overview and Scrutiny Committee

Membership and Terms of Reference

10 Members (4:3:1:1:1) (I Con place to LD)

Quorum – 3

Chair: **J. Reid**

Vice Chair: M. Mather

Conservative	Labour	Independent Group	Liberal Democrats	Green Party	Ind Non-Grouped
G. Castle	E. Cartie	S. Bridgett	<i>J. Reid</i>	N. Morphet	
C. Hardy	B. Gallacher				
M. Mather	M. Richardson				
N. Oliver					

3. Corporate Services and Economic Growth Overview and Scrutiny Committee

Membership and Terms of Reference

10 Members (5:3:1:1)

Quorum – 3

Chair: D. Bawn

Vice Chair: L. Dunn

Conservative	Labour	Independent Group	Liberal Democrats	Green Party	Ind Non-Grouped
D. Bawn	L. Dunn	C. Taylor			
J. Beynon	M. Murphy				
<i>P. Ezhilchelvan</i>	A. Wallace				
P. Jackson					
N. Oliver					

One Minority Group place TBC

4. Disputes Panel - Fire and Rescue Service

Membership and Terms of Reference

8 members (4:3:1) (Including two Administration members who have been trained in disputes procedures)

Quorum – 3

Chair: **G. Sanderson**

Vice Chair: **B. Flux**

Conservative	Labour	Independent Group	Liberal Democrats	Green Party	Ind Non-Grouped
<i>D. Carr</i>	M. Murphy		J. Reid		
B. Flux	M. Purvis				
G. Sanderson	A. Wallace				
R. Wearmouth					

5. Family and Children's Services Overview and Scrutiny Committee

Membership and Terms of Reference

19 Members

10 County Councillors (6:3:1) (One minority group place gifted to Con)

Quorum - 5

Chair: W. Daley

Vice Chair: **R.R. Dodd**

Conservative	Labour	Independent Group	Liberal Democrats	Green Party	Ind Non-Grouped
<i>D. Carr</i>	C. Ball	C. Taylor			
W. Daley	L. Dunn				
<i>R.R. Dodd</i>	A. Scott				
D. Ferguson					
M. Swinburn					
T. Thorne					

6. Governing Body of Netherton Park

Membership and Terms of Reference

*The Netherton Park Instrument of Management Order 1973 (as amended) stipulates that the Governing Body shall consist of 6 persons, comprising four local authority managers and two foundation managers **

** All Managers should not be older than 70 years of age*

4 members(2:2)(1 Ind Gp to Lab)

Quorum: one third of the total number of managers i.e. 2, provided that at least one Governor shall be a Foundation Manager (Trustee) and at least one shall be a Local Authority Manager (Councillor).

Chair: L. Darwin

Vice Chair: A Trustee Manager

Conservative	Labour	Independent Group	Liberal Democrats	Green Party	Ind Non-Grouped
L. Darwin	K. Nisbet				
<i>G. Sanderson</i>	M. Richardson				

2 Trustee Managers

7. Health and Wellbeing Overview and Scrutiny Committee

Membership and Terms of Reference

10 Members (5:3:1:1)

Quorum - 3

Chair: *V. Jones*

Vice Chair: K. Nisbet

Conservative	Labour	Independent Group	Liberal Democrats	Green Party	Ind Non-Grouped
R. Dodd	L. Bowman	G. Hill	I. Hunter		
D. Ferguson	K. Nisbet				
<i>C. Hardy</i>	R. Wilczek				
C. Humphrey					
<i>V. Jones</i>					

8. Joint Consultative Committee

Membership and Terms of Reference

To bring together members and employees of the Council and their representatives in consultation on strategic and policy matters in order to further the aims and improve the efficiency of the County Council's services.

5 Members of the County Council

Employees of the County Council to be appointed by trade unions and professional associations.

Quorum: Two members from the Employers' side and three members from the Employees' side

Chair: *P. Scott*

Vice Chair: TU representative

Conservative	Labour	Independent Group	Liberal Democrats	Green Party	Ind Non-Grouped
B. Flux					
G. Renner Thompson					
G. Sanderson					
<i>P. Scott</i>					
R. Wearmouth					

9. Climate Change Working Group

Membership and Terms of Reference

9 members: (4:3:1:1 Con place to GP)

Chair: G. Sanderson

Vice Chair: N. Morphet

Conservative	Labour	Independent Group	Liberal Democrats	Green Party	Ind Non-Grouped
C. Dunbar	B. Gallacher	S. Bridgett		N. Morphet	
C. Hardy	M. Murphy				
G. Sanderson	H. Waddell				
<i>R. Wearmouth</i>					

10. VCS Liaison Group

Membership and Terms of Reference

9 Members (5:3:1)

Chair: *D. Ferguson*

Vice Chair: *V. Jones*

Conservative	Labour	Independent Group	Liberal Democrats	Green Party	Ind Non-Grouped
D. Ferguson	L. Bowman	D. Kennedy			
V. Jones	L. Dunn				
C. Humphrey	M. Purvis				
W. Pattison					
C. Seymour					

4. OUTSIDE BODIES

To agree the following changes:

Body	Councillor Off	Councillor On
North of Tyne Audit and Standards	M. Swinburn, S. Dickinson	One Con TBC, M. Purvis
North of Tyne Housing and Land Board	N. Oliver	C. Horncastle
NECA Joint Transport OSC	G. Castle	C. Humphrey
Regional Flood Defence and Coastal Committee	N. Oliver	J. Riddle
Tyne and Wear Pension Fund Pensions Committee	N. Oliver	G. Sanderson
FPS Local Pension Board	P. Jackson, N. Oliver	J. Beynon, M. Robinson
Joint OSC for the NE & NC ICS & North & Central ICPs	J. Reid	V. Jones
Northumbria Healthcare NHS Foundation Trust Governing Body	Vacancy	C. Dunbar