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Northumberland County Council

Your ref:

Our ref:

Enquiries to: Jackie Roll

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Tel direct:

Date: 25 October 2022

Dear Sir or Madam,

Your attendance is requested at a meeting of the **COUNTY COUNCIL** to be held in **COUNCIL CHAMBER - COUNTY HALL** on **WEDNESDAY, 2 NOVEMBER 2022** at **3.00 PM**.

Yours faithfully

Rick O'Farrell
Interim Chief Executive

To County Council members



Rick O'Farrell, Interim Chief Executive
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AGENDA

PART I

It is expected that the matters included in this part of the agenda will be dealt with in public.

1. APOLOGIES FOR ABSENCE

2. MINUTES

(Pages 1
- 18)

Minutes of the meeting of County Council held on Wednesday 21 September 2022, as circulated, to be confirmed as a true record, signed by the Business Chair and sealed with the Common Seal of the Council.

3. DISCLOSURES OF MEMBERS' INTERESTS

Unless already entered in the Council's Register of Members' interests, members are required where a matter arises at a meeting;

a. Which directly relates to Disclosable Pecuniary Interest ('DPI') as set out in Appendix B, Table 1 of the Code of Conduct, to disclose the interest, not participate in any discussion or vote and not to remain in room. Where members have a DPI or if the matter concerns an executive function and is being considered by a Cabinet Member with a DPI they must notify the Monitoring Officer and arrange for somebody else to deal with the matter.

b. Which directly relates to the financial interest or well being of a Other Registrable Interest as set out in Appendix B, Table 2 of the Code of Conduct to disclose the interest and only speak on the matter if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain the room.

c. Which directly relates to their financial interest or well-being (and is not DPI) or the financial well being of a relative or close associate, to declare the interest and members may only speak on the matter if members of the public are also allowed to speak. Otherwise, the member must not take part in discussion or vote on the matter and must leave the room.

d. Which affects the financial well-being of the member, a relative or close associate or a body included under the Other Registrable Interests column in Table 2, to disclose the interest and apply the test set out at paragraph 9 of Appendix B before deciding whether they may remain in the meeting.

e. Where Members have or a Cabinet Member has an Other

Registerable Interest or Non Registerable Interest in a matter being considered in exercise of their executive function, they must notify the Monitoring Officer and arrange for somebody else to deal with it.

NB Any member needing clarification must contact monitoringofficer@northumberland.gov.uk. Members are referred to the Code of Conduct which contains the matters above in full. Please refer to the guidance on disclosures at the rear of this agenda letter.

4. ANNOUNCEMENTS BY THE BUSINESS CHAIR, LEADER OR HEAD OF PAID SERVICE

5. CORRESPONDENCE (IF ANY) TO DATE OF MEETING

6. QUESTIONS

QUESTIONS to be put to the Business Chair, a member of the Cabinet or the Chair of any Committee or Sub Committee, in accordance with the Constitution's Rules of Procedure No.9.

7. REPORT OF THE INTERIM CHIEF EXECUTIVE AND HEAD OF PAID SERVICE

(Pages
19 - 24)

Appointment of the Preferred Candidate for the Position of Head of Paid Service, Chief Executive & Returning Officer

The purpose of this report is to advise Council that due to the timings of the recruitment process for the Head of Paid Service & Chief Executive, it is not possible to submit a full report for consideration by Full Council with the agenda papers for the meeting.

The agenda papers for the StAC to be held on Wednesday 2nd November 2022 have been published and are available on the Council's website, if Members wish to view them beforehand.

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

(Pages
25 - 186)

Council Tax Support Scheme for 2023-24

The purpose of this report is to seek approval for the local Council Tax Support Scheme for 2023-24 to continue to provide support at a maximum level of 92% of council tax liability.

9. REPORT OF THE INTERIM SENIOR SERVICE DIRECTOR

(Pages
187 -
226)

Electoral Review – Part One Council Size Submission

To update Council on the Electoral Review of Northumberland County being undertaken by the Local Government Boundary Commission for England (LGBCE) and to present for agreement the Council's Council Size

Submission on part one of the Electoral Review.

- 10. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND SECTION 151 OFFICER** (Pages 227 - 244)

Treasury Management Annual Report for the Financial Year 2021-22

This report provides details of performance against the Treasury Management Strategy Statement (TMSS) 2021-22, approved by the County Council on 24 February 2021. The report provides a review of borrowing and investment performance for 2021-22, 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.

- 11. REPORT OF THE INTERIM CHIEF EXECUTIVE** (Pages 245 - 252)
- Community Governance Reviews**

To consider the outcome of three community governance reviews in the County.

- 12. REPORT OF THE MONITORING OFFICER** (Pages 253 - 256)
- Appointment of Additional Independent Persons**

The purpose of this report is to update Members on the recruitment process for two additional Independent Persons.

- 13. TO RECEIVE THE MINUTES OF THE CABINET MEETING HELD ON** (Pages 257 - 270)
- (1) Wednesday 21 September 2022

- 14. TO RECEIVE AND CONSIDER MINUTES FROM THE FOLLOWING COMMITTEES** (Pages 271 - 338)

- (1) Corporate Services and Economic Growth OSC
- (2) Family and Children's Services OSC
- (3) Communities and Place OSC
- (4) Health and Wellbeing OSC
- (5) Health and Wellbeing Board
- (6) Audit Committee

15. EXCLUSION OF PRESS AND PUBLIC

Council is invited to consider passing the following resolution:

(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 - 16

Paragraph of Part I of Schedule 12A - 1 (Information relating to any individual).

AND The public interest in maintaining the exemption outweighs the interest in disclosure because disclosure would adversely affect the Authority's interests.

16. REPORT OF THE MONITORING OFFICER

(Pages
339 -
350)

Appointment of Additional Independent Persons

To consider the attached Appendix A under Agenda item 12 in Part 1 of this agenda.

IF YOU HAVE AN INTEREST AT THIS MEETING, PLEASE:

- Declare it and give details of its nature before the matter is discussed or as soon as it becomes apparent to you.
- Complete this sheet and pass it to the Democratic Services Officer.

Name:		Date of meeting:	
Meeting:			
Item to which your interest relates:			
Nature of Interest i.e. either disclosable pecuniary interest (as defined by Table 1 of Appendix B to the Code of Conduct, Other Registerable Interest or Non-Registerable Interest (as defined by Appendix B to Code of Conduct) (please give details):			
Are you intending to withdraw from the meeting?		Yes - <input type="checkbox"/>	No - <input type="checkbox"/>

Registering Interests

Within 28 days of becoming a member or your re-election or re-appointment to office you must register with the Monitoring Officer the interests which fall within the categories set out in **Table 1 (Disclosable Pecuniary Interests)** which are as described in "The Relevant Authorities (Disclosable Pecuniary Interests) Regulations 2012". You should also register details of your other personal interests which fall within the categories set out in **Table 2 (Other Registerable Interests)**.

"Disclosable Pecuniary Interest" means an interest of yourself, or of your partner if you are aware of your partner's interest, within the descriptions set out in Table 1 below.

"Partner" means a spouse or civil partner, or a person with whom you are living as husband or wife, or a person with whom you are living as if you are civil partners.

1. You must ensure that your register of interests is kept up-to-date and within 28 days of becoming aware of any new interest, or of any change to a registered interest, notify the Monitoring Officer.
2. A 'sensitive interest' is as an interest which, if disclosed, could lead to the councillor, or a person connected with the councillor, being subject to violence or intimidation.
3. Where you have a 'sensitive interest' you must notify the Monitoring Officer with the reasons why you believe it is a sensitive interest. If the Monitoring Officer agrees they will withhold the interest from the public register.

Non participation in case of disclosable pecuniary interest

4. Where a matter arises at a meeting which directly relates to one of your Disclosable Pecuniary Interests as set out in **Table 1**, you must disclose the interest, not participate in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest, just that you have an interest.

Dispensation may be granted in limited circumstances, to enable you to participate and vote on a matter in which you have a disclosable pecuniary interest.

5. Where you have a disclosable pecuniary interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it.

Disclosure of Other Registerable Interests

6. Where a matter arises at a meeting which **directly relates** to the financial interest or wellbeing of one of your Other Registerable Interests (as set out in **Table 2**), you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting but otherwise must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Disclosure of Non-Registerable Interests

7. Where a matter arises at a meeting which **directly relates** to your financial interest or well-being (and is not a Disclosable Pecuniary Interest set out in **Table 1**) or a financial interest or well-being of a relative or close associate, you must disclose the interest. You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation. If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

8. Where a matter arises at a meeting which **affects** –

- a. your own financial interest or well-being;
- b. a financial interest or well-being of a relative or close associate; or
- c. a financial interest or wellbeing of a body included under Other Registrable Interests as set out in **Table 2** you must disclose the interest. In order to determine whether you can remain in the meeting after disclosing your interest the following test should be applied

9. Where a matter (referred to in paragraph 8 above) **affects** the financial interest or well- being:

- a. to a greater extent than it affects the financial interests of the majority of inhabitants of the ward affected by the decision and;
- b. a reasonable member of the public knowing all the facts would believe that it would affect your view of the wider public interest

You may speak on the matter only if members of the public are also allowed to speak at the meeting. Otherwise, you must not take part in any discussion or vote on the matter and must not remain in the room unless you have been granted a dispensation.

If it is a 'sensitive interest', you do not have to disclose the nature of the interest.

Where you have an Other Registerable Interest or Non-Registerable Interest on a matter to be considered or is being considered by you as a Cabinet member in exercise of your executive function, you must notify the Monitoring Officer of the interest and must not take any steps or further steps in the matter apart from arranging for someone else to deal with it.

Agenda Item 2

NORTHUMBERLAND COUNTY COUNCIL

At a meeting of the **Northumberland County Council** held on Wednesday 21 September 2022 at County Hall, Morpeth at 2.00 pm.

PRESENT

Councillor B. Flux
(Business Chair) in the Chair

MEMBERS

Ball, C.	Murphy, M.
Beynon, J.	Nisbet, K.
Bowman, L.	Oliver, N. (part)
Cartie, E.	Parry, K.
Castle, G.	Pattison, W.
Cessford, T.	Ploszaj, W.
Chicken, E.	Purvis, M.
Clark, T.	Reid, J.
Dale, P.A.M.	Renner-Thompson, G.
Daley, W.	Richardson, M.
Fairless-Aitken, S.	Riddle, J.R.
Ferguson, D.	Robinson, M.
Foster, J.	Sanderson, H.G.H.
Gallacher, B..	Seymour, C.
Grimshaw, L.	Sharp, A.
Hardy, C.R.	Simpson, E.
Hill, G.	Stewart, G.
Horncastle, C.	Swinbank, M.
Humphrey, C.	Swinburn, M.
Hunter, I.E.	Taylor, C.
Hutchinson, J.I.	Thorne, T.N.
Jones, V.	Towns, D.
Kennedy, D.	Waddell, H.
Lang, J.A.	Watson, A.
Lee, S.	Watson, J.
Mather, M.	Wearmouth, R.W.
Morphet, N.	Wilczek, R.

OFFICERS

Binjal, S.	Monitoring Officer
Bradley, N.	Director of Adult Social Services
Furnell, L.	Interim Service Director HR/OD
Hadfield, K.	Democratic and Electoral Services Manager
Hunter, P.	Interim Senior Service Director
Kingham, A.	Interim Joint Director of Children's Services
Lancaster, H.	Deputy Monitoring Officer
Morgan, L.	Interim Executive Director for Public

O'Farrell, R. Roll, J.	Health and Community Services Interim Chief Executive Head of Democratic and Electoral Services
Taylor, M.	Interim Executive Director Communities and Business Development
Willis, J.	Interim Executive Director of Finance and S151 Officer

One member of the press was present.

40. APOLOGIES FOR ABSENCE

Apologies were received from Councillors Bawn, Bridgett, Carr, Darwin, Dickinson, Dodd, Dunbar, Dunn, Ezhilchelvan, Jackson, Scott and Wallace.

41. MINUTES

Minutes of the following meetings of County Council be confirmed as a true record, signed by the Business Chair and sealed with the Common Seal of the Council:-

- (a) Wednesday 6 July 2022 (subject to the inclusion of Councillor A. Watson in the attendance); and
- (b) Wednesday 27 July 2022 (extraordinary meeting)

42. DISCLOSURES OF MEMBERS' INTERESTS

Councillor Swinbank declared an interest in respect of Item 7 on the agenda (Motion No.2) as a member of the NIFCA Board.

43. ANNOUNCEMENTS by the Business Chair, Leader or Head of Paid Service

The Business Chair reminded members that a member induction refresher event was planned for 2 November. There were also a number of policy briefings planned which he recommended to members.

The Leader informed members that work was progressing well on the Caller Review. A member oversight group was meeting every month to monitor progress and the Challenge Board would be starting its work soon.

Work on devolution had halted following the election of a new prime minister so he did not have any progress to report. He paid tribute to the other leaders in the LA6 who were working well together and once he had further information to share, he would do so.

44. MEMBER QUESTIONS

Question 1 from Councillor Castle to the Leader

Councillor Sanderson, we all recognise that increasing economic pressures will hit the poorest in our community hardest. I commend our recent approach to identifying inequalities and possible solutions but ask that you inform the Council what measures the Council is able to implement promptly that will support those most in need of help

The Leader replied that addressing inequalities in Northumberland was an immediate and longer-term challenge. The current economic situation required the Council to work collaboratively and at pace to best support households most in need. Anyone looking for support was encouraged to contact Northumberland Communities Together. A lot of help had been given to those who had needed it particularly during the pandemic and this work continued.

In addition, officers were finalising a poverty and hardship action plan with a robust communications strategy and training tools – simple resources for everyone to use to support residents and for residents to support themselves. The Council would be pulling its business intelligence to ensure the resources available were where they were needed the most.

Councillor Castle asked if members identified any residents who needed help should contact NCT in the first instance. The Leader confirmed this was the approach which should be taken.

Question 2 from Councillor Fairless Aitken to Councillor Horncastle

Since the beginning of the year Hexham, along with other towns and villages across the county, has seen a distinct rise in instances of anti-social behaviour. From serious acts of vandalism, like the attack on Hexham's bandstand, to the damaging of cars lawfully parked on our streets.

Will the administration undertake to work with Town and Parish councils to facilitate the positioning of CCTV, where appropriate, and to allow Members small schemes money to be used to purchase equipment?

Will the administration also undertake to lobby the PCC to allocate more resources to rural policing and arrange for a meaningful meeting with senior police officers and the LAC's to explore how better they can deter and respond to the scourge of anti-social behaviour? I despair of our rural police stations being '9-5' rather than round the clock as they used to be and should be.

Councillor Horncastle replied that anti-social behaviour remained of concern and unfortunately there had been a small increase within the Hexham area, but he was pleased to be able to advise that those responsible for the damage to the bandstand had been apprehended by the police, and the level of ASB had reduced in Hexham. At a local level, ASB would continue to be monitored through the Hexham Victim Offender Location meeting, where it was a standing agenda item.

As part of the recent Strategic Needs Assessment undertaken by the Safer Northumberland Partnership, ASB had been identified as one of the key priorities, and officers were actively working with partners to develop interventions to reduce the impact of ASB on communities. A pilot had also recently been launched with the Office of the Police and Crime Commissioner and the other five Tyne and Wear local authorities, to improve understanding and access by residents to the Community Trigger process.

With regard to CCTV:

- Officers were exploring the deployment of overt CCTV to monitor parts of the Sele.
- The Council was happy to work with Parish and Town councils on the siting of CCTV, but under the current arrangements, whilst the County Council had and would deploy mobile CCTV in response to specific concerns, the cost of any fixed public space CCTV, would need to be met by the Town or Parish Council.
- He confirmed that members small scheme could be used for the capital purchase of equipment, subject to the cost being greater than the minimum level of £2,000 set out within the scheme.
- The scheme could not be used to fund maintenance and revenue costs, which would need to be funded by a different means.

When he next met with the Police and Crime Commissioner, he would raise with her the issue of resources to support rural policing and hopefully come back with more information.

Councillor Fairless Aitken responded that when she had asked about the mobile units to be used at Wentworth car park she had been told that the lending library was quite busy and it was difficult to get them to come down even after an incident. She asked if this could be looked at.

Councillor Horncastle replied that recently he had visited a private CCTV scheme in Ashington which was very up to date and monitored 24 hours a day. Set up and running costs had been very small and he would speak to Councillor Fairless Aitken about this after the meeting.

Question 3 from Councillor Fairless Aitken to Councillor Riddle

At Hexham Town Council we have been working towards being a Dark Skies Town with the International Dark Skies Association and have adopted their responsible lighting guidance in our Planning Committee.

Will the Administration undertake to work with the Planning and Highways departments to adopt this innovative and ground-breaking set of guidelines as council policy? Not only would it be fabulous for Northumberland with its Dark Skies National Park to have this rolled out for Astro-tourism and the health benefits to humans and the non-pollution of our natural environment, it would also be beneficial to energy saving costs.

Councillor Riddle replied that this was one of the areas of specific policy that would be formalised in Supplementary Planning Guidance documents, along

with policy areas such as open play space, developer contributions and climate change. These would be attached to the Local Plan to set out NCC policy for determining planning applications.

The cross-party Member Local Plan Steering Group would be presented with the draft Supplementary Planning Guidance documents during the next 12 months, and would be subject to public consultation.

Question 4 from Councillor Hill to the Leader

The Queen's Garden (sometimes pluralised to the Queen's Gardens) in the West End of Tweedmouth is situated in the shadow of the Royal Tweed Bridge with stunning views across the river. It's magnificent backdrop also includes the Tweedmouth War Memorial and the iconic Berwick Old Bridge.

In 1956, Queen Elizabeth II visited The Queen's Garden with the Duke of Edinburgh and was presented with a salmon by the Mayor.

Do you agree that this would be an ideal spot for a permanent memorial to the late Queen?

The Leader agreed this was a good suggestion, to go alongside lots of other suggestions which it was hoped would be submitted in response to the public consultation. A memorial in Berwick would be a good thing and he would support that.

Councillor Hill asked if the Leader agreed with the appropriateness of Berwick being a memorial to the late Queen given all the work she had done to support the Union and thereby cross border co-operation. The Leader agreed this was a valid point. The re-naming of the Union Chain Bridge which was due to open shortly could possibly provide an opportunity for this recognition.

Question 5 from Councillor Dale to Councillor Pattison

Complaints have been raised about the delivery of social care services in Northumberland. Please could you confirm what the Council is doing to respond to these concerns?

Councillor Pattison confirmed that it was proving challenging to secure sufficiency of some social care services in Northumberland currently, particularly home care (although there were now some indications that residential and nursing care may be affected as well). This situation was not unique to Northumberland and regionally and nationally it was the case that most Local Authorities were having similar issues to varying degrees. It was understood that some were facing significant worse pressures than were being managed in Northumberland currently.

There were about 220 clients in Northumberland where the teams could not immediately secure packages of home care to meet assessed need and the figure had remained above 200 for several months now. A number of measures were being put in place for those individuals and families who could not cope in the short term, including amongst other things, short term

temporary residential placements, support from Northumberland Communities Together, and the use of Council internal rehabilitation services away from their normal core business.

The key issue was lack of available workforce which appeared to be linked to competition for labour from other markets. The issues began almost immediately the restrictions on covid started to lift late last summer and providers started reporting staff leaving to take up posts in other sectors including pubs, restaurants, retail and leisure. The pressure was being felt most acutely in the North and West of the county, but there were issues right across Northumberland.

A number of things had been done to try and assist the market including support with recruitment, advertising and training for providers and this support was ongoing. There had been some financial support as well, the most significant being the Council offering funding to support providers to pay the “real living wage” from 1st April 2022.

Aside from the continuation of the various types of support mentioned above, senior officers were considering possible further options in relation to support for travel costs for home care workers. This could significantly benefit the more rural areas where recruitment and retention issues were the most challenging.

Councillor Dale asked whether the extra funding put into social services had been spent and hoped that no voluntary redundancies would be taken from social services. Councillor Pattison assured Councillor Dale that she would do all she could to ensure residents were looked after.

45. MOTIONS

Motion No.1

In accordance with Council Rules of Procedure No.10, Councillor Pattison moved the following motion, received by the Democratic Services Manager on 9 August 2022:-

“Newcastle upon Tyne City Council has made the shortlist to host the Eurovision Song Contest in 2023. Sadly, this is due to war torn Ukraine being unable to host it themselves due to the Russian invasion.

This is a once in a lifetime opportunity to welcome a huge number of international visitors, performers and media to the city of Newcastle upon Tyne.

If Newcastle's bid is successful, this would hugely benefit our own beautiful County of Northumberland and we would be delighted to welcome European visitors to come and explore our beautiful coastline and countryside and enjoy the County's full and rich heritage.

I propose that the Leader write to Newcastle upon Tyne City Council offering Northumberland County Council's support and good wishes for a successful and winning bid to host the Eurovision Song Contest in the Toon in 2023".

This was seconded by

It was **RESOLVED** that that the Leader write to Newcastle upon Tyne City Council offering Northumberland County Council's support and good wishes for a successful and winning bid to host the Eurovision Song Contest in the Toon in 2023.

Motion No. 2

In accordance with Council Rules of Procedure No.10, Councillor Hardy moved the following motion, received by the Democratic Services Manager on 9 August 2022:-

"This motion calls for Northumberland County Council to reply to the consultation on DEFRA proposals to install a Highly Protected Marine Area, a fishing ban, around Lindisfarne and the Farne Islands.

This proposals will have a devastating effect on Holy Island where there has been fishing since long before the Lindisfarne Gospels were written. Fishing is an integral part of the life and soul of the island. The proposal would threaten the livelihood of the young families who rely on fishing, making the island a less attractive place to live.

Northumberland County Council has done a fantastic job promoting tourism. Our pubs and restaurants are full of people who want to enjoy sustainable local crab and lobster. This proposal would close the main fishing grounds and make restaurants source shellfish further away.

This is an issue for our whole county. Fisherman from up and down the coast fish this area. If local fisherman are banned from here, they will move to other parts of coast, displacing the fisherman there and putting pressure on fish stocks elsewhere. It would have repercussions from Berwick to Blyth.

We all want to protect our seas. But this is not the answer. These small boats follow the rules to make our seas better for their children and grandchildren to follow them.

Northumberland County Council shall respond to the consultation on Highly Protected Marine Areas rejecting the proposals on environmental, social and economic grounds".

This was seconded by Councillor Renner Thompson.

Councillor Cartie commented that this would affect a lot of other areas along the Northumberland coast, not just in one area. It needed further investigation because fishermen would be displaced and livelihoods would be lost, and over fishing would inevitably impact on marine life.

Councillor Swinbank commented that any effect on fishing businesses had to be mitigated by Defra who had handled the consultation poorly with a top down approach, and no proper engagement with local stakeholders. Government fishing policy had not been good for years. The consultation was an opportunity to understand how biodiversity could better recover so shouldn't be dismissed out of hand and would allow the benefits to be properly assessed. Council officers should engage with Defra over the consultation over the areas to be included. The proposal by Defra would tie in with the Council's own climate change agenda and he urged communication with Defra on this.

Councillor Renner Thompson commented on the devastating impact this proposal would have on the County's fragile coastal communities. Fishermen were terrified of losing their livelihoods and were already putting off investment decisions. The same was happening at the seafood processing plants in Berwick and Eyemouth. The inshore sea was already protected by legislation and IFCA had already prohibited bottom trawling fishing out to sea by six miles. The lobsterpot industry was already very healthy and the impact of the scheme would be negligible and would only put unnecessary pressure on other parts of the coast. He urged members to support the motion which would give a concrete mandate to reply to the consultation rejecting the latest proposal. The aims of the scheme were noble and he did not object to the one which was further out to sea. Further consultation would be good, but this consultation period closed next week and a response needed to be made

Councillor Hunter urged members to support this and referred to the knock on effect on other local businesses as well as the fishing industry.

Councillor Reid queried what the officer view was on this and whether a response had been made to the consultation which could potentially not endorse the member view. He urged caution in case there was no evidence to support the motion.

Councillor Dale felt the local MP view on the matter would be useful.

Councillor Ferguson appreciated the impact this would have on the local area. He agreed that there needed to be sustainability but this wasn't the answer.

Councillor Murphy felt evidence was key and asked for details of the numbers of families impacted and what the economic loss to communities would be. If the impact would be great, why would Defra do this? She felt there was more to this than members were aware of.

Councillor J. Watson commented that the town of Amble centred on the harbour and its fishing fleet. It was central to everything and he had been approached by a number of fishermen who were very worried about the potential effects. He would be supporting the motion.

Councillor Castle remarked that there was no evidence from Defra to show the Council what the impact would be, and in the face of that, the Council should respond rejecting the proposal.

Councillor Horncastle commented that Holy Island was one of the jewels in Northumberland's crown and felt that Defra just did not understand the local impact this would have, on top of the new planning regulations currently affecting six parishes. Members had to reject this on behalf of the people they represented.

With respect to the potential conflict with officer opinions, Councillor Towns reminded members that the Caller report had highlighted that power lay with the members of the Council, not with officers. It was within members' democratic power to respond to the consultation in the way which had been suggested. With regard to the evidence, he felt that was abundantly clear.

Councillor Mather supported the motion. This matter was not something which could just be switched off for a trial. If these local skills were lost, they would be lost forever as they could not be learned in university. This was local food produced by local people and that's what should be supported.

Councillor Grimshaw commented that the traditional fishing life had been largely lost in Newbiggin and it would be a travesty if this was repeated elsewhere. Whilst more information was welcome, she felt it was important to support these little communities.

Councillor Robinson commented that he hadn't seen any evidence from Defra. If the motion was stop Defra from acting and force a rethink, then it should be rejected so Defra could respond with reasoned argument to support their proposals.

Mr O'Farrell advised members that the risk and disbenefits section of the Defra proposal identified loss in income to local communities of between £600,000 and £9m per year. It also listed various other risks to the wider fishing fleet including health and safety as smaller boats would need to fish in deeper waters.

Councillor Hardy commented that if Defra imposed a fishing ban then six fishing boats would be lost from Holy Island and would devastate the island's economy. The Council was already supporting the indigenous population to stay on Holy Island. If the fishermen were lost then eventually the heart of the island would go and it would become a museum. He had listened to the flawed evidence put forward by Defra. They had not even realised that Holy Island was reached by a tidal causeway and the lack of knowledge of the area had been staggering. He had the support of the local MP and most of the parishes in the area and he urged members to support it.

On being put to the vote, it was **RESOLVED** by a substantial majority that the County Council respond to the Defra consultation on Highly Protected Marine Areas, rejecting the proposals on environmental, social and economic grounds.

46. REPORT OF THE EXECUTIVE DIRECTOR OF PUBLIC HEALTH AND COMMUNITY SERVICES

Northumberland Inequalities Plan 2022 - 2032

The report presented the Northumberland Inequalities Plan 2022 – 2032 and shared with Council the proposals for system development and enablers, focused areas of action and short, medium and long-term indicators of progress. The report had been developed as a result of a series of locally based engagement workshops, triggered by the Leader's commitment to prioritise reducing inequalities, with a call to partners to tackle this key issue for the benefit of Northumberland residents. The report was a statement of intent to work on these actions and deliver better outcomes over the next 10 years. The report recognised the importance of governance and accountability, requesting that a cross party members group be established to monitor the progress of the plan.

Members received a presentation on the key point of the Plan from Liz Morgan, Executive Director of Public Health and Community Services.

- Councillor Morphet felt members should not underestimate the size of the challenge. The Plan was just the first step in reversing the harm done by many years of austerity but it was a step in the right direction. A critical element would be the provision of increased support to town and parish councils and community groups. His Group welcomed the plan for a transport equity audit. Given that 22% of households in Northumberland didn't own a car, improvements to public transport and active travel were critical steps on the path to equality. His group also welcomed the proposal for community allotments.
- Councillor Hunter asked how the Council would actually deliver what was in the Plan. Only the voices of those who responded would be heard and as many parish councils were struggling to attract councillors, they couldn't always be relied upon to reach right across the community.
- Councillor Dale queried how this would relate to the Combined Authority wellbeing framework already in existence.

The Leader replied that the policy conference on the 12th October would allow members to feed in their ideas. He acknowledged that some of the proposals would take some time to implement but there was some funding available and a start had to be made. There was good joint working already ongoing on a number of projects with the Combined Authority and there was no reason why these should not continue.

In response to Councillor Hunter, Liz Morgan replied that in conducting the residents' survey, officers wanted to ensure that they did hear from those that didn't make themselves heard as often so a variety of approaches would be taken.

- Councillor Ball reported that 2 in 5 children in the north east were in poverty. She fully supported the Plan taking things into the longer term because this was not just a current issue and it was time now to get on with it. She looked forward to working with all members to make a difference to those who needed it.
- Councillor Pattison commented that the Council was extremely committed to closing the inequalities gap in Northumberland and

officers from the relevant teams had worked very hard on this Plan. She was also concerned about the prevalence of child poverty.

- Councillor Reid asked what the volunteers were actually going to do to help the Council tackle inequality. In his view, the only way of doing this was to treat everyone fairly, making sure kids had the education they needed whatever it cost (such as keeping rural schools open), feeding them properly, advising people not to smoke or drink as much. He also felt these volunteers would be difficult to recruit.
- Councillor Dale felt that things had gone backwards and she referred to the work which had been done previously on the marmot review and every child matters. The best way of growing communities was giving them something to do and the report reflected on that. She felt the Council needed a briefing on the structure of the NHS and the Council's involvement in it. She also felt the Corporate Plan needed to be reviewed to align it with the Inequalities Plan. She supported the Plan and thanked Liz and her team for their work.
- Councillor Castle felt that the Government was not telling people what to do but enabling them to make choices which were better and more real. It was within the Council's power to improve the choices that were available. The role of Government was to enable people to live better lives and have better opportunities, and to make the economic conditions which made this possible. He was concerned about the levels of life expectancy and felt something had to be done to improve that.
- Councillor Hill agreed with comments about the sense of urgency and the specific measures and interventions with the current cost of living crisis. The gravity of the situation couldn't be overstated and specific interventions were needed. She acknowledged that the Plan was a critical part of that.
- Councillor Jones congratulated Matfen Parish Council who had set up a support network across the Parish working with volunteers to support the community to provide future resilience against events such as the pandemic and storm Arwen. They had also accepted what they could not do for themselves and were working with NCT to provide some of the support they would need in such a situation.
- Councillor Bowman commented that communities did work together when there was a need and he looked forward to the Plan being put into action to rid communities of poverty.
- Councillor Gallacher commented that every ward in the County had this problem and there had been a deterioration in the position since 2010 because of the Government. In children under 3, the number of children in poverty was 50%. He welcomed the Plan and acknowledged that it would need to be adjusted as time progressed. He referred to an article on Sky News that morning about poverty in the north east and recommended that officers and members watch it. He agreed that some families would not admit that they were struggling and that this would be a problem. However, his Group would be happy to provide any information they could.
- Councillor Grimshaw commented that she had been shocked by the levels of deprivation in communities but she applauded the work which was being done by NCT. Her fear was that there wouldn't be sufficient

funding from Government to deliver the Plan and she asked the Leader to lobby the Government for support for it.

- Councillor Wearmouth was frustrated that party politics was being brought into the discussion on this now especially when the Government had provided so much financial support to the Council recently. The Plan would work because it would be part of every policy.
- Councillor Fairless Aitken thanked the team for their work on the Plan and agreed that education, money and community involvement were key to making this work. There was a lot happening in her own area already on this.

As the member lead on this, Councillor Ferguson summed up the position for members. He understood that members would have questions about the specific details of the Plan and he urged members to attend the Policy Conference on 12 October. In response to some of the questions which had been raised he informed members that there were locality co-ordinators within NCT who were linking into different community groups and encouraging them to work together to have a better chance of securing investment. The Working Group would identify areas of existing good practice which could be shared.

The Government wouldn't be telling people how to live, the aim was for communities to identify what they wanted for themselves because they would know best what would work for them. The Council needed to work with the communities to identify the reasons behind the existing deprivation whilst at the same time providing the support which was needed through foodbanks etc and helping them to help themselves.

The Leader made some final remarks, encouraging all members to support the Plan and attend the Policy Conference on 12 October 2022.

RESOLVED that:-

- (a) the Northumberland Inequalities Plan 2022 – 2032 be agreed;
- (b) Council agree the proposals for the shorter-term culture change to support the enabling actions as set out in table 1 of the report:
 - a. Residents voice equal to data
 - b. Workforce development and coordination
 - c. Developing, commissioning and delivering services differently
 - d. Inequalities lens (includes a poverty and hardship dedicated action plan)
 - e. Maximising our civic/statutory level responsibilities;
- (c) Council agree proposed short, medium and long-term indicators as set out in table 2 of the report:
 - a. Best start in life (shorter term)
 - b. Living conditions (medium term)
 - c. Employment (medium term); and
- (d) Council agree to establish a cross party members group who will govern the plan (as set out in Appendix 4), detail of this to be delegated to the Executive Director for Public Health, in consultation Cllr David Ferguson.

47. REPORT OF THE INTERIM HEAD OF PAID SERVICE AND LEADER OF THE COUNCIL

Revised Executive Management Structure

The report advised Council that due to the sad passing of Her Majesty the Queen, and the subsequent respectful mourning period until after the state funeral on 19th September, the meeting for consideration of the report by the Council's Staff and Appointments Committee on 9th September 2022 was postponed.

The report of the Staff and Appointments Committee which met on 20 September 2022 to consider this matter had been circulated (copy attached to the sealed minutes). The meeting had been delayed due to the passing of HM the Queen.

The Leader presented the report and endorsed its proposals. There had already been a good response to the vacancies and this was the next step in moving forward. He moved the report's recommendations which was seconded by Councillor Chicken.

Councillor Morphet asked how the remaining £697,000 worth of savings to be found from tier three would involve. The Interim Chief Executive replied that some of these savings had already been identified. Tiers three and four were those below Executive Director level i.e. service directors and heads of service. Posts at that level would now be aligned to the new structure and he expected that there would be some savings made there. There had already been some approaches from staff at that level about moving on.

Councillor Renner Thompson supported the new structure, in particular the separation of Children's and Adults Services with a dedicated head of service for each very large area of Council activity.

The Leader reported that he had invited Group Leaders to participate in the interview process.

RESOLVED that the recommendations from the Staff and Appointments Committee held on the 20th of September 2022 be approved as follows;

- (a) Approve the revised Tier 1 & 2 structure as detailed in Appendix 1 of the Staff and Appointment Committee report. The structure will be led by a Chief Executive who will also be the Council's statutory Head of Paid Service and will also encompass the role of Electoral Returning Officer. As agreed at the Council's Staff and appointments Committee on 15th August 2022 this role is currently being externally recruited to;
- (b) That the Executive Director roles below are established at Band 18. This is an equivalent number of Executive Directors that were in place prior to the current interim arrangements that came into force in September 2021. All roles will be subject to external recruitment

processes as there are no officers currently occupying substantive Executive Director roles.

- a. Executive Director Place & Regeneration
 - b. Executive Director Transformation & Resources (S 151 Officer)
 - c. Executive Director Adults, Ageing & Wellbeing (DAS)
 - d. Executive Director Children, Young People & Education (DCS)
 - e. Executive Director Public Health, Inequalities & Stronger Communities (DPH); and
- (c) Agree the remuneration for all the roles in 2. above as identified within the report to the Staff and Appointments Committee contained in Appendix A. The salaries for these posts are set at over £100,000 and therefore need the formal approval of both the Staff and Appointments Committee and of the Full Council in line with the Council's Pay Policy Statement.

48. REPORT OF THE INTERIM EXECUTIVE DIRECTOR FOR COMMUNITIES AND BUSINESS DEVELOPMENT AND SENIOR HR MANAGER

Voluntary Redundancy of the Director of Transformation

The report advised Council that due to the sad passing of her Majesty the Queen and the subsequent respectful mourning period until after the state funeral on 19th September the arrangements for the approval of the report to the Council's Staff and Appointments Committee had been delayed from 9th September 2022. The report of the Staff and Appointments Committee which met on 20 September 2022 to consider this matter had been circulated (copy attached to the sealed minutes).

The Leader proposed the report, which was seconded by Councillor Wearmouth. The Interim Chief Executive detailed the key points. He assured members that this settlement agreement was not a non-disclosure agreement and reflected normal employment practice.

Councillor Oliver asked if there was a non-compete clause in the agreement. He felt there should be some sort of clause preventing people from working on an ongoing basis in this business. The Monitoring Officer advised that Ms Joynson was an officer of the Council and therefore there would not be such terms in the settlement agreement. A settlement agreement usually included a non-disclosure clause and whilst that would not be the case here, there would be a mutual respect of both the Council's and Ms Joynson's confidentiality.

Councillor Beynon asked this was a request for voluntary redundancy why was the payment, including pension, being made, and he asked if the Administration had sanctioned the appointment. The Interim Chief Executive replied that VR was sometimes offered as an inducement and in those cases it was reasonable to offer the employee a payment as per the pay policy. The Leader added that the Administration had not been involved in the appointment.

The Monitoring Officer added that at that time, some of the officer employment rules were not being carried out which would have involved the Staff and Appointments Committee for appointments at that level. Some had subsequently been ratified by the StAC when this had been picked up. Moving forward, officers at Chief and Deputy Chief level would go through that process.

Councillor Murphy asked, if someone was too unwell to return to work, would the normal procedure not be through either ill health retirement or the capability procedure. She queried why this route was being taken.

The Monitoring Officer advised that the Director was off work ill but the reasons for that could not be discussed in open session. However, this was a procedural matter and StAC had approved it. The reason it had come to Council was because of the Council's pay policy required it due to the figures involved. This was the best option for the individual concerned and the organisation.

On being put to the vote there voted FOR: a substantial majority; AGAINST: 1; ABSTENTIONS: 5.

It was therefore **RESOLVED** that Council approve the recommendation from the Staff and Appointments Committee that the request for voluntary redundancy by the Director of Transformation be approved.

49. CABINET MINUTES

(1) Tuesday 12 July 2022

RESOLVED that the minutes be received.

50. COMMITTEE MINUTES

(1) Corporate Services and Economic Growth OSC

These were presented by Councillor Beynon.

RESOLVED that the minutes be received.

(2) Family and Children's Services OSC

These were presented by Councillor Daley.

RESOLVED that the minutes be received.

(3) Communities and Place OSC

These were presented by Councillor Reid.

With regard to Minute No. 14.1 Fleet Replacement Update, Councillor Gallacher welcomed the delivery of the potholing vehicle and suggested to the Leader that more than one person be trained on new equipment as the one person who was trained now had covid. This could also have been applied to the new gulley cleaners so that all eight vehicles could have been used. Councillor Dale supported this and asked Councillor Reid if the gulley cleaning rota could be looked at specifically.

Councillor Reid responded that this was not an opportunity to reopen the debate which had been had at the Committee. Members were just being asked to agree the minutes.

RESOLVED that the minutes be received.

(4) Health and Wellbeing OSC

These were presented by Councillor Jones.

RESOLVED that the minutes be received

(5) Health and Wellbeing Board

These were presented by Councillor Pattison.

RESOLVED that the minutes be received.

(6) Audit Committee

These were presented by Councillor Oliver.

RESOLVED that the minutes be received.

(7) Standards Committee

These were presented by Councillor Flux. He advised that himself, along with the Chair Joe Jackson and Councillor Dunn had met and appointed to two of the three town and parish council representatives.

RESOLVED that the minutes be received.

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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COUNTY COUNCIL

2nd November 2022

Appointment of the Preferred Candidate for the Position of Head of Paid Service, Chief Executive & Returning Officer

Report of the Interim Chief Executive and Head of Paid Service

Purpose of the Report

The purpose of this report is to advise Council that due to the timings of the recruitment process for the Head of Paid Service & Chief Executive, it is not possible to submit a full report for consideration by Full Council with the agenda papers for the meeting.

The agenda papers for the StAC to be held on Wednesday 2nd November 2022 have been published and are available on the Council's website, if Members wish to view them beforehand.

Recommendations

Full Council is asked the following;

1. To approve the recommendations from the Staffing and Appointments Committee which is due to be held on the 2nd November 2022.

Links to the Corporate Plan

This report is relevant to all areas of the Corporate Plan as it relates to ensuring that the Council is compliant with the constitution and fulfilling its legal duties and requirements to ensure that there is an effective and fit for purpose staffing establishment.

In line with Section 4 of the Local Government & Housing Act 1989, Northumberland County Council must ensure that it fulfils its duty to designate one of its officers as its Head of Paid Service.

The Head of Paid Service is required to report to the Council as appropriate about the way in which the overall discharge by the Council of its different functions is coordinated; the number and grades of staff required for the discharge of these functions; the way in which these people are organised and managed; and the way in which they are appointed.

This reporting process ensures that the Council is managed and governed in line with legislation and the structure of accountability is clearly set out transparently.

This report places additional emphasis on the areas that the administration is seeking to strengthen in line with its priorities. Features of this include growth, tackling health inequalities and strategic oversight of important programmes such as climate change, service reviews and efficiency plans, along with a strategic review of the Council's property and asset portfolios.

Background

Issues for Consideration

1. The Council's Staff and Appointments Committee is due to sit and receive the report of the Interim Chief Executive regarding Appointment of the Preferred Candidate for the Position of Head of Paid Service, Chief Executive and Returning Officer on 2nd November 2022.
2. In light of this, the resolutions and recommendations required of the StAC are not available for inclusion within the agenda papers for the Full Council and will be distributed electronically as soon as practicable following the closure of the Staff and Appointments Committee on Wednesday 2nd November 2022. However, the papers for the StAC scheduled to be held on Wednesday 2nd November 2022 have been published and are available on the Council's website, if Members wish to view them beforehand.

Statutory Obligations and Pay Policy

There are certain statutory appointments which must be made. The Local Government and Housing Act 1989 section 4 requires that the Council designate one of its officers as Head of the Paid Service (usually the Chief Executive) who is responsible for preparing reports on the way the local authority's staff is organised, on the authority's staffing needs and on the coordination of the way in which the authority's functions are discharged.

In addition, by section 38 of the Localism Act 2011 the Council is required to produce a Pay Policy each financial year. Approval of the Pay Policy is a matter for full Council and cannot be delegated. The Council's current Pay Policy is 2022/2023 and sets out details, amongst other things, of the payment to chief officers.

The Staff & Appointments Committee is therefore required to consider and approve the appointments of the Head of Paid Service and Chief Executive on a salary of £199k in line with the Councils agreed Pay Policy 2022/23 as follows,

“Notwithstanding any other requirement of the Constitution, any appointment within the Council that attracts a salary package of £100,000 or more will be considered and approved by the Staff & Appointments Committee. Salary package in this respect includes salary and any other fees, allowances, bonuses and benefits in kind that the post holder would routinely be entitled to”.

In addition, one of the three roles of the Staff & Appointments Committee as set out within its terms of reference in the Councils Constitution is **“To make recommendations to Council on the appointment of the Head of Paid Service”**

Officer Appointment Procedure Rules

The Local Authorities (Standing Orders) (England) Regulations 2001 (as amended) requires that, where a Council is operating a Cabinet and Leader model of governance, before any offer of appointment is made to a Chief or Deputy Chief Officer, the Proper Officer designated for that purpose, notifies the Leader and every member of the Cabinet of the intention to make the appointment, the name, salary and other relevant particulars of the post, and allows the Leader and Cabinet an opportunity to make any substantial or well-founded objections to that appointment, before the appointment is made. These provisions apply irrespective of whether the appointment is made by the full Council, a committee, or by an officer of the Council delegated to do so. The provisions are broadly set out in Part 4.3 of the Northumberland County Council Constitution.

The Proper Officer designated for this purpose is the Chief Executive/Head of Paid Service. Accordingly, the Council's current interim Chief Executive and Head of Paid Service will discharge the legal functions as required under the Officer Appointment Procedure Rules.

Implications:

Policy	Oversight of HR Policies and Procedure
Finance and value for money	A permanent appointment is deemed to be appropriate in relation to finance and value for money and it is a statutory requirement that the Council has a Head of Paid Service in situ. The cost of the appointment can be met from existing budgets.
Legal	The Local Government and Housing Act 1989 section 4 requires that the Council designate one of its officers as Head of the Paid Service. The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 confirm that the matters within this report are not functions reserved to full Council.

	Other relevant legal implications have been set out in the body of this report.
Procurement	Agreed via procurement process to commission Penna PLC to support the recruitment and assessment process.
Human Resources	The appointment has been made in line with appropriate employment recruitment processes. levant legal implications have been set out in the body of this report.
Property	N/A
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A X	The recruitment for this process has been in line with best practice in relation to promoting equality and diversity within the Council's recruitment processes.
Risk Assessment	Consistent with Independent Corporate Governance Review (Caller Report)
Crime & Disorder	N/A
Customer Consideration	N/A
Carbon reduction	N/A
Health and Wellbeing	The recommendations will support the health and wellbeing of Council Employees at varying levels within the organisation
Wards	The recommendations not related to any particular ward but cover the whole of Northumberland.

Background information

- 20th of September 2022 Staff and Appointments report prepared by the Interim Director of HR/OD - providing further details of the proposed recruitment process.

Linked Reports already published

Staff & Appointment Committee 15th August 2022

- Proposed Appointment Process - Head Of Paid Service, Chief Executive & Returning Officer
- Proposed Appointment Process - Director of Law & Governance
- Interim Head of Paid Service & Chief Executive Contract of Employment
- Extension of Interim Senior Structure Arrangements

Staff & Appointment Committee 20th September 2022

- Appraisal Process for the Chief Executive and Chief Officers
- Revised Executive Management Structure

Report sign off.

Authors must ensure that officers and members have agreed the content of the report:

	Full Name of Officer
Monitoring Officer / Interim Director of Governance	Suki Binjal
Executive Director of Finance & S151 Officer	Jan Willis
Interim Chief Executive	Rick O'Farrell in conjunction with the Interim Service Director for HR/OD
Portfolio Holder(s)	Staff & Appointment Committee

Authors and Contact Details

Rick O'Farrell – Interim Chief Executive and Head of Paid Service
Leanne Furnell – Interim Service Director HR/OD

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Northumberland County Council

COUNCIL

2 NOVEMBER 2022

APPROVAL OF THE COUNCIL TAX SUPPORT SCHEME FOR 2023-24

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 2023-24 to continue to provide support at a maximum level of 92% of council tax liability.

Recommendation

Council is recommended to approve the Council Tax Support Scheme 1 to be adopted as the Council's local scheme for 2023-24.

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 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 2023.
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 2022-23 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 2022-23 is forecast to be £25,756,617. Any cost arising from a more generous working age support scheme would need to be funded from the Council's revenue budget.

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, £300 in 2021-22 and a further reduction in their annual council tax liability for 2022-23 of £200. This was applied to all council tax support claimants in 2022-23 and used to fund new claimants coming onto the scheme. As a result, 11,604 claimants had no council tax liability for 2022-23 and 3,390 claimants had their liability reduced by £200.
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 2023-24.
8. The proposal for the local scheme for 2023-24 is to continue with the 2022-23 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 2023-24 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 13 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 Department for Levelling Up, Housing and Communities and will be amended in the 2023-24 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 24,894 claimants. This is made up of 9,900 who are of pensioner age and 14,994 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 (2022-23) 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	10%	90%
Newcastle	Have an income banded scheme with varying levels of support from 100% to 25%	100% with reducing levels down to 25%
North Tyneside	15%	85%
Northumberland	8%	92%
Redcar and Cleveland	17.50%	82.5%
South Tyneside	30% or 15% if vulnerable	70% or 85% if vulnerable
Stockton	20%	80%
Sunderland	8.50%	91.5%

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 2023-24 needs to be approved by full County Council by 31 January 2023. The scheme contributes to the 'we want to be efficient, open and work for everyone' priority in the Corporate Plan 2020-21 by
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	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 & Disorder	No implications
Customer Consideration	The Council currently has 24,894 claimants receiving council tax support. Of these 14,994 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 Meeting on 3 November 2021
County Council Minutes from 3 November 2021
NCC Council Tax Support Scheme 2022-23

Report sign off.

Authors must ensure that officers and members have agreed the content of the report:

	Full Name of Officer
Monitoring Officer/Legal	Suki Binjal
Service Director Finance & Interim S151 Officer	Jan Willis
Relevant Executive Director	Jan Willis
Chief Executive	Rick O'Farrell
Portfolio Holder(s)	Richard Wearmouth

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Council Tax Support Scheme

2023/24



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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 2023/24 and comes into effect on 1 April 2023.
- (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;
 - The Council Tax Reduction Schemes (Amendment) (England) (Amendment) Regulations 2022;
 - The Council Tax (Demand Notices and Reduction Schemes) (England) (amendment) Regulations 2022
 - 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 disability payment**” has the meaning given by regulation 2 of the DACYP Regulations;

“**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;

“**DACYP Regulations**” means the Disability Assistance for Children and Young People (Scotland) Regulations 2021

“**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;

“historical child abuse payment” means a payment made under:

(a) Part 1 of the Historical Institutional Abuse (Northern Ireland) Act 2019;

(b) Part 4 of the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021

“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;

“Windrush payment” means a payment made under the Windrush Compensation Scheme (Expenditure) Act 2020;

“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 in Scotland boarded out with the applicant or his partner under a relevant enactment; or
 - (b) placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or
 - (c) placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002 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 $2 \frac{6}{7}$ per cent of the difference between his income for the relevant week and his applicable amount, and
- (g) who has made an application.

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 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—
 - (za) a person granted leave in accordance with the immigration rules made under section 3(2) of the Immigration Act 1971(8), where such leave is granted by virtue of—
 - (i) the Afghan Relocations and Assistance Policy; or
 - (ii) the previous scheme for locally employed staff in Afghanistan (sometimes referred to as the ex-gratia scheme);
 - (zb) a person in Great Britain not coming within sub-paragraph (za) or (e)(iv) who left Afghanistan in connection with the collapse of the Afghan government that took place on 15th August 2021
 - (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);
 - (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;
 - (ca) a family member of a relevant person of Northern Ireland, with a right to reside which falls within paragraph (4A)(b), provided that the relevant person of Northern Ireland falls within paragraph (5)(a), or would do so but for the fact that they are not an EEA national;
 - (cb) a frontier worker within the meaning of regulation 3 of the Citizens’ Rights (Frontier Workers) (EU Exit) Regulations 2020(7);
 - (cc) a family member of a person referred to in sub-paragraph (cb), who has been granted limited leave to enter, or remain in, the United Kingdom by virtue of Appendix EU to the immigration rules made under section 3(2) of the Immigration Act 1971;

- (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;
- (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 an 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

¹ As amended by the Immigration Act 2014 and the Immigration Act 2014 (Commencement No. 2) Order 2014

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 section 57 (maximum council tax reduction) shall be;
 - (a) in respect of a non-dependant aged 18 or over in remunerative work, $\text{£}12.85 \times 1/7$;
 - (b) in respect of a non-dependant aged 18 or over to whom sub-paragraph (a) does not apply, $\text{£}4.20 \times 1/7$.
- (2) In the case of a non-dependant aged 18 or over to whom paragraph 58.1(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is-
 - (a) less than $\text{£}224.00$, the deduction to be made under this paragraph shall be that specified in paragraph 58.1(b);
 - (b) not less than $\text{£}224.00$, but less than $\text{£}389.00$, the deduction to be made under this section shall be $\text{£}8.55 \times 1/7$
 - (c) not less than $\text{£}389.00$, but less than $\text{£}484.00$, the deduction to be made under this section shall be $\text{£}10.70 \times 1/7$
- (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 before 1 st April 2021	£197.10
(2) Couple one or both members before 1 st April 2021	£294.90
(3) If the applicant is a member of a polygamous marriage and one or more members of the marriage have attained pensionable age before 1 st April 2021	(a) 294.90; (b) £97.80
(a) for the applicant and the other party to the marriage; (b) for each additional spouse who is a member of the same household as the applicant.	£182.60
(4) Single applicant or lone parent who has attained pensionable age on or after 1st April 2021	£278.70
(5) Couple where both members have attained pensionable age on or after 1st April 2021	

(6) If the applicant is a member of a polygamous marriage and all members of the marriage have attained pensionable age on or after 1st April 2021— (a) for the applicant and the other party to the marriage; (b) for each additional spouse who is a member of the same household as the applicant	£278.70 £96.10
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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) £70.80; (b) £70.80.

(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 £17.85 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

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, a person is to be treated as being in receipt of a carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the care component of child disability payment at the highest or middle rate in accordance with regulation 11(5) of the DACYP Regulations, or the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012 or an AFIP.

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 that—

- (a) the care component of disability living allowance is, or would, but for a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA or but for an abatement as a consequence of hospitalisation, be payable at the highest rate prescribed under section 73(2) of that Act;
- (aa) the care component of child disability payment is payable at the highest rate in accordance with regulation 11(5) of the DACYP Regulations; or
- (b) (as the case may be) the daily living component of personal independence payment is, or would, but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012, be payable at the enhanced rate prescribed in accordance with section 78(2) of that Act, in respect of a child or young person who is a member of the applicant's family.

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

Disabled child premium

8. The condition is that a child or young person for whom the applicant or a partner of his is responsible and who is a member of the applicant's household—

- (a) is in receipt of disability living allowance, personal independence payment or is no longer in receipt of such allowance or payment because he is a patient, provided that the child or young person continues to be a member of the family;
- (aa) is in receipt of child disability payment; or

- (b) is blind within the meaning of paragraph 6(4) or treated as blind in accordance with paragraph 6(5); or
- (c) is a child or young person in respect of whom section 145A of the SSCBA (entitlement after death of child or qualifying young person) applies for the purposes of entitlement to child benefit but only for the period prescribed under that section, and in respect of whom a disabled child premium was included in the applicant's applicable amount immediately before the death of that child or young person, or ceased to be included in the applicant's applicable amount because of that child or young person's death.

Carer premium

9.—(1) The condition is that the applicant or his partner is, or both of them are, entitled to a carer's allowance.

(2) Where a carer premium has been awarded but—

- (a) the person in respect of whose care the carer's allowance has been awarded dies; or
- (b) the person in respect of whom the premium was awarded ceases to be entitled, or ceases to be treated as entitled, to a carer's allowance, this paragraph 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) £69.40;
(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) £69.40;
(b) in a case where there is no-one in receipt of such an allowance or such an award of universal credit.	(ii) £138.80.
(2) Enhanced disability premium	(2) £27.44 in respect of each child or young person in respect of whom the conditions

specified in paragraph 7 are satisfied.

(3) £68.04 in respect of each child or young person in respect of whom the condition specified in paragraph 8 is satisfied

(4) £38.85 in respect of each person who satisfies the condition specified in paragraph 9.

(3) Disabled Child Premium.

(4) Carer Premium.

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) £77.00
(b) is aged not less than 25;	(b) £77.00
(c) is aged not less than 18 but less than 25.	(c) £61.05
(2) Lone parent.	(2) £77.00
(3) Couple.	(3) £121.05
(4) If the applicant is a member of a polygamous marriage	
(a) for the applicant and the other party to the marriage;	(a) £121.05
(b) for each additional spouse who is a member of the same household as the applicant.	(b) £44.05

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)–

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;	£70.80
(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.	£70.80

(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, £17.85;

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.—

<i>Premium</i>	<i>Amount</i>
(1) Disability Premium—	(1)
(a) where the applicant satisfies the condition in paragraph 9(a);	(a) £36.20
(b) where the applicant satisfies the condition in paragraph 9(b).	(b) £51.60
(2) Severe Disability Premium—	(2)
(a) where the applicant satisfies the condition in paragraph 11(2)(a);	(a) £69.40

(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) £69.40
(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) £138.80
(3) Disabled Child Premium.	(3) £68.04 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) £38.85 in respect of each person who satisfies the condition specified in paragraph 14.
(5) Enhanced disability premium	(5)
(a) £27.44 in respect of each child or young person in respect of whom the conditions specified in paragraph 12 are satisfied;	
(b) £17.75 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) £25.35 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 £30.60.

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 £40.60.

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 £222.00 per week;	(i) 15 per cent of the council tax due in respect of that day;
(ii) is not less than £222.00 per week but less than £288.00 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.

67.

Any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining:

(a) an applicant's entitlement to a reduction under the scheme; or

(b) the amount of any reduction to which the applicant is entitled.

“The Energy Rebate Scheme 2022” means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022

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.— (1) Any payment made under or by—

(a) the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No. 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, “the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund, 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)
- (c) Any historical child abuse payment
- (d) Any Windrush payment.

- (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, a historical child abuse payment or a Windrush 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, a historical child abuse payment or a Windrush 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, a historical child abuse payment or a Windrush 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 , a historical child abuse payment or a Windrush 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, a historical child abuse payment or a Windrush 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.

34.

Any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining:

- (a) an applicant's entitlement to a reduction under the scheme; or
- (b) the amount of any reduction to which the applicant is entitled.

"The Energy Rebate Scheme 2022" means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022

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).

65.

Any payment made under the Energy Rebate Scheme 2022 is to be disregarded in determining:

- (a) an applicant's entitlement to a reduction under the scheme; or
- (b) the amount of any reduction to which the applicant is entitled.

“The Energy Rebate Scheme 2022” means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022



Northumberland County Council

COUNCIL

DATE: 2ND NOVEMBER 2022

Electoral Review – Part One Council Size Submission

Report Authors: Interim Senior Service Director

Purpose of report

To update Council on the Electoral Review of Northumberland County being undertaken by the Local Government Boundary Commission for England (LGBCE) and to present for agreement the Council's Council Size Submission on part one of the Electoral Review.

Recommendations

It is recommended that Council:

- 1. Notes the update on the Electoral Review currently being undertaken by the Local Government Boundary Commission for England (LGBCE).**
- 2. Consider and agrees the Council Submission on Council Size on part one of the Electoral Review.**
- 3. Delegates to the Interim Senior Service Director in consultation with Leader of Council, power to make, necessary, final amendments to the submission document prior submitting this to the LGBCE.**

Link to Corporate Plan

This report links to all aims and priorities of the Corporate Plan.

Key issues

1. At the end of 2021, The Local Government Commission for England (LGBCE or 'The Commission') notified the Council of its plan to undertake an Electoral Review for Northumberland County Council.
2. The Council did not request the Review but instead the review has been triggered due to Northumberland meeting the LGBCE's the Commission's criteria for electoral inequality in a number of its Divisions.
3. Throughout the Review, the Commission invites views and submissions from the Council (as a whole), political groups and communities. The Commission will use

these submissions to inform its determinations and judgements on Council size and proposed Divisional Boundaries.

4. The electoral review presents an opportunity to shape the Council for the future. It helps Members consider how they represent their communities and ensures that governance arrangements reflect long-term ambitions. When the Commission considers actual boundaries, they aim to build electoral wards that reflect communities and ensure electoral fairness for future elections.

Background

5. All Members were invited to a briefing provided by the Commission on 16th March 2022. At that session, the Commission outlined: the key elements of the review; the timetable; and opportunities for engagement.
6. In short, the Electoral Review has two distinct parts:
 - **Part 1, Council size** - before re-drawing ward boundaries, the Commission will come to a view on the total number of councillors to be elected to the council in future. The Commission will form the conclusion on council size after hearing the Council's (and/or councillors') views during the preliminary phase.
 - **Part 2, Ward boundaries**: once the Commission has reached a judgement on Council-size, it will re-draw ward boundaries to meet statutory criteria. Members and other stakeholders will have an opportunity to put forward their ideas in two phases of public consultation.
7. This report deals with Part One of the Review – Council Size. The Commission do not consider Divisional boundaries until they have completed this phase. At its briefing with Members in March 2022, the Commission invited submissions on Council Size from the Council (as a whole), political groups and individual members. **Appendix 1** of this report sets out the Council's proposed submission (subject to Council agreeing to the recommendations in this report).

NCC's Council Size Submission

8. The Council's Submission in **Appendix 1** answers the questions posed in the Commission's Council Size submission template. The Council's Group Leaders have been engaged by Officers in the development of this Submission. In addition, all Members were invited to complete a questionnaire which sought information on time spent across the full range of Member activities. The results of the Survey were used to inform the Council Size Submission. The Submission sets out evidence and arguments for either the current Council size (67) or, an increase to 70 Members and asks the Commission to consider both sizes in reaching a final judgement on Council size. This evidence in the submission is based on:
 - Governance arrangements;
 - Scrutiny functions; and,
 - The representational role of councillors in the local community and how they engage with people, undertake casework and represent the Council on outside bodies.

9. The Commission will make its judgment on council size by considering three broad areas:
- **Governance arrangements** of the Council and how it takes decisions across the broad range of its responsibilities.
 - The Council's **scrutiny functions** relating to its own decision making and the Council's responsibilities to outside bodies.
 - The **representational role of councillors in the local community** and how they engage with people, conduct casework and represent the Council on local partner organisations.
10. Paragraphs 11-36 (below) outline:
- What the Commission means by each of three broad areas they use to determine council size;
 - The evidence the Commission are looking for to support a submission and,
 - A summary of the conclusions in Northumberland's Council Size Submission on those three broad areas. The more detailed evidence is set out in the Submission itself (see Appendix 1).

Governance arrangements

11. The Commission aims to ensure that councils have the right number of councillors to take decisions and manage the business of the council in an effective way now and in the future. The Commission is looking for evidence about cabinet and/or committee responsibilities, number of committees and their workload, delegation to officials, other bodies and plans for the future.

Council's response

Electorate and Council Size

12. Our current Council size (67 Members) is on the upper quintile of our range (67) compared with our CIPFA comparator authorities and just above the median number for the range (63). The lower quintile in the range is 48 Members. NCC's current Council size is not outside the range of our statistical near neighbours. A modest increase to 70 Members would place NCC just above the upper quintile (67) for our CIPFA comparator authorities.
13. In developing our Council Size Submission, we have considered the arguments for an increase to 70 Members alongside the evidence for maintaining the current Council size of 67 Members. A Council size of 70 Members would produce a modest reduction in the ratio of 'Electorate to Member' when averaged across all Divisions. Alongside this, as stated above, three additional Members would take account of the forecast increase (just over 11,000) in electorate across the County, whilst ensuring Division Boundaries reflect existing community identities.
14. The unitary Northumberland County Council was created with single member divisions. Alnwick became the County's only two-member division from May 2013. Single member representation throughout the county enables accountability and effective representation by offering a uniform pattern of single member divisions for the whole of the Council. While ensuring a uniform division pattern is not a requirement under

legislation, a single member division pattern can still be achieved that delivers electoral equality and reflects the identities and interests of the local communities in the Alnwick area. Single representation in the Alnwick area as part of this review would bring this part of the county back in line with the rest of Northumberland.

Strategic Leadership and Council Size

15. The current Council size (67) has, since the creation of the Unitary County Council, proved adequate to establish Leadership and Cabinet arrangements covering the broad spectrum of the Council's functions and services. The Council has had sufficient strategic leadership capacity to participate in new governance structures such as the North of Tyne Combined Authority for example.

Performance, governance, Covid and budget.

16. Since the Unitary County Council was formally established, the performance of services and functions has generally been considered to be good. In particular, performance in critical functions such as Children's and Adults' Services as well as schools is currently positive.

17. The strong performance in key functions such as services to Children, Adults and in schools suggests 67 Members has proven adequate to provide strategic direction and oversight, and to drive improvement in the Council's strategic functions. The Council's sound and sustainable financial position is evidence we have an effective number of Members (67) to ensure strategic decision-making, oversight and stewardship of the Council's strategic financial position. However, we note current and future financial pressures alongside financial pressures on residents themselves will demand maximum participation of Members at strategic and ward / community levels.

18. Where there are areas of service improvement required, these have been identified by Members and reflected in the Administration's Corporate Plan priorities. There is no evidence to suggest the Council's service performance is adversely impacted from having too few or too many Members.

19. The 67 Member Authority has, since its creation, delivered well-performing functions, services, sound financial management and has identified and responded to strategic and local issues that require improvement. There is compelling evidence that the Members could not effectively discharge their strategic leadership and representative functions with less than 67 Members. In short, we consider 67 to be NCC's minimum requirement.

20. However, looking to the future, we have also considered in this Submission a modest increase to 70 Members. Our learning from the experience of the Covid Pandemic provides evidence for such a modest increase. In common with councillors across the country, NCC Member capacity was, during the Pandemic, stretched to respond to a flood of resident and business enquiries as well as representing their interests and helping to coordinate support. Whilst Covid restrictions are now lifted, Covid has not gone away and, unfortunately, we cannot rule out the risk of future, similar pandemics. Alongside these risks, other national and global trends such cost-of-living pressures on households point towards an even greater role for local government and the need for comprehensive Member responses.

Governance Review and council size

21. The Caller Review focused in particular on the breakdown in relationships at the most senior levels of the organisation. There is no evidence from Caller that the governance issues resulted from having the wrong Council size. However, as part of the response to Caller, the Council's improvement plan is very much focused on ensuring NCC is a Member-led authority now and for the future. This creates a strong argument for a minimum baseline of 67 Members or even a modest increase to 70 Members.

Current and future national and regional policy trends and council size

22. The creation of the North of Tyne Combined Authority (NTCA) has brought substantial benefits to Northumberland and the wider North of Tyne area. Naturally, this has increased the demands on Members at a strategic leadership level as well as at scrutiny levels. Currently, North East Authorities are developing, with Government, an expanded Combined Authority and Devolution Deal to cover a larger geography. Assuming the new, larger Combined Authority is established to replace the existing NTCA, the new Combined Authority governance should involve at least the same level of commitment from NCC Members as for the existing arrangements in the NTCA.
23. Our Member Survey of July - August 2022 indicates a high and rising caseload for Members, significantly impacted by the Covid Pandemic and likely to remain high in the medium term due to the social and economic challenges faced by households. Again, this creates a strong argument for a minimum baseline of 67 Members or even a modest increase to 70 Members.

Geography, population and Council Size

24. Getting across the large and sparsely populated rural areas presents unique challenges for Members, particularly so during extreme weather events when our most rural settlements are vulnerable.
25. Alongside our large, rural areas, we also have more urban areas concentrated mostly (but not exclusively) in the South-East of the County. These areas include some of our most disadvantaged neighbourhoods, presenting a high and complex caseload for Members.
26. Whilst our Local Plan sets out policies for housing and employment growth, the projected increase in our older population will likely increase demand for Council services as well as advocacy from Members.
27. The diversity of our towns and villages is reflected in our having 162 Town & Parish Councils across the County. Members are expected to attend Town & Parish meetings regularly to ensure their needs and views are represented at a County Level.
28. The projected increase in electorate of approximately 11,000 by 2028 and the unique geography of Northumberland, provides evidence for a Council size of no less than 67, with the potential for a modest increase to 70 Members. The increase in the electorate will be driven largely by forecast housing growth in the South and East of the County. However, we also forecast not insubstantial pockets of electorate growth in other parts of the County including in North Morpeth. Northumberland's towns, villages and smaller settlements have distinct identity and cohesion and to a large extent that is reflected in current Member representation of Divisions. As our electorate is forecast to grow and as Divisional boundaries are redrawn to ensure electoral equality, it will be important to residents and Councillors (at County and Town & Parish levels) that

community identity and cohesion is respected and maintained as far as possible. A relatively modest increase to 70 Members could, it is argued, accommodate the forecast increase in electorate in those areas with the most significant growth whilst helping to mitigate fragmentation of well-established communities as boundaries are redrawn.

Deprivation and Council Size

29. Northumberland has some of the most disadvantaged neighbourhoods in the country. Many of these neighbourhoods are clustered in the urban South-East of the County, although there exist significant pockets of disadvantage in other parts of the County. Higher levels of disadvantage drive higher levels of individual, complex caseload for Members as well as the need for Members to represent these issues in Full Council and in committees. Importantly, the challenges of poverty are not confined to the urban areas of the County. Our rural communities face obstacles of connectivity, employment and in-work poverty. All of these issues demand active support and representation from Members.

Challenges, changes and Council Size

30. Whilst increased use of digital interfaces could reduce travel times for Members, our recent Member survey indicated a continued preference for face-to-face meetings. And, whilst digital will make the Council's 'front-door' more accessible for residents to transact business and resolve issues, we note that Member caseload is most often driven by more complex cases which are harder to resolve in digital interfaces. Further, increased use of digital has the potential to increase demands on Members as residents demand higher levels of accessibility to local Members.

31. Beyond Council services, the broader trend to online products and services could further marginalise some communities and increase demand for Member support.

Scrutiny Functions

32. Every local authority has mechanisms to scrutinise the executive functions of the council and other local bodies. They also have significant discretion over the kind (and extent) of activities involved in that process. In considering council size, the Commission will want to satisfy itself that these responsibilities can be administered in a convenient and effective way. The Commission is looking for evidence about the number of councillors our authority needs to hold decision makers to account and ensure the council can discharge its responsibilities to other organisations.

Council's response:

Accountability, Regulation, Outside Bodies and Council Size

33. The current Council size (67) has, since the creation of the Unitary Council, ensured an active and participative Scrutiny Function. NCC has actively reflected on its Scrutiny function, with the current number, size and operation of Scrutiny Committees evolving to the current structure.

34. The Council, through Members and Officers is able to discharge its regulatory functions although Members have indicated the need for additional training for committees and work on outside bodies. Some 79% of Councillors responding to a recent Survey said that the workload associated with committees and outside bodies is about right. Some 21% said the current workload is too high. The combined Council and partnership

response to the Covid Pandemic as well as recent severe weather events is evidence that Member capacity is sufficient to participate positively across the range of outside bodies in the County. Further evidence of this can be found in the number, range and scale of investment initiatives NCC has secured for the Country through the Combined Authority and Borderlands Partnership.

Representational Role of Councillors

35. The Commission understands that there is no single approach to representation and members will represent and provide leadership to their communities in different ways. However, they are interested in hearing about the extent to which members routinely engage with communities and how this affects workload and responsibilities. The Commission is looking for evidence about how councillors interact with their communities, their caseloads and the kind of support they need effectively to represent local people and groups.

Council's response

Caseload and Council Size

36. Whilst the Council supports Members in their casework through a range of mechanisms, Members have indicated a high and rising caseload as a result of Covid, financial pressures on households and changing expectations. Changing engagement channels can make resident engagement more efficient and lessen the need for Member travel. However, a wider menu of engagement and more instantaneous channels of communication may actually lead to higher caseload.

Conclusions and recommendations

37. Based on the evidence set out in the Council Size Submission (Appendix 1), and summarised above, the current Council size (i.e. 67 Members) has been effective in discharging its strategic leadership, decision-making and scrutiny and partnership functions, as well as the wider representational and advocacy role of County Councillors. However, given the projected increase in electorate by 2028 and, the unique geography of Northumberland, the Submission also sets out evidence and arguments for a modest increase to 70 Members. The Submission therefore asks the Commission to consider the merits of both Council sizes in reaching its final judgement on NCC's Council size.

Recommendations

It is recommended that Council:

- 1. Notes the update on the Electoral Review currently being undertaken by the Local Government Boundary Commission for England (LGBCE).**
- 2. Consider and agrees the Council Submission on Council Size on part one of the Electoral Review.**

3. **Delegates to the Interim Senior Service Director in consultation with Leader of Council, power to make, necessary, final amendments to the submission document prior submitting this to the LGBCE.**

Next Steps in the Boundary Review

38. Subject to Council agreement, the final Submission will be forwarded to the Commission for consideration. The Commission has also made some specific document requests including: geocoded electoral register; current and forecast electorate; forecasting methodology; housing development data; polling district maps; polling district review report; parish electoral arrangements and maps; local orders and governance changes; and, stakeholder details. These will be provided to the Commission and can also be made available on request.
39. Between now and the Commission making a final determination on Council size, the Commission may ask for clarification or changes to the information we have provided (for example, where there are differences between the Council's and the Commission's electorate forecasts). The Commission will meet on 15th November to consider our Council Size Submission and determine the council size for Northumberland. The Boundary Review will then progress to the second phase on Division patterns which will include:
 - Consultation on Division patterns - 22 November 2022 – 30 January 2023
 - Commission Meeting: Draft Recommendations - 11 April 2023
 - Consultation on Draft Recommendations - 25 April – 3 July 2023
 - Commission Meeting: Final Recommendations - 12 September 2023
 - Statutory Order laid - Autumn 2023
 - Order made - Winter 2023
 - Implementation – May 2025

Implications

Policy	This report links to all aims and priorities of the Corporate Plan.
Finance and value for money	Whilst this report and the Council Size Submission to the LGBCE do not contain direct financial implications, any determination by the Commission to increase or reduce the Council size would have consequent financial implications for the Council. Also, changes to Division boundaries made by the Commission may have cost implications relating to changes to electoral arrangements.
Legal	The statutory powers of the Local Government Boundary Commission for England to undertake and implement a Boundary Review are contained in Part 3 of the Local

	Democracy, Economic Development and Construction Act 2009. In accordance with Part 3 of the Council's Constitution, matters in relation to electoral arrangements are reserved to full Council.
Procurement	N/A
Human Resources	N/A
Property	N/A
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	Part one of the Boundary Review considers the role of Members to represent their constituents, including marginalised and disadvantaged groups.
Risk Assessment	N/A
Crime & Disorder	N/A
Customer Consideration	N/A
Carbon reduction	The Council Size Submission (Part one of the Boundary Review) identifies the high and growing importance of climate change as a policy issue that requires Member involvement at strategic, community and partnership levels.
Health and Wellbeing	Part one of the Boundary Review considers the role of Members to represent their constituents, including marginalised and disadvantaged groups.
Wards	All Wards

Background papers:

N/A

Report sign off.

Authors must ensure that officers and members have agreed the content of the report:

	Full Name of Officer
Interim Chief Executive	Rick O'Farrell
Monitoring Officer/Legal	Suki Binjal
Executive Director of Finance & S151 Officer	Jan Willis
Relevant Executive Director	-
Portfolio Holder(s)	Cllr Glen Sanderson

Appendix 1 - NCC Council Size Submission Document - 24 October 2022

EXECUTIVE SUMMARY

Introduction

This is the submission of Northumberland County Council. In its preparation, Officers have worked with the Council's Group Leaders to develop evidenced proposals on Council size to the Local Government Boundary Commission for England (LGBCE or 'the Commission'). This Submission also reflects the results of a Member Survey undertaken in July-August 2022. The Submission is subject to agreement at a meeting of Full Council on 2nd November 2022.

The Local Government Boundary Commission for England is undertaking this review because Northumberland County Council meets the Commission's criteria for electoral inequality. Specifically, one division (Kitty Brewster) has a variance of 33% and additionally, 20 of the 66 divisions (30.3%) have variances of more than 10% from the average for the County. This review was not requested by the County Council although, of course, the Council is actively participating, engaging and supporting the Commission in its work throughout the review.

In considering this Submission, the Council's Group Leaders, Members and Officers have considered a Membership which provides for effective, efficient governance and strong community representation, whilst ensuring political structures are kept as streamlined as far as possible.

In thinking about the future Council size, we have considered the background to the 2008 creation of the Unitary Authority in shadow format. Prior to that, the County Council was comprised of 67 Members. In addition, at District and Borough levels, there were over 300 Councillors. At its inception, many of the decision-making, leadership and representational responsibilities of existing District and Borough Councillors were assimilated into the roles of the new Council's 67 Councillors. Of course, Parish and Town Councillors continue to play a critical role in shaping their respective local areas and representing residents alongside County Councillors. Whilst effective democratic representation certainly encompasses issues and arguments beyond finances alone, it can be argued that the creation of the Unitary Council in 2008 and its formal commencement of operations in 2009 represented a significant streamlining in the financial costs associated with democracy in Northumberland.

The Commission will consider this Submission and evidence provided by other parties, alongside its own research, and will make its judgment on the Council's size by considering three broad areas:

- **Governance arrangements** of the Council and how it takes decisions across the broad range of its responsibilities.
- The Council's **scrutiny functions** relating to its own decision making and the Council's responsibilities to outside bodies.

- The **representational role of councillors in the local community** and how they engage with people, conduct casework and represent the Council on local partner organisations.

This submission is intended to cover the questions posed by the Commission across the three board areas above.

Summary of evidence and conclusions

Council Performance, governance, Covid and budget.

Since the Unitary County Council was formally established, the performance of services and functions has generally been considered to be good. In particular, performance in critical functions such as Children's and Adults' Services as well as schools is currently positive.

The strong performance in key functions such as services to Children, Adults and in schools suggests 67 Members has proven adequate to provide strategic direction and oversight, and to drive improvement in the Council's strategic functions. The Council's sound and sustainable financial position is evidence we have an effective number of Members (67) to ensure strategic decision-making, oversight and stewardship of the Council's strategic financial position. However, we note current and future financial pressures alongside financial pressures on residents themselves will demand maximum participation of Members at strategic and ward / community levels.

Where there are areas of service improvement required, these have been identified by Members and adequately reflected in the Administration's Corporate Plan priorities. There is no evidence to suggest the Council's service performance is adversely impacted from having too few or too many Members.

The 67 Member authority has, since its creation, delivered well-performing functions, services, sound financial management and has identified and responded to strategic and local issues that require improvement. There is compelling evidence that the Members could not effectively discharge their strategic leadership and representative functions with less than 67 Members. In short, we consider 67 to be NCC's minimum requirement.

However, looking to the future, we have also considered in this Submission a modest increase to 70 Members. Our learning from the experience of the Covid Pandemic provides evidence for such an increase. In common with councillors across the country, NCC Member capacity was, during the Pandemic, stretched to respond to a flood of resident and business enquiries as well as representing their interests and helping to coordinate support. Whilst Covid restrictions are now lifted, Covid has not gone away and, unfortunately, we cannot rule out the risk of future, similar pandemics. Alongside these risks, other national and global trends such cost-of-living pressures on households point towards an even greater role for local government and the need for comprehensive Member responses.

Governance Review and Council Size

The Recent, Independent Review of Governance in Northumberland County Council (known as the Caller Review) highlighted significant governance issues within the County Council and outlined a set of challenging recommendations to reset effective working between Senior Officers and Members.

The Council responded positively to the Caller Review, accepting its findings and recommendations. It has moved quickly to develop and agree an action plan for improvement and has prioritised resources to deliver this. An external 'Challenge Board' was established during August 2022 to provide additional oversight and advice on action plan implementation.

The Caller Review focused in particular on the breakdown in relationships at the most senior levels of the organisation. There is no evidence from Caller that the governance issues facing the County Council have resulted from having the wrong Council size. However, as part of the response to Caller, the Council's improvement plan is very much focused on ensuring NCC is a Member-led authority now and for the future. This creates a strong argument for a minimum baseline of 67 Members or even a modest increase to 70 Members.

National and Regional Policy Trends and Council Size

The creation of the North of Tyne Combined Authority (NTCA) has brought substantial benefits to Northumberland and the wider North of Tyne area. Naturally, this has increased the demands on Members at a strategic leadership level as well as at scrutiny levels. Currently, North East Authorities are developing, with Government, an expanded Combined Authority and Devolution Deal to cover a larger geography. Assuming the new, larger Combined Authority is established to replace the existing NTCA, the new Combined Authority governance should involve at least the same level of commitment from NCC Members as for the existing arrangements in the NTCA.

Our Member Survey of July - August 2022 indicates a high and rising caseload for Members, significantly impacted by the Covid Pandemic and likely to remain high in the medium term due to the social and economic challenges faced by households. Again, this creates a strong argument for a minimum baseline of 67 Members or even a modest increase to 70 Members.

Geography, population and Council Size

Due to the geographical size of the County, the running of Northumberland County Council is sometimes described as akin to that of running a small country. Getting across the large and sparsely populated rural areas presents unique challenges for Members, particularly so during extreme weather events when our most rural settlements are vulnerable.

Alongside our large, rural areas, we also have more urban areas concentrated mostly (but not exclusively) in the South-East of the County. These areas include some of our most disadvantaged neighbourhoods, presenting a high and complex caseload for Members.

Whilst our Local Plan sets out policies for housing and employment growth, the projected increase in our older population will likely increase demand for Council services as well as advocacy from Members.

The diversity of our towns and villages is reflected in our having 162 Town & Parish Councils across the County. Members are expected to attend Town & Parish meetings regularly to ensure their needs and views are represented at a County Level.

The Council's own projected increase in electorate of approximately 11,000 by 2028 and the unique geography of Northumberland, provides evidence for a Council size of no less than 67, with the potential for a modest increase to 70 Members. The increase in the electorate will be driven largely by forecast housing growth in the South and East of the County. However, we also forecast not insubstantial pockets of electorate growth in other

parts of the County including in North Morpeth. Northumberland's towns, villages and smaller settlements have distinct identity and cohesion and to a large extent that is reflected in current Member representation of Divisions. As our electorate is forecast to grow and as Divisional boundaries are redrawn to ensure electoral equality, it will be important to residents and Councillors (at County and Town & Parish levels) that community identity and cohesion is respected and maintained as far as possible. A relatively modest increase to 70 Members would, it is argued, accommodate the forecast increase in electorate in those areas with the most significant growth whilst helping to mitigate fragmentation of well-established communities as boundaries are redrawn.

Single Member Representation

The unitary Northumberland County Council was created with single member divisions. Alnwick became the County's only two-member division from May 2013. Single member representation throughout the county enables accountability and effective representation by offering a uniform pattern of single member divisions for the whole of the Council. While ensuring a uniform division pattern is not a requirement under legislation, a single member division pattern can still be achieved that delivers electoral equality and reflects the identities and interests of the local communities in the Alnwick area. Single representation in the Alnwick area as part of this review would bring this part of the county back in line with the rest of Northumberland.

Deprivation and Council Size

Northumberland has some of the most disadvantaged neighbourhoods in the country. Many of these neighbourhoods are clustered in the urban South-East of the County, although there exist significant pockets of disadvantage in other parts of the County. Higher levels of disadvantage drive higher levels of individual, complex caseload for Members as well as the need for Members to represent these issues in Full Council and in committees. Importantly, the challenges of poverty are not confined to the urban areas of the County. Our rural communities face obstacles of connectivity, employment and in-work poverty. All of these issues demand active support and representation from Members.

Challenges, changes and Council Size

Whilst increased use of digital interfaces could reduce travel times for Members, our recent Member survey indicated a continued preference for face-to-face meetings. And, whilst digital will make the Council's 'front-door' more accessible for residents to transact business and resolve issues, we note that Member caseload is most often driven by more complex cases which are harder to resolve in digital interfaces. Further, increased use of digital has the potential to increase demands on Members as residents demand higher levels of accessibility to local Members.

Beyond Council services, the broader trend to online products and services could further marginalise some communities and increase demand for Member support.

Accountability, Regulation, Outside Bodies and Council Size

The current Council size (67) has, since the creation of the Unitary Council, ensured an active and participative Scrutiny Function. NCC has, over the years, actively reflected on

its Scrutiny function, with the current number, size and operation of Scrutiny Committees evolving to the current structure.

The Council, through Members and Officers is able to discharge its regulatory functions although Members have indicated the need for additional training for committees and work on outside bodies. Some 79% of Councillors responding to a recent Survey said that the workload associated with committees and outside bodies is about right. Some 21% said the current workload is too high. The combined Council and partnership response to the Covid Pandemic as well as recent severe weather events is evidence that Member capacity is sufficient to participate positively across the range of outside bodies in the County. Further evidence of this can be found in the number, range and scale of investment initiatives NCC has secured for the Country through the Combined Authority and Borderlands Partnership.

Electorate and Council Size

Our current Council size (67 Members) is on the upper quintile of our range (67) compared with our CIPFA comparator authorities and just above the median number for the range (63). The lower quintile in the range is 48 Members. NCC's current Council size is not outside the range of our statistical near neighbours. A modest increase to 70 Members would place NCC just above the upper quintile (67) for our CIPFA comparator authorities, though it is argued not significantly so.

As set out above, NCC has considered the arguments for an increase to 70 Members alongside the evidence for maintaining the current Council size of 67 Members. A Council size of 70 Members would produce a modest reduction in the ratio of 'Electorate to Member' when averaged across all Divisions. Alongside this, as stated above, three additional Members would take account of the forecast increase in electorate across the County, whilst ensuring Division Boundaries reflect community identities and maintain community cohesion.

Strategic Leadership and Council Size

The current Council size (67) has, since the creation of the Unitary County Council, proved adequate to establish Leadership and Cabinet arrangements covering the broad spectrum of the Council's functions and services. The Council has had sufficient strategic leadership capacity to participate in new governance structures such as the North of Tyne Combined Authority for example.

Caseload and Council Size

Whilst the Council supports Members in their casework through a range of mechanisms, Members have indicated a high and rising caseload as a result of Covid, financial pressures on households and changing expectations. Changing engagement channels can make resident engagement more efficient and lessen the need for Member travel. However, a wider menu of engagement and more instantaneous channels of communication may actually lead to higher caseload.

Summary of evidence for Council Size

In this submission we have considered the evidence for retaining the current Council size of 67 alongside a relatively modest increase to 70 Members and ask that the Boundary Commission consider the merits of each in reaching their final determination. The table below summarises the evidence for each option.

Key Council size issues	Summary of Evidence for Proposed Future Council Size	
	67 Members	70 Members
1. Ensures capacity for strategic leadership and decision-making	<ul style="list-style-type: none"> • Council currently discharges these functions effectively • Able to participate and secure benefits for NCC at regional and national levels 	<ul style="list-style-type: none"> • Future proofs leadership and decision-making capacity against rising demands to represent an increased electorate alongside pressures from cost of living and potential, future events.
2. Member capacity & oversight to delivery good-quality services and functions	<ul style="list-style-type: none"> • Since creation of NCC, services have generally been considered to be of good quality • Evidence of high-performing services - e.g. in Children's Services 	<ul style="list-style-type: none"> • Future proofs Member oversight capacity against rising demands to represent an increasing electorate alongside pressures from cost of living and potential, future events.
3. Recent reviews of Governance	<ul style="list-style-type: none"> • No evidence in Caller report that governance issues resulted from an incorrect Council size • Improvement plan emphasises the need for NCC to be Member-led; supports argument for no less than 67 Members 	<ul style="list-style-type: none"> • No evidence in Caller report that governance issues resulted from an incorrect Council size • Improvement plan emphasises the need for NCC to be Member-led; supports argument for no less than 67 Members
4. Capacity to respond to current and future trends and to balance local representation and caseload with other responsibilities	<ul style="list-style-type: none"> • Members were able to respond to the demands of the Covid Pandemic but, have indicated an ongoing, increasing caseload post-Covid, driven in large part by cost-of-living pressures 	<ul style="list-style-type: none"> • Provides additional Member capacity to meet increasing demands on Members associated with an increasing electorate
5. Northumberland's geography and population	<ul style="list-style-type: none"> • Given the large geography and diversity of communities, 67 has proved effective to represent the different parts of the County and is the minimum Council size required 	<ul style="list-style-type: none"> • An additional three members will take account of NCC's forecast increase in electorate whilst mitigating the risk of geographical communities being fragmented across new Divisional boundaries
6. Deprivation	<ul style="list-style-type: none"> • The Member caseload pressures from deprivation and inequalities argue against any reduction from the current Council size • Poverty is a challenge for both urban and rural communities 	<ul style="list-style-type: none"> • It is not certain that new housing growth in the County will result in a significant increase in deprived neighbourhoods and therefore Member caseload. However, Members are already experiencing rising caseloads, and economic

		trends suggest these are likely to persist
7. Discharging scrutiny and regulatory functions	<ul style="list-style-type: none"> • Council currently discharges these functions effectively 	<ul style="list-style-type: none"> • Future proofs Scrutiny and Regulatory capacity against rising demands to represent an increased electorate alongside pressures from cost of living and potential, future events.
8. Cost of Council size	<ul style="list-style-type: none"> • No anticipated increase beyond future, inflationary cost increases or remuneration reviews. 	<ul style="list-style-type: none"> • An increased cost associated with three additional members will require to be met from Council budget (i.e. not from national funding) • Argument that a modest cost increase (relative to the Council's overall budget), is offset by the benefits from additional capacity for local representation and is commensurate with a forecast increase in electorate

A About this submission

This is the submission of Northumberland County Council. In its preparation, Officers have worked with the Council's 'Group Leaders' to develop evidenced proposals on Council size to the Commission. This Submission also reflects the results of a Member Survey undertaken in July-August 2022. This submission is subject to agreement at a meeting of Full Council on 2nd November 2022.

B Reason for review

The Local Government Boundary Commission for England is undertaking this review because Northumberland County Council meets the Commission's criteria for electoral inequality. Specifically, one division (Kitty Brewster) has a variance of 33% and additionally, 20 of the 66 (30.3%) divisions have variances more than 10% from the average for the County. This review was not requested by the County Council although, of course, the Council is actively participating, engaging and supporting the Boundary Commission in its work throughout the review.

C The Context for our proposal

Governance arrangements and impact on effectiveness

In 2009 Northumberland was one of five counties in England that went through the process of Local Government Reorganisation (LGR). At the time, the County Council combined with the six Borough and District Councils (Alnwick, Berwick-upon-Tweed, Blyth Valley, Castle Morpeth, Tynedale and Wansbeck) to form the present Unitary Authority of Northumberland County Council. The new Council existed in shadow form between May 2008 and 2009, the first elections taking place in 2008.

The Northumberland (Electoral Changes) Order 2011 resulted in the following changes:

- The number of Electoral Divisions reduced from 68 to 66 through the deletion of Lesbury and Ulgham Divisions;
- Of the 66 electoral divisions, Alnwick gained one additional councillor, resulting in the current Council size (67 Councillors);
- Boundary changes resulted in the addition of Druridge Bay, inclusion of Stannington with Ponteland East, and redrawing of Ponteland divisions from East/West to North/South.

Further, as a result of The Northumberland (Electoral Changes) Order 2021, two areas of Bothal were redefined as part of Pegswood, and one area of Pegswood was redefined as part of Bothal. Current Community Governance reviews in the Parishes of Allendale (size) and Tasset with Greystead (wards) are due for completion in late 2022.

Northumberland County Council was created as a unitary council with single member divisions. Alnwick became the County's only two-member division from May 2013. Single member representation throughout the county enables accountability and effective

representation by offering a uniform pattern of single member divisions for the whole of the council.

While ensuring a uniform division pattern is not a requirement under legislation, we believe a single member division pattern can still be achieved that delivers electoral equality and reflects the identities and interests of the local communities in the Alnwick area.

Single representation in the Alnwick area as part of this review would bring this part of the county back in line with the rest of Northumberland.

Service Performance

The creation of the Unitary County Council has had a broadly positive impact on strategic and service functions across the County. The results of the last Residents Survey (undertaken in 2018 and summarised below) highlighted a mixed picture in terms of satisfaction, with some services and functions improving, whilst others declined. However, Local Government Association analysis undertaken at the time highlighted a national downward trend of net satisfaction across various key performance measures, including overall Council satisfaction, feeling informed by the Council, perceptions that the Council acts on behalf of resident's concerns, and perceived Council value for money. So, the shifts in satisfaction rates reflected national trends and Northumberland was not an outlier in this respect.

Since the last Residents Survey in 2018, our Children's Services have been rated as 'Good' by Ofsted and currently 84.9% of all Northumberland-based Adults Social Care providers were rated as Good or Outstanding at the end of June 2022 (87.3% at the end of December 2021).

The overall figure for the percentage of First / Primary schools judged by Ofsted as Good or Outstanding was 92% at the end of June 2022, which is above the national average of 88%. This equates to 112 / 122 schools. The overall figure for the percentage of Middle / Secondary/ High schools judged by Ofsted as Good or Outstanding improved from 70% at the end of December 2021 to 77% at the end of June 2022, which is just below the national average of 78%. The figure of 77% equates to 23 - 30 schools. The local authority along with health partners participated in a pilot of the new special educational needs and disabilities inspection framework in March 2022. The feedback from this was positive.

At the End of Year 2021/22 performance of the 205 operational Corporate KPIs was as follows:

- 53% were above target (Green);
- 12% were below target but within agreed tolerances (Amber);
- 35% were below target (Red);
- Performance against the 'Absence KPI' was 4.5% (against a target of 3.5%);
- Staff turnover was 12%, which is above the LGA benchmark (9%);
- The provisional outturn showed an underspend for the year of £14.52m (prior to transfers to earmarked reserves and provisions).

Creation of the North of Tyne Combined Authority

Alongside North Tyneside Council and Newcastle City Council, Northumberland County Council formed the North of Tyne Combined Authority in November 2018. In May 2019, elections were held for a directly elected Mayor who took on certain powers and funding devolved from Westminster to the newly formed Authority. A fund of £600 million over 30 years has been secured as part of the Devolution Deal with Central Government. Northumberland has already secured from the Combined Authority, tens of millions of pounds of investment in jobs, skills, education, culture and inclusion.

Borderlands Partnership

The County Council is also a key partner in the Borderlands Partnership (with UK and Scottish Governments, Scottish Borders Council, Dumfries & Galloway Council and Cumbria County Council). This partnership is underpinned by the Borderlands Growth Deal to promote economic growth and competitiveness of the area straddling the Scotland-England border. The Borderlands Growth partners are working together to deliver transformative change across the region to maximise the benefits of growth. This includes two key economic challenges - the need for population growth and improved productivity.

Financial Pressures

Like almost all local authorities across the country, Northumberland has set savings targets to achieve a balanced budget position and deliver on its Medium-Term Financial Plan. These targets are deliverable, and the Council finances remain on a sound and sustainable footing. However, all councils across the country, including NCC, are experiencing in-year and future years' financial challenges due to substantial inflationary pressures. As a result, the Council will inevitably have to make difficult decisions on investment and spend through its next budget-setting process. This will require maximum participation from Members at Cabinet, Scrutiny, Full Council and Local Area Council levels to ensure strategic budget decisions are balanced with clear representation from communities across the County. Alongside this, Members will also likely face additional pressures to support residents and communities who are impacted by cost-of-living pressures.

Governance challenges

In the summer of 2021, the Council Leader requested that the Council commission a Best Value-style corporate governance review of the Council. This review commenced in January 2022 and reported to a meeting of Full Council on 8th June 2022.

Amongst the key messages from the Independent Governance Review (known as the Caller Review) was the need for a fundamental reset to establish an appropriate operating model and clear working rules for both Members and officers, including a comprehensive review of the Constitution.

The Governance Review report, setting out eleven recommendations, was welcomed by the Leader of the Council at the Council meeting on 8 June 2022. Following publication of the report on 8 June, the Council moved quickly to establish a cross-party Task & Finish Group which has agreed a plan of action to implement each of the Caller Review Recommendations. This was agreed by full Council at its meeting of 21 June 2022. Since

then, the Council has developed a robust action plan and programme management to take forward the Caller Review recommendations. Delivery of this plan has now commenced. The Leader has also established an external, independent Challenge Board of local government experts (Members and Officers). This Challenge Board will advise on and help shape the Caller improvement actions as these are taken forward in the coming months.

National Policy Trends

The Council influences local policy through the current North of Tyne Combined Authority (NTCA) and will continue to do so in any future arrangements in the Region. The following Members provide direct, strategic and decision-making input or scrutiny into the Combined Authority:

- Cabinet - 2 x NCC Members (Leader and Deputy)
- Audit and Standards - 3 x NCC Members
- Housing and Land Board - 2 x NCC Members
- Inclusive Economy Board - 1 x NCC Member
- Overview and Scrutiny - 3 x NCC Members.

Northumberland has four parliamentary constituencies, whose Members of Parliament actively raise the County's profile in Parliament. The Leader and Deputy Leader engage with our four MPs regularly, primarily through catch-up meetings and correspondence to ensure MPs are up to date on key issues for the Council and the County residents. Council Cabinet Members and indeed all Councillors also interact with our local MPs. This interaction was heightened throughout the Covid pandemic and indeed is likely to continue as a result of the significant cost of living pressures faced by residents and the Council itself.

From July 2022, the North East and North Cumbria Integrated Care System (ICS) - a regional partnership of the NHS, Councils and others - has responsibility for commissioning healthcare services in the region. The ICS will provide means for working together on regional issues that need to be tackled at scale. Northumberland County Council is a member of the local North Integrated Care Partnership (ICP), a committee of the North East and North Cumbria Integrated Care Board and the thirteen local authorities from across the North East and North Cumbria. The ICP is one of four local partnerships based around the main centres of population in the region. The ICPs will develop a strategic picture of health and care needs from their constituent local authority places, working with a wide range of partners to assess the needs of local people and set local priorities for health and care improvement. To be effective and ensure Northumberland's communities are well-represented, three NCC Members are on the Joint Overview and Scrutiny Committee for the North East & North Cumbria ICS & North & Central Integrated Care Partnerships.

As we continue to recover from the Covid Pandemic locally and nationally, it is clear some Covid-driven changes are set to become permanent features of how we work, how Members interact and, how communities and businesses are impacted. In particular, changing working patterns, including increased homeworking will be a long-term trend.

This increased use of technology for meetings will continue. Our Member Survey highlights that face-to-face meetings continue to be preferred by a large number of Members. However, informal, virtual meetings have clearly helped Members to interact effectively with residents and Officers, reducing the need for travel to County Hall and across large geographical divisions.

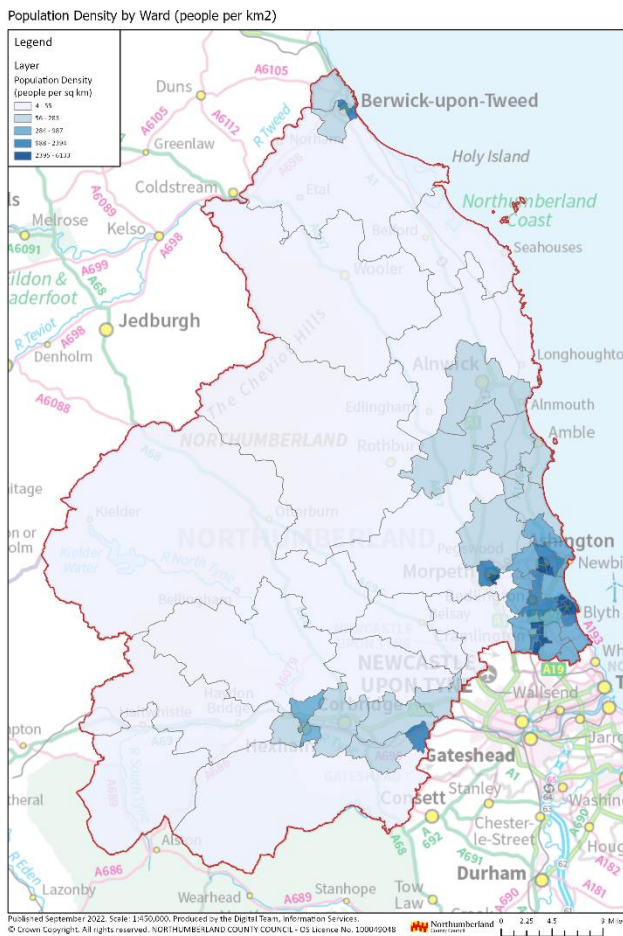
Our Member Survey (July / August 2022) highlighted an increase in Member caseload. This trend appears to have started pre-Covid and naturally intensified throughout the Pandemic. Members also commented that, as we continue to recover from Covid, they are seeing increased caseload related to the cost-of-living pressures households are facing. In short, Member caseload is likely to continue at high rates or even increase at least for the medium term.

During the past decade, the importance of responding to the challenges of Climate Change has intensified. This is an evolving and complex policy agenda which will increasingly require high levels of Member engagement at leadership and community representation levels.

D Local Authority Profile

Northumberland is England's northernmost County, stretching from the Scottish Border in the north and west to Tyneside and County Durham in the south. The County is the largest unitary authority by geographic coverage with the greatest area of Green Belt of any Local Planning Authority. Northumberland covers an area of 5013 km² with a population of 323,820 (2020). Data from the 2021 Census shows that Northumberland is the least densely populated of the North East region's 12 local authority areas with 64 people per sq. km (6th most sparsely populated local authority in England).

Some 96.7% of the County's land area is classed as rural, with just under half of the population living in this area and 51% of the population living in 3% of the land area (mainly in the South-East of the County). The different parts of the County have distinct characteristics, heritage, functions and needs contrasting from urban to rural, coastal to upland and well-connected to remote.



The south-east of the County is the most densely populated, with the three largest towns, Blyth, Cramlington and Ashington. These act as main employment centres, drawing from a wider area than just south-east Northumberland. Beyond the south-east, the County's main settlements are located along the Tyne Valley corridor, and on a north-south axis across the lowland coastal strip; both areas incorporate main roads and rail lines. Morpeth, Hexham, Prudhoe, Berwick-upon-Tweed and Alnwick are the main market towns, all of which have significant rural hinterlands. The predominantly rural areas of the County are interspersed with smaller towns, some with their own hinterlands, as well as numerous villages, hamlets and isolated farmsteads.

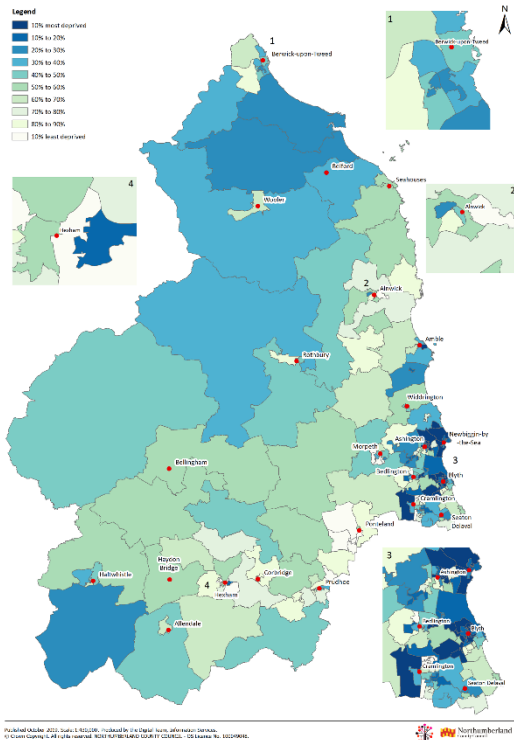
Projections show there is likely to be a significant acceleration in the ageing of Northumberland's population profile. Between 2020 and 2043 there is projected to be a significant increase in

older age groups, including:

- 59% increase in people aged 75-79 (15,486 to 24,619)
- 86.7% increase in people aged 80-84 (10,638 to 19,866)
- 102% increase in people aged 85+ (9,896 to 19,989).

Currently there are approximately 152,000 dwellings across Northumberland. Many of these are in the larger settlements in the south-east, together with market towns across the County. However, there are also a significant number of dwellings in smaller villages and hamlets. To assist in the delivery of economic growth, the Local Plan makes provision for at least 17,700 new homes in Northumberland over the plan period 2016-2036. The focus of new housing development will have been in the Main Towns and Service Centres across Northumberland. Housing design and location will allow older people and vulnerable groups to live as independent lives as possible.

Deprivation



Approximately 12% of Northumberland’s population live in one of the 10% most deprived areas of England (IoD 2019). The County falls into the most deprived 20% of local authorities in the country for employment (the number of people employment deprived), ranked 39th overall and for the income scale (the number of people income deprived), ranked 50th. Northumberland is in the top ten local authorities in England for the percentage point increase in the proportion of Lower Super Output Areas (LSOAs) in the most deprived 10% between the IMD 2015 and 2019.

The most deprived LSOA in Northumberland is located in Croft and Cowpen Divisions, Blyth. This LSOA is ranked the 133rd most deprived area in England (falling into the most deprived 1% of LSOAs).

The least deprived LSOA in Northumberland are in the Cramlington West and Cramlington North Divisions. This LSOA was ranked 32,495th, falling into the 2% least deprived LSOAs in England.

Residents in our most deprived communities have an average life expectancy of 75 years compared to 87 years in the least deprived. There is a 17-year age gap in good health (healthy life expectancy) between those living in the least deprived areas and those living in the most deprived communities.

Covid 19 has exacerbated existing inequalities, hitting the poorest and most disadvantaged communities hardest. It has further highlighted economic inequalities and the fragility of some systems of support.

The County Council adopted the Northumberland Inequalities Plan 2022 - 2032 at its September 2022 meeting. This outlines proposals for system development and enablers, focused areas of action and short, medium and long-term indicators of progress. The report is a statement of intent to work on these actions and deliver better outcomes over the next 10 years. The report recognises the importance of governance and accountability, requesting that a cross party members group is established to monitor the progress of the plan.

Our Plan takes a ‘community centred approach’ to tackling inequalities, based on five principles and three questions. The principle of ‘Maximising our civil level responsibilities’ encompasses active Member participation at both strategic leadership and community representation levels.

Rural challenges

As a sparsely populated County, Northumberland faces challenges of connecting remote rural communities. Socially and economically, there are wide variations among the County's communities which pose challenges for all Members. A range of rurality challenges have been identified by the charity *Community Action Northumberland (CAN)*, including a shortfall in the availability of affordable housing, transport, childcare, broadband and mobile signal infrastructure, and a 'voice' for young people.

Other rural issues identified by CAN are detachment from labour markets, low pay and poverty in work. Fewer employment opportunities have caused out-migration of young people. The impacts of an ageing population include isolation and loneliness and, according to the Office for National Statistics (ONS), 6.3% of households in the County consist of one person over the age of 65, living alone. CAN have observed a lower take-up of benefits, hidden and dispersed poverty and, more recently, fuel poverty. Common attitudes to, and perceptions of, the County's rugged and beautiful rural landscapes are of belief in the 'rural idyll'. This can prevent recognition of rural disadvantage.

Other constraints and challenges

As a result of Covid, we are seeing an acceleration in the transition to digital interfaces. Access to many services switched to digital during lockdown and these have continued in some form as restrictions have eased. For example, many GPs are currently conducting a large proportion of their consultations via phone or webcam, and the NHS is keen that high levels of phone and online appointments will continue. During the pandemic, many families, schools and businesses have also significantly increased their use of video conferencing services. It is reasonable to assume that the general trend for an increased use of digital interfaces will continue and even accelerate. This has implications for how Members, Council Officers, residents and partners engage now and in the coming years. Whilst there are obvious benefits to this such as less travel time and more efficient use of time more generally, increased use of digital interfaces could raise expectations in terms of Member availability and could reasonably increase the pressures on Members' time.

Also, as residents conduct more of their activities online, there is a risk that a vulnerable minority of people across Northumberland will no longer be in easy reach of key amenities such as a bank, post office, shop, or medical facility, particularly in more rural areas. Again, this increases the demands on Members to represent their communities.

Given the challenges of recovering from the Pandemic, alongside the severe cost of living pressures on households, public services will likely need to play an even bigger part in many people's lives in the coming years and this will likely involve an expanded role for local government. The Council experienced this during Covid (for example, supporting businesses, communities and vulnerable people) and is already providing additional support to address the challenges of cost-of-living pressures. All of this is likely to place additional demands on Members at both strategic leadership and community levels.

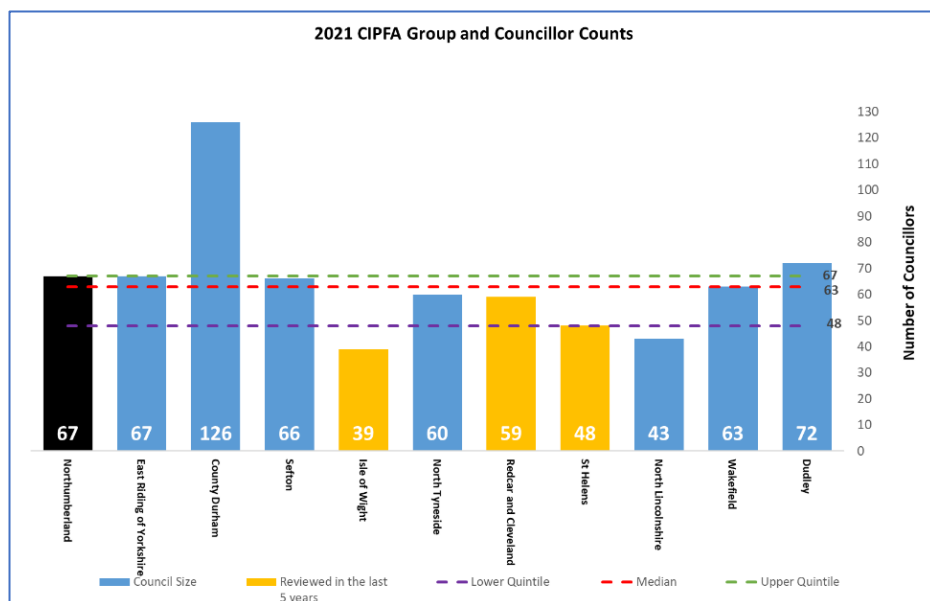
E Council Size

Strategic Leadership

The Council currently comprises 67 Members (Councillors). One Member is elected by the voters of each Electoral Division in accordance with a scheme drawn up by the

Boundary Commission except in the case of the Alnwick Division, which has two members.

The chart below illustrates NCC’s current Council size compared with our ‘nearest neighbour’ authorities as set out by CIPFA. The chart shows our current Council size (67 Members) to be on the upper quintile of our range (67) and just above the median number for the range (63). The lower quintile in the range is 48 Members. NCC’s current Council size (67) is not outside the range of our statistical near neighbours and it is argued a relatively modest increase to 70 Members (reflecting our forecast increase in electorate) would not place NCC significantly above the upper quintile for our comparator authorities.



The table below shows a comparison of ‘Electorate per Member’ between Northumberland and other County Councils.

Council	Electorate	Members	Electorate Per Member
Northumberland	248,827	67	3714
Durham	386,272	126	3066
Cornwall	435,628	87	5007
Dorset	295,846	82	3608
Herefordshire	147,114	53	2776
Wiltshire	382,869	98	3907
Shropshire	245,828	74	3322
Buckinghamshire	412,844	147	2808

At 3,714 ‘Electorate per Member,’ Northumberland is currently above the median for this dataset (3,465 ‘Electorate per Member’). Currently, we have two projected electorates for 2028:

(1) Using the Boundary Commission’s standard calculation projection - 252,603, giving an ‘Electorate per Member’ of 3,770 (based on current Council size and compared to current median = 3,465).

(2) Using NCC’s own projection - 259,907 - giving an ‘Electorate per Member’ of 3,879 (based on current Council size and compared to current median = 3,465).

In developing this Submission, NCC’s Group Leaders Group Leaders noted NCC’s projected electorate increase of 11,080 by 2028. On this projection, Group Leaders asked Officers to consider the case for additional councillors on a range of 67-70 Councillors.

Based on a projected electorate of 259,907, the ‘Electorate per Member’ for the three scenarios of 67, 70 and 70 Members would be as follows:

NCC Projected Electorate (2028)	Number of Members	Electorate per Member
259,907	67	3,879
259,907	68	3,822
259,907	69	3,766
259,907	70	3,712

Increasing the number of Members to 70 Members would reduce the ratio of ‘Electorate to Member’ when averaged across all Divisions. It should be noted that any increase in the number of Members would need to be met from the Council’s budget and that there is no provision for the costs of additional Members to be provided from national funding.

Roles and functions of all councillors

Now and moving forward, the Council will operate an Executive Leader Model of governance. The regular election of councillors will be held on the first Thursday in May every four years. The terms of office of councillors will start on the fourth day after being elected and will finish on the fourth day after the date of the next regular election. All Councillors will:

- Collectively act as the ultimate policy-makers and carry out a number of strategic and corporate functions;
- Represent their communities and bring their views into the Council’s decision-making process, i.e. become the advocate of and for their communities;
- Deal with individual casework and act as advocates for constituents in resolving particular concerns or grievances;
- Balance different interests identified within the Electoral Division and represent the Electoral Division as a whole;
- Be involved in decision-making;
- Be available to represent the Council on other bodies; and,
- Maintain the highest standards of conduct and ethics.

Every Northumberland County Councillor receives an annual budget allocation of £15,000 for use with local improvement schemes. Members are free, subject to any relevant conflicts, to disburse those funds as they consider appropriate.

Member Group Places on Committees - 2022/2023

Name of Committee	Total Membership 2022/2023	Conservative Group	Labour Group	Independent Group	Liberal Democrat Group	Green Party	Non-affiliated
Cabinet	8**	8					
Appointments Committee - School Governors and Academies	4	2	1		1		
Audit Committee	8*	4	2	1	1		
County Emergency Committee	8	4	2	1	1		
Dismissal Advisory Committee	8	4	2	1		1	
Disputes Panel (Fire and Rescue Service)	8	4	2	1	1		
Fostering Panel	1	1					
Governing Body of Netherton Park	3*	2	1				
Grievance Committee	2	2					
Health & Wellbeing Board	6*	5	1				
Joint Consultative Committee	5*	4	1 (observer)				
Licensing Committee	14	7	4	1	1	1	
Licensing and Regulatory Committee	14	7	4	1	1	1	
Local Area Councils (13+13+13+12+16)	67	33	20	6	4	2	2
Petitions Committee	9	4	3	1	1		
Health & Wellbeing O & S Committee	10	5	3	1	1		
Communities and Place O & S Committee	10	4	3	1	1	1	
Corporate Services and Economic	10	5	3	1			1

Name of Committee	Total Membership 2022/2023	Conservative Group	Labour Group	Independent Group	Liberal Democrat Group	Green Party	Non-affiliated
Growth O & S Committee							
Family and Children's Services O & S Committee	10*	5	3	1	1		
Schools Forum	2 (observers)	2					
Staff and Appointments	9	4	3	1	1		
Employment (Appeals)	5 (from pool of 20 Members)	2	1	1	1		
Standards	9*	4	3	1	1		
Standing Advisory Council on Religious Education	4*	2	1			1	
Strategic Planning	16	7	5	1	1	1	1
11 Working/Liaison Groups Appointed by Full Council	88	39	27	9	8	4	1
TOTAL	338	170	95	30	26	12	5
338 places for 67 Members = 5 roles per Member average	100%	50%	28%	9%	8%	4%	1%
(*external appointments also made)	(**also 3 further portfolios, non-voting Deputy Members)						

County Council

Full Council remains directly responsible for the functions listed below:

- Adopting and changing the Constitution;
- Approving or adopting the policy framework and the budget;
- Appointing the Leader, the Business Chair, Civic Head and Deputy Civic Head of the County Council, and the Chair of the Standards Committee;
- Agreeing and/or amending the terms of reference for committees, deciding on their composition, and making appointments to them; appointing the Chair and Vice Chair of all committees of Council;
- Appointing representatives to outside bodies unless the appointment is an executive function or has been delegated by the Council to the Local Area Councils or otherwise;

- Adopting a Members' Allowances scheme;
- All other matters set out in Part 3 of the Constitution under the terms of reference for Full Council;
- Subject to the 'urgency procedure' in the Constitution, making decisions about any matter in the discharge of an Executive function which is covered by the policy framework or the budget.

Cabinet

The Cabinet carries out all the Council's functions which are not the responsibility of any other part of the Council, whether by law or under the Constitution. The Cabinet will consist of the Leader appointed by the Council together with at least 2, but not more than 9 Members appointed by the Leader.

The Leader will be a Member appointed by the Council at its annual meeting following whole Council elections. The Leader will hold office for a four-year period or the remaining term of the Council unless: they resign from the office of Leader; or they are removed from office by resolution of the Council in accordance with the provisions of the Local Government Act 2000; or they are no longer a Councillor.

The Cabinet collectively shall have clear responsibility for a range of corporate decisions and individually, Cabinet Members will provide the strategic leadership for their portfolios.

Strategic Policy Making

The Council's Budget and Policy Framework is agreed by the Full Council and the executive functions are performed by the Cabinet within that framework. Each Cabinet Member has a portfolio of responsibilities, however the decisions, announced 28 days beforehand, will be taken by Cabinet as a whole.

The Leader has discretion to determine how Executive functions are carried out and may determine who to appoint to the Cabinet and the responsibilities within individual portfolios. In addition, Cabinet can form sub-committees or working groups to deal in more depth with particular political and Council priorities.

The Council's Overview and Scrutiny Committees assist in the development of County Council policy by looking at existing policies and the effectiveness of their delivery, and by reviewing whether new policies or changes to existing policies are needed.

Portfolios

In total our Cabinet comprises eight members, with three Deputy Cabinet Members. Council Cabinet posts are part-time positions. Formal decisions are taken collectively by the whole Cabinet.

Currently, under the Council's Executive Leader model of governance, the Leader doesn't delegate anything in the constitution to either Cabinet Members or officers. The Leader can make formal delegations to Portfolio Members and / or officers for the Municipal Year by presenting such delegations to the Council's Annual General Meeting (AGM). Outside of the AGM, the Leader can make delegations to Portfolio Members and / or officers for

specific situations. These delegations are made 'as and when' required. All 'key decisions' will be taken by the full Cabinet.

Delegations to Officers and Committees

All matters not reserved to the Council, to the Cabinet, or to a Committee for decision are delegated to the appropriate Executive Director as well as the Head of Paid Service, subject to the conditions and limitations set out in the Council's constitution. Each Executive Director as well as the Head of Paid Service in making decisions under this scheme is required to do so within the internal scheme of management for their own department. The specific areas of responsibility of each Executive Director within their service area or Group as well as the Head of Paid Service are set out in the Council's Constitution.

All 'key decisions' within the remit of the Council's executive are taken by the Cabinet. Decisions on the Council's 'Policy Framework and Budget', as defined by the Council Constitution, will be taken by the Full Council, which includes all 67 Elected Members.

Accountability: Scrutiny

The Council will appoint Overview and Scrutiny Committees to discharge the functions conferred by section 21 of the Local Government Act 2000 or regulations under section 32 of the Local Government Act 2000. Within their terms of reference, the Overview and Scrutiny Committees, and their subcommittees, will:

- Review and/or scrutinise decisions made (and proposed), or actions taken in connection with the discharge of any of the Council's functions;
- Make reports and/or recommendations to the full Council and/or the Cabinet and/or any policy, joint or Local Area Council in connection with the discharge of any functions;
- Consider any matter affecting the area or its inhabitants;
- Exercise the right to call-in, for reconsideration (through the Chair's Group), decisions made but not yet implemented by the Cabinet and/or any policy or Local Area Council decision.

The Council has currently appointed four Overview and Scrutiny Committees:

- Communities and Place Overview and Scrutiny Committee;
- Corporate Services and Economic Growth Overview and Scrutiny Committee;
- Family and Children's Services Overview and Scrutiny Committee; and
- Health and Wellbeing Overview and Scrutiny Committee.

Overview & Scrutiny Task & Finish groups are appointed on an ad hoc basis when the need is identified as the Committee makes progress through its agreed work programme. Terms of Reference are drawn up for each project in accordance with its identified needs and they generally set milestones for a work programme of short duration. The group's Members are either expert in the field or have relevant experience, for example through their work in the community. The membership of Task & Finish groups is taken from Committee Members who volunteer to take part in the project. The size of the group is kept to a minimum in the interests of flexibility and usually there are between three and six

Members in the group. In general, a Task & Finish group will complete its business within three or four meetings.

The number of Scrutiny Members serving on the committees changed several times in the first years of the new structures. Initially, in 1999, the Resources Management and Environment Committees had 18 Members each, with 10 each on the Policy and Personal (Education and Children’s Services) Committees. In 2000 the number of committees was reduced to three, Services (10 + 1 non-voting), Services-Education (10 Cllrs + 12 other) and Strategy (18 + 1 non-voting). In 2000, with the reduction of O & S committees to three, two new Policy Boards (later reduced to one) were established. The Policy Boards assumed some aspects of the early O & S remits. Also, Area Working Groups were introduced at this time to facilitate local involvement.

From 2009, when the Council became unitary, until 2013 and again from 2017 to date, there have been four Overview and Scrutiny Committees, providing a total of 40 Councillor places. The remits of the four committees cover the essential elements of Council business, local services, resources, education and health. Each element has been developed into a remit that incorporates the appropriate associated service areas.

Between 2013 and 2015 the remits of the four committees were altered to provide for six committees (a total of 60 Councillor places) and in 2016 a seventh committee was established (a total of 70 Councillor places). The division of the original four committee remits into seven had the effect of providing Councillors with opportunities to focus more exclusively on contributions to policy formulation and revision over a narrower range of services, though over a wider geographical area. When the structure was reviewed again in 2017, it was found that the advantages of spreading the O & S remit over three additional committees were countered by the reduction in the range of activities leading to smaller work programmes, shorter agendas and even cancellation of meetings owing to lack of business. The committee structure was accordingly restored to the previous version which had stood the test of time. Since the number of O & S Committees reverted to four in 2017, this arrangement has continued to be effective in fulfilling the statutory Overview and Scrutiny role.

Statutory Functions: Planning

The proportion of planning applications determined by Members over the period 1 April 2017 to 31 March 2022 is shown below in percentage terms. Numbers determined by Members increased to almost seven percent of the total in 2019-2020, the majority being determined by Officers under the Council's delegation scheme. Since 2020 Member decisions have decreased by four points in percentage terms, however the overall numbers are continuing to increase.

Planning Applications determined by Officers and Members of Local Area Council Planning Committees and the Strategic Planning Committee

	Delegated	Committee	Committee Percent
2017-2018	2460	113	4.4 percent
2018-2019	2223	134	5.7 percent
2019-2020	2129	155	6.8 percent
2020-2021	2286	58	2.5 percent
2021-2022	2637	86	3.2 percent

The Covid-19 pandemic inevitably had an impact. In that period, a higher number of applications were determined by Officers under the delegation scheme than would otherwise have been the case, however the Covid restrictions had less of an impact on our planning process than might have been expected because the Council's Business Recovery Plan worked well and live virtual meetings began immediately after they were authorised. Rather than a falling off in application numbers, we experienced a 20 per cent spike during the Covid period because, for example, many of the people spending so much more time at home than usual took the opportunity to make improvements.

After the legal Covid-19 restrictions were removed the number of applications continued to grow and the total for 2021-2022 is higher than it was in 2017-2018. The proportion determined by Members is likely to increase again.

The Council operates with 5 area planning committees (the 5 Local Area Councils - see below) and a countywide strategic planning committee:

- Ashington and Blyth LAC
- Castle Morpeth LAC
- Cramlington, Bedlington and Seaton Valley LAC
- North Northumberland LAC
- Tynedale LAC.

All members of the Council serve on the Local Area Council planning committee relevant to their area. This includes the Leader, Deputy Leader and members of the Cabinet. Sixteen members also serve on the strategic planning committee. The Council currently runs six planning committee meetings per-month and they are mostly between 2-3 hours in duration depending on the agenda.

Statutory Functions: Licensing

The Council has two formal Licensing Committees, the Licensing Committee (the Statutory Committee dealing with all matters to do with the Licensing Act and Gambling Act) and the Licensing and Regulatory Committee (dealing with hackney/private hire and all other licensing regimes). Both these Committees meet on a quarterly basis and comprise 15 elected members.

When dealing with objections to licensing, or applications which cannot be dealt with using delegated powers, those applications will be considered by a sub-committee drawn from the parent committee, each of which is made up of three members and a "reserve".

In addition to meetings of the two main parent Committees, which meet quarterly, there will be approximately:

- LC 12 - 16 per year, each of three hours; and,
- L&R 12 per year, each of two hours.

Meetings of the L&R Sub-Committee tend to be diarised but all LC Sub-Committee meetings are called on an ad-hoc basis.

Other Regulatory Bodies: Health and Wellbeing Board

There are six Councillor Members of the Health and Wellbeing Board: NCC Business Chair; Council Leader; Portfolio for Holder Adult Wellbeing and Health; Portfolio Holder for

Children's Services, Portfolio Holder for Healthy Lives; and an Opposition Group Member. A further thirteen members of the board are made up of NHS, other health and charitable bodies, as well as three NCC Officers.

On 1 July 2022, the North East and North Cumbria Integrated Care System came into effect through the Health and Care Act 2022. It is a statutory NHS body serving as a partnership of organisations including local councils, voluntary and community services that provide health and care services across the North East region. It will be led by an NHS Integrated Care Board, which held its first meeting as a statutory body on 1 July 2022. The Board has eight Partner (Ordinary) Members, four of whom will be from the local authorities responsible for providing Social Care, contributing the perspective of their sector to Board decisions, but not as delegates of the sector.

External Partnerships

North of Tyne Combined Authority

The three Member Councils in the North of Tyne Combined Authority (NTCA) agree matters for decision in-house and their representatives are authorised by their individual authorities to express those decisions to the NTCA Cabinet. Committees of NTCA on which the Council is represented are the Cabinet, Audit & Standards, Housing & Land Board and Overview & Scrutiny.

NTCA works in partnership with the North East Combined Authority (NECA) through the North East Joint Transport Committee. This Committee was established by NTCA but NECA is the accountable body for transport matters in the region.

The North East Transport Committee has an Audit Committee and an Overview & Scrutiny Committee. NCC Members represent the Council on all of these Committees, a total of four member places plus four substitutes.

There are currently forty-six organisations independent of the Council which have an impact on its service areas. In order to maintain effective partnerships with them, representatives of the Council, usually Elected Members, sit on the various committees and forums that are responsible for them.

For the year 2022/2023, the Full Council has agreed a total of 56 NCC places on 20 outside bodies (including the seven committees/joint committees of the NTCA). Twenty-eight Elected Members are appointed to those places. The Cabinet has agreed a total of 46 NCC places on 26 outside bodies. Eighteen Elected Members are appointed to fill those places.

In our most recent Member Survey (July-August 2022) we asked Members how many hours per week they spend on Council (and political) business. In summary, respondents to the Survey indicated:

- For most tasks Councillors spend up to 5 hours. 79% spend up to 5 hours a week in political group meetings. 76% spend up to 5 hours in formal regulatory meetings weekly and 70% said they spend up to 5 hours each week in pre meetings / informal briefings.
- 40% of Councillors say they spend between 6-10 hours a week dealing with constituent enquiries and requests with a further 15% saying they spend 11-15 hours.

- 36% spend 6-10 hours weekly preparing for meetings (e.g. reading papers). 30% spend between 6-10 hours travelling.
- 12% say they spend over 25 hours in formal council meetings.
- 8 Councillors said they spent time on other things. These included responding to press enquiries, writing press releases, and updating social media. Time was also spent preparing material / communications for residents and delivering leaflets / newsletters.
- 61% of Councillors said the time they spend on Council business is not what they expected when they became a Councillor.
- Of the 20 Councillors who answered that it is not what they expected 90% said they spend more time on Council business than they anticipated. They cite more casework, higher levels of enquiries and the growth in work as reasons for this.

When asked to consider, the associated workload from the number of committees, outside organisations and partnerships that they have been appointed to sit on by the Council, 79% of Councillors responding said that the workload associated with this is about right. Some 21% said the current workload is too high.

Community Leadership

In common with Members across local government, our Councillors carry out their representational role with electors through a variety of approaches including:

- Participation in the decision-making and non-decision-making committees of the Council, including Full Council;
- Membership of Council Boards as well as a wide range of outside bodies and organisations;
- Direct participation in community and voluntary groups;
- Participation on one of the five Local Area Councils;
- Membership of or attendance at Parish or Town Council meetings.

In May 2017, the Council replaced its local area committees with five Local Area Councils (LACs). This change was made to enable a closer connection between the Council and Northumberland communities. All LAC meetings are held in public. The LACs have wider terms of reference than the previous local area committees, including a separate local planning authority statutory decision-making role, recommending adjustments to budget priorities in relation to annual local transport plan issues within their area, and making decisions in relation to devolved capital highway maintenance allocations. The LAC Terms of Reference aim to empower citizens, strengthen communities and improve services, and all councillors for each particular area are involved (therefore including the Leader of Council and the Cabinet as individuals). There are Local Area Councils for North Northumberland, Tynedale, Castle Morpeth, Cramlington, Bedlington and Seaton Valley, and Ashington and Blyth. The table below, summarises leadership, electoral divisions, and political breakdown under each LAC.

NORTH NORTHUMBERLAND (13) Chair: G. Castle Vice Chair: S. Bridgett Vice Chair (Planning): C. Hardy	TYNEDALE (13) Chair: T. Cessford Vice Chair: D. Kennedy Vice Chair (Planning): A. Scott	CASTLE MORPETH (13) Chair: J. Beynon Vice Chair: D. Towns Vice Chair (Planning): J. Foster	CRAMLINGTON, BEDLINGTON and SEATON VALLEY(12) Chair: M. Swinburn Vice Chair: S. Lee Vice Chair (Planning): R. Wilczek	ASHINGTON AND BLYTH (16) Chair: L. Grimshaw Vice Chair: D. Carr Vice Chair (Planning): B. Gallacher
<ul style="list-style-type: none"> • Alnwick (1) • Alnwick (1) • Amble • Amble West with Warkworth • Bamburgh • Berwick East • Berwick North • Berwick West with Ord • Longhoughton • Norham and Islandshires • Rothbury • Shilbottle • Wooler 	<ul style="list-style-type: none"> • Bellingham • Bywell • Corbridge • Haltwhistle • Haydon and Hadrian • Hexham Central with Acomb • Hexham East • Hexham West • Humshaugh • Prudhoe North • Prudhoe South • South Tynedale • Stocksfield with Broomhaugh 	<ul style="list-style-type: none"> • Choppington • Druridge Bay • Longhorsley • Lynemouth • Morpeth Kirkhill • Morpeth North • Morpeth Stobhill • Pegswood • Ponteland East and Stannington • Ponteland North • Ponteland South with Heddon • Ponteland West • Stakeford 	<ul style="list-style-type: none"> • Bedlington Central • Bedlington East • Bedlington West • Cramlington East • Cramlington Eastfield • Cramlington North • Cramlington South East • Cramlington Village • Cramlington West • Hartley • Holywell • Seghill with Seaton Delaval 	<ul style="list-style-type: none"> • Ashington Central • Bothal • College • Cowpen • Croft • Haydon • Hirst • Isabella • Kitty Brewster • Newbiggin Central and East • Newsham • Plessey • Seaton with Newbiggin West • Sleekburn • South Blyth • Wensleydale
Conservative - 8 Green - 1 Labour - 1 Independent Gp - 2 Liberal Democrat - 1	Conservative - 6 Green - 1 Labour - 2 Indep. Gp - 2/Indep - 1 Liberal Democrat - 2	Conservative - 9 Labour - 4	Conservative - 7 Labour - 2 Independent Gp - 2 Independent - 1	Conservative - 3 Labour - 12 Liberal Democrat - 1

LAC meetings are held at different venues throughout the area (pre-covid). They are not intended to duplicate or replace any Parish or Town Council roles. The LAC Terms of Reference provide that they engage with all key stakeholders from the public, private, voluntary and community sectors to facilitate the delivery of area priorities. This includes regular liaison with Town and Parish Councils. While Town and Parish Councils have no formal relationship with the LACs, as questions are taken from members of the public at LAC meetings, town and parish representatives can interact directly with the LAC by this means. Also, many County Councillors are Town and/or Parish Councillors and this enhances their exposure to and experience of local matters.

Local Area Council (Planning) Committees meet monthly to consider categories of planning applications set out in the Council's Delegation Scheme. Meetings of the Planning Committee meetings are held separately from those of the LACs but are scheduled to coincide with the bimonthly LAC meetings, taking place immediately beforehand.

During the Pandemic, the extended lockdown provided an opportunity to consider the Local Area Councils' effectiveness. The LAC Chairs have undertaken a review of the Councils, considering the current Terms of Reference of the Northumberland LACs together with those of area committees in similar authorities (Cornwall Council, Cumbria County Council, Durham County Council, Shropshire Council and Wiltshire Council). The Review has also taken into account how other organisations, stakeholders and officers fit into the process. Findings and recommendations arising from the review are due for submission to Council.

Early in 2022, after NCC discussions with the Northumberland Association of Local Councils (NALC), the Association included questions about the LACs in their 'Survey on the relationship between Northumberland's Parish, Town and Community Councils and the County Council'. The following survey responses were encouraging:

- Some 64.44% of respondents agreed that the local County Councillor attended meetings of their Parish, Town or Community Council; and
- 80.43% felt that they had the right degree of contact with their local County Councillors.

Councillor engagement with constituents

During July-August 2022 we surveyed NCC Members on a range of issues related to their workload and engagement with residents. The table below sets out the range of approaches Members take to engaging and their preferred methods.

Option	Total	Percent
Face to Face (e.g., Meetings / Councillor surgeries)	32	96.97%
Social Media (e.g., Facebook, Twitter, Instagram, Snapchat)	21	63.64%
Text / WhatsApp	19	57.58%
Letter	11	33.33%
Email	33	100.00%
Newsletters	20	60.61%
Blogging	4	12.12%
Telephone	30	90.91%
Newspapers	11	33.33%
Noticeboards	6	18.18%
Flyers	14	42.42%

100% of Councillors responding to the survey use email to engage with their constituents. This was closely followed by face-to-face meetings (97%) and telephone (91%). Only 12% use blogging and 18% noticeboards. In terms of preferred communication channels, Councillors said they prefer to engage with constituents face to face with 42% ranking face to face as their first choice. Some 30% chose email as their most preferred channel. Councillors are spending less time communicating using letter and spending more time or significantly more time using emails. Telephone communication has also increased with 58% saying they were spending more time / significantly more time using this channel to communicate with residents.

Mechanisms in place that help councillors interact with young people, those not on the electoral register, and/or other minority groups and their representative bodies

Participation & Engagement

Northumberland County Council takes its Corporate Parenting role seriously and all Councillors and Elected Members receive training and regular updates on Corporate Parenting.

Councillors can access and engage with services offered through Northumberland Youth Service who carry out a number of engagements, consultation and advocacy services on behalf of young people. Work with young people includes:

- Coordinating a wide range of democratic processes, such as Youth Parliament and Youth Cabinet giving young people an opportunity to represent their local communities and engage with the democratic process.
- Active involvement in Local Democracy week and the 'Make Your Mark' ballot.
- A coherent advocacy strategy that ensures effective representation and opportunity for vulnerable groups - this is delivered independently and important when a young person feels their voice is not being heard.
- Coordinating groups such as Respect Equals Change (REC), a group dedicated to young people with disabilities, providing opportunity to have their voices heard.
- Coordinating groups such as Voices Making Choices (VMC), a service that brings Looked After Children and Young People together to have their voice and say on local issues and matters that impact upon them.

In addition to the activity of the Youth Service, the Council engages with various Voluntary & Community Sector organisations and partnerships who represent the interest of young people. Councillors may engage with or utilise these partnership arrangements and relationships as part of their areas of responsibility and Council portfolios. These organisations include:

- NE Youth, a charitable organisation supporting over +140 youth organisations with an indirect reach to over 140,000 young people.
- YMCA Northumberland an independent charity, bringing together local people and organisations to support young lives in Northumberland.
- Children North East deliver services, support and initiatives that provide a platform for children, young people and families to work through issues, take action and provide them with the tools to reach their full potential.
- Northumberland Cultural Education which was established in 2016 brings together the County's education and cultural sectors in order to meet the needs of its children and young people, offering a platform for engagement, collaboration and coproduction.
- Thriving Together Northumberland showcases the VCSE, offering the wider opportunity to build a culture of collaboration, investing in cross-sector working and to develop opportunities to make a difference to the lives of Northumberland Residents.

For engagement with underrepresented groups, the Council maintains relationships through:

- The Integrated Care Board, which has a Health Inequalities Group;
- Faith Leaders and Church Groups across Northumberland;
- BAME community groups such as 'Being Women' for example; and,
- LGBTQ+ community groups and organisations including Northumberland Pride, Trinity Youth Association and LGBT Foundation.

Community meetings

Of the 67 County Councillors, 21 are also members of Town and Parish Councils, 16 on Town Councils and 6 on Parish Councils (one Councillor on both). Beyond direct Membership, there is an expectation that County Councillors will regularly attend Town and Parish Council meetings within their respective Divisions. For Members with strategic leadership responsibilities (Leader and Cabinet), this will often involve attending Town and Parish Council meetings outside their Divisional boundaries. In our Member Survey (July - August 2022), some 81% of Councillors who responded stated they attend Parish / town council meetings monthly. Others responded that they attended weekly, bi-monthly, as requested and whenever they are held.

Casework

Nearly a quarter of Councillors who responded to our recent Member Survey indicate, on average, they deal with 11-15 cases per month, with some 18% saying they handle over 50 on average per month. The table below provides a breakdown (from our Member Survey 2022) on the approaches respondents take to dealing with the casework.

Option	Fully deal with and respond to a request		Contact an officer for input / advice before you respond		Send the query to an officer to respond on your behalf		Liaise with another member about the query		Liaise with a parish / town councillor about the query	
	Total	%	Total	%	Total	%	Total	%	Total	%
Very frequently	17	51.5%	12	36.4%	0	0.0%	0	0.0%	4	12.1%
Frequently	13	39.4%	16	48.5%	12	36.5%	9	27.3%	11	33.4%
Infrequently	2	6.1%	5	15.2%	15	45.5%	19	57.6%	14	42.4%
Never	0	0.0%	0	0.0%	5	15.2%	3	9.1%	3	9.1%
Not Answered	1	3.0%	0	0.0%	1	3.0%	2	6.1%	1	3.0%

Some 52% of Councillors who responded fully deal with and respond to a request very frequently, with some 49% frequently contacting an officer for advice and / or input before responding. Some 46% infrequently send the request to an officer to respond.

Our Member Survey illustrates how technology continues to influence the way Members work, with increasing use of social media and text channels. However, the Member Survey also underlined how face-to-face continues to be the preferred choice of the Members who responded (42%).

In the Survey (July-August 2022) we also asked Members how their workload had changed over time. In summary, respondents to the Survey indicated:

- 79% of Councillors feel that their workload has increased over time.
- Reasons for the increase include the impact of covid, joining more committees / boards, growth in the number of residents in their division, growth in certain issues nationally (covid, cost of living) and locally (Storm Arwen, grass-cutting, investment in infrastructure, homelessness).
- Respondents also highlight a change in communication and behaviour of residents. For example, an increase in the use of social media to contact Councillors and a

feeling that residents are more likely to complain than in the past.

Council - service users' engagement/dispute resolution with service providers and managers rather than through councillors

Service Users can make contact with the Council via a number of different channels:

- Website - there are many online forms that users can submit service requests and feedback direct to departments.
- Telephone - The council has a Contact Centre which take requests for Council services and answer enquiries. There is also a Contact Centre for Social Service enquiries.
- Face-to-face - there are currently seven offices located across the County where customers can report issues, raise service requests and complaints.
- Social media - social media comments and direct messages are managed by the Council's Communications team who triage issues raised and direct to the appropriate team.
- Email - users can email complaints@northumberland.gov.uk to report any issues. These are then assigned to the correct process whether these are service requests or complaints.
- Letter - residents can write in to the Council and their enquiry will be directed to the appropriate department.

Often the Council resolves service users' complaints directly with the relevant service without the need to progress through to the Corporate Complaints Process. Where possible, an informal resolution can be pursued. If the issue can be dealt with informally within 24 hours of receipt and the service user is satisfied with the outcome, an informal resolution will be recorded rather than progressing through one of the following formal complaint processes. In the event a complaint is not resolved to the service user's satisfaction, residents have recourse to the Local Government Ombudsman.

ENDS



Northumberland County Council

COUNCIL

2 NOVEMBER 2022

Treasury Management Annual Report for the Financial Year 2021-22

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) 2021-22, approved by the County Council on 24 February 2021. The report provides a review of borrowing and investment performance for 2021-22, 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 2021-22.

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 2021-22; and sets out performance against the Treasury Management Strategy Statement for 2021-22.

TREASURY MANAGEMENT ANNUAL REPORT 2021-22

1. INTRODUCTION

1.1. Background

This Treasury Management Annual Report provides a review of the activities of the Treasury Management function for the period 01 April 2021 to 31 March 2022 and shows performance against the Treasury Management Strategy Statement (TMSS) for 2021-22. 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 2021-22

The report covers:

- Overview of and compliance with the Treasury Management Strategy for the financial year 2021-22;
- Economic conditions and interest rates during 2021-22;
- Overview of the treasury position at 31 March 2022;
- Borrowing activity for 2021-22;
- Investment activity for 2021-22;
- Performance against budget; and,
- Treasury management limits and prudential indicators position.

2. TREASURY MANAGEMENT STRATEGY FOR 2021-22

2.1. Overview of the 2021-22 Strategy

The 2021-22 treasury management strategy was approved 23 February 2021. At the time the expectation for interest rates within the treasury management strategy for 2021-22 was for UK Bank Rate (often referred to as Base Rate) to remain at 0.10% throughout the year, and for longer term borrowing rates to remain low, in line with increasing bond yields.

With investment returns anticipated to remain low (at least in the short term), the proposed strategy for 2021-22 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 £185 million net of maturing loans) primarily from shorter term / temporary borrowing, but with the caveat that medium to longer term borrowing may also be considered, particularly if rate increases materialise earlier than projected (due to increased optimism in the economy etc.).

2.2. Compliance

Significant levels of additional grant were received from Central Government to help support the Council's response to the Covid-19 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 £25.000 million to £35.000 million per Counter Party / Bank, and from £150.000 million to £170.000 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 2021-22, alongside best practice suggested by the CIPFA Treasury Management Code and Central Government.

3. ECONOMIC CONDITIONS AND INTEREST RATES DURING 2021-22

3.1. Economy

The UK economy endured a number of false starts from the effects of the coronavirus pandemic during 2021-22. But with most of the economy opened up and nearly back to business-as-usual, the GDP numbers were robust (8.7% year-on-year Q1 2022) and sufficient for the Monetary Policy Committee to focus on tackling the knock-on effects of inflation. By March 2022 the annual rate of inflation – the consumer price index (CPI) - had already risen to a 30-year high of 7.00%; with the conflict between Russia and Ukraine further intensifying these inflationary pressures.

After the Bank of England took emergency action in March 2020 to cut Bank Rate to 0.10%, it left Bank Rate unchanged at its subsequent meetings until raising it to 0.25%

at its meeting on 16 December 2021, 0.50% at its meeting of 04 February 2022 and then to 0.75% on 16 March 2022.

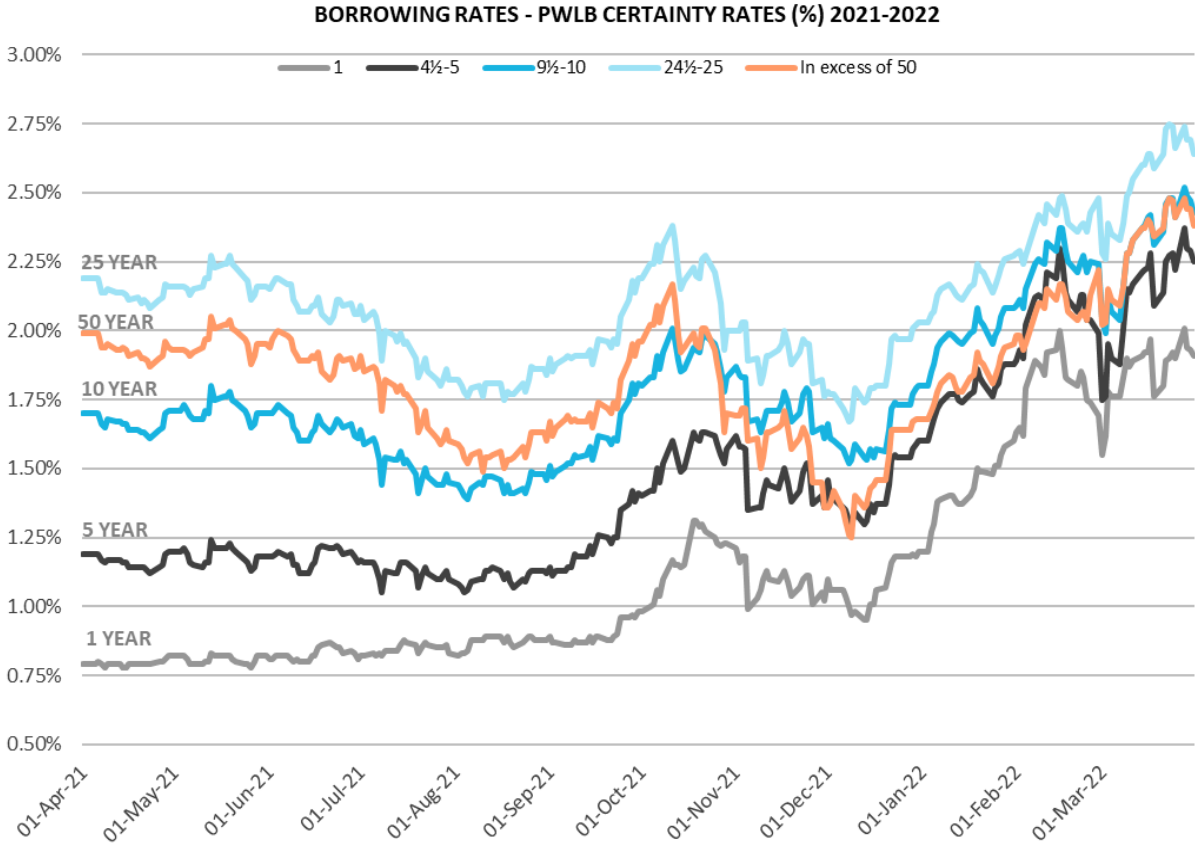
3.2. Borrowing Rates

PWLB borrowing rates are based on gilt yields (the interest rate of government debt), and in turn the inverse relationship between gilt prices and gilt yields – when demand increases, prices rise and yields fall. And because gilts are generally regarded as a ‘safe-haven’, demand typically strengthens when worries grow about the outlook for the economy; and vice versa.

Gilt yields fell sharply from the spring of 2021 through to September and then spiked before falling again through December. However, by January sentiment had well and truly changed, as markets became focussed on the embedded nature of inflation, spurred on by a broader opening of economies post the pandemic, and rising commodity and food prices resulting from the Russian invasion of Ukraine.

At the close of the day on 31 March 2022, all gilt yields from 1 to 5 years were between 1.11% – 1.45% while the 10-year and 25-year yields were at 1.63% and 1.84%.

The following graph shows PWLB (borrowing) rate movements during the year, for a selection of maturity periods.



3.3. Investment Rates

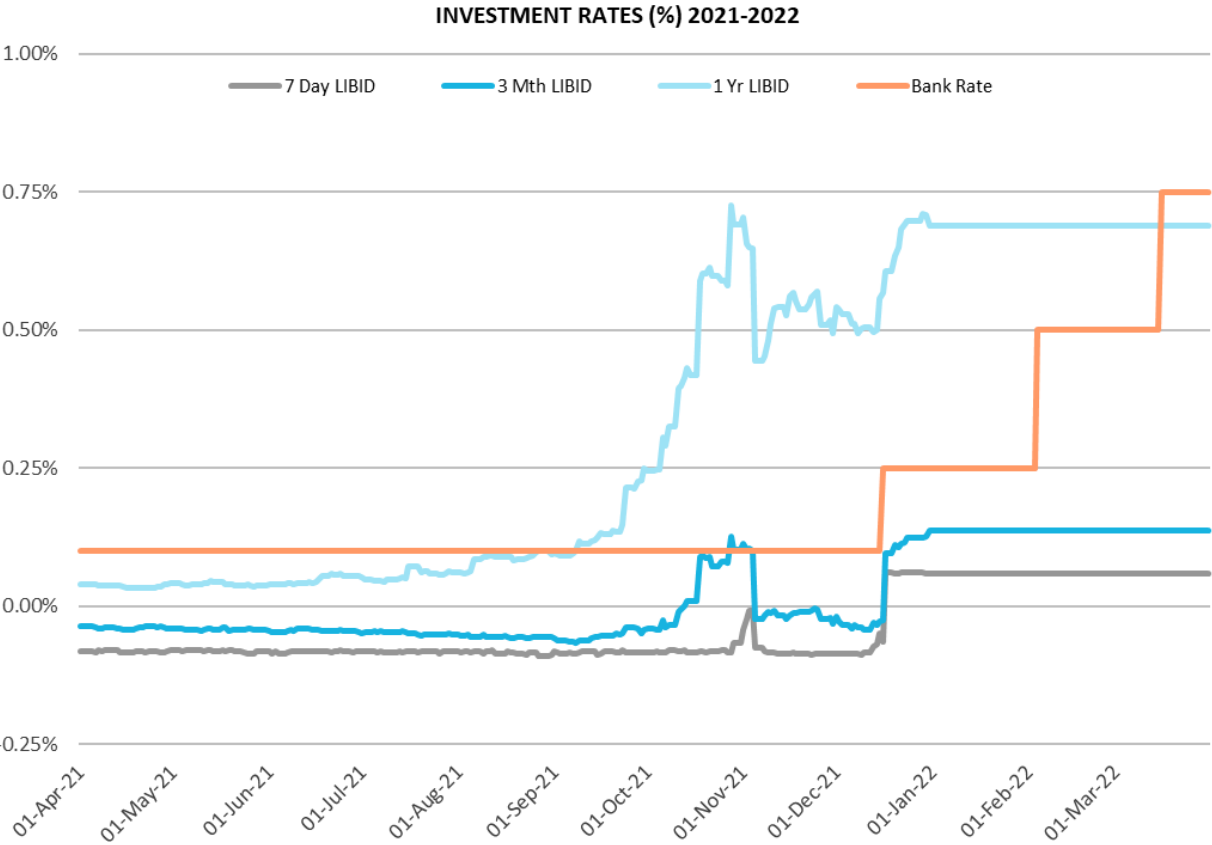
The expectation for interest rates within the treasury management strategy for 2021-22 was that Bank Rate would remain at 0.1% until it was clear to the Bank of England that

the emergency level of rates introduced at the start of the Covid-19 pandemic were no longer necessitated.

Investment returns remained close to zero for much of 2021-22. Most local authority lending managed to avoid negative rates and one feature of the year was the continued growth of inter local authority lending

The Bank of England and the Government also maintained various monetary and fiscal measures, supplying the banking system and the economy with significant amounts of inexpensive credit so that banks could help cash-starved businesses to survive the various lockdowns/negative impact on their cashflow. 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 remained low until towards the turn of the year when inflation concerns indicated central banks, not just the Bank of England, would need to increase interest rates to combat the second-round effects of growing levels of inflation.

The following graph shows a selection of investment rate movements during the year:



4. THE PORTFOLIO POSITION AT 31 MARCH 2022

4.1. Current Borrowing

The Council’s debt at 01 April 2021 and 31 March 2022 is shown below:

TABLE 1: BORROWING	Total Principal 01 April 2021 £m	Weighted Average Rate %	Total Principal 31 March 2022 £m	Weighted Average Rate %
Public Works Loan Board Loans	459.814	2.65	451.281	2.66
LOBOs	176.500	3.95	176.500	3.95
Market / Local Authority (>1yr)*	144.100	2.50	129.10	2.62
Market / Local Authority (<1yr)*	32.034	0.34	0.000	-
Salix	0.024	-	0.049	-
TOTAL EXTERNAL BORROWING	812.472	2.82	756.930	2.96

* 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 01 April 2021 and 31 March 2022:

TABLE 2: INVESTMENTS	Total Outstanding 01 April 2021 £m	Weighted Average Rate %	Total Outstanding 31 March 2022 £m	Weighted Average Rate %
Fixed Term Investments – Long Term (>1yr)*	33.250	3.24	25.000	3.23
Fixed Term Investments – Short Term (<1yr)*	91.000	0.13	65.000	0.42
Money Market Funds	82.350	0.02	98.100	0.53
TOTAL INVESTMENTS (excl. Cash)	206.600	0.59	188.100	0.85

* Note: above figures are based on the term of investments at their inception.

5. BORROWING ACTIVITY 2021-22

5.1. Introduction

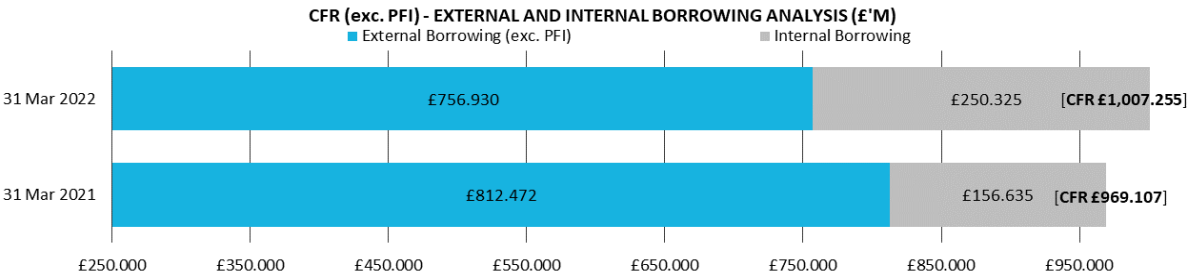
The Council borrows to fund the Capital programme, as well as to fund loans to third parties for policy reasons.

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.

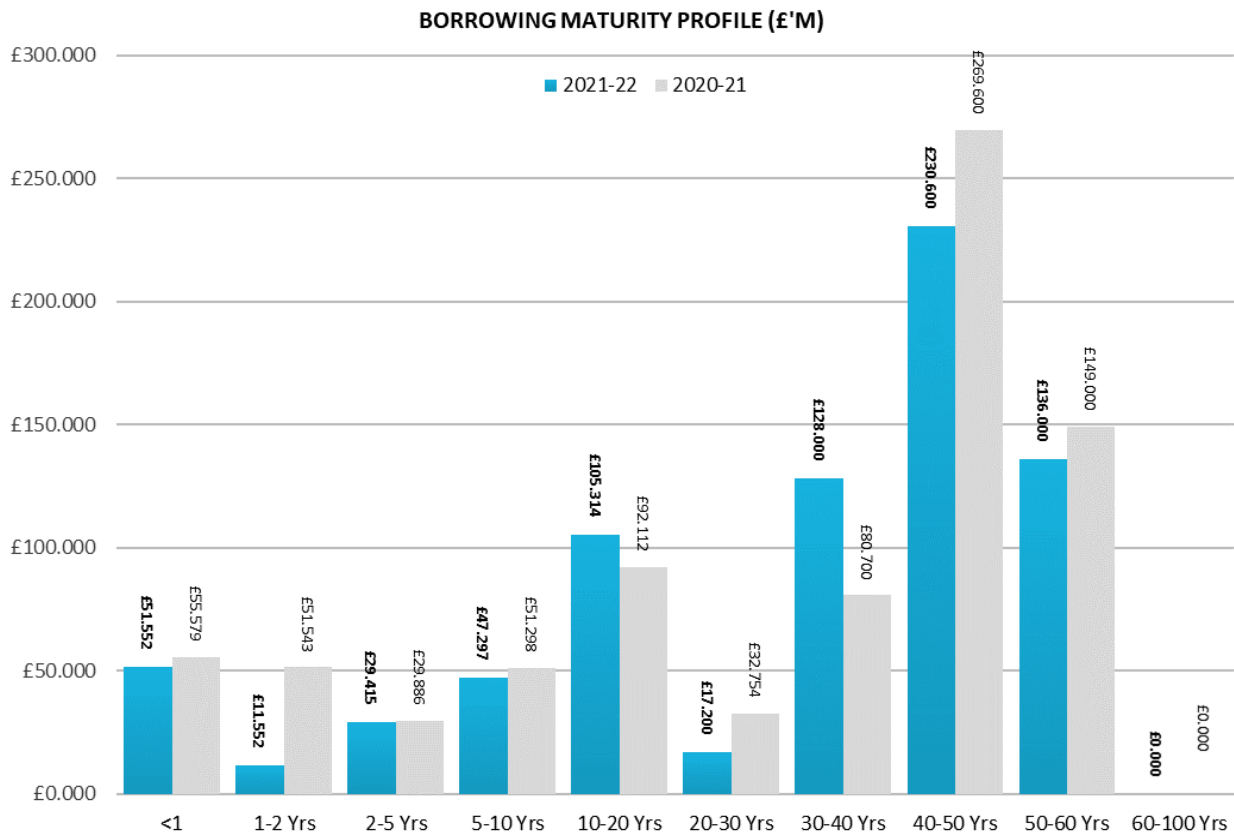
The CFR (excluding Public Finance Initiatives (PFIs)) increased by £38.148 million during the year, but was lower than originally budgeted at 31 March 2022 at £1,007.255 million against an original budget of £1,107.008 million. This was due to significant underspends and re-profiling within the 2021-22 capital programme; and to a lesser extent unscheduled loan repayments from Advance Northumberland.

Due to the reduced ‘need’, and the higher than anticipated levels of investment balances, no external borrowing was undertaken during 2021-22 – except for a £0.041 million Salix interest free loan.

£55.583 million of loans matured and were repaid in year. Combined with the new Salix loan this resulted in total external borrowing decreasing from £812.472 million at the start of the year to £756.930 million at 31 March 2022. The weighted average maturity (WAM) of the portfolio increased slightly from 31.65 to 32.91 years.

The repayments also led to an increase in ‘internal borrowing’ (i.e. the difference between the CFR and actual external borrowing) of £93.690 million, from £156.635 million at the start of year to £250.325 million at 31 March 2022, which is shown in the graph above.

The following graph shows the maturity of the loan portfolio at 31 March 2022 by monetary value (£756.930 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 2.84%, and the average rate on loans at 31 March 2022 was 2.96%, an increase of 0.14% compared to the start of the year figure of 2.82% (due to the maturing short-term, lower rate, borrowing).

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 £0.302 million below budget at £22.729 million (original budget of £23.031 million). This was largely attributable to the reduced capital spend and the reduced need to borrow. Weighted average borrowing for the year totalled £799.948 million compared to an original estimate of £878.264 million. However, as the budget was based on the in-year requirement being primarily met from shorter term, and therefore lower-rate, borrowing (see paragraph 2.1) this meant that the overall average rate of interest paid was higher than budgeted – at 2.84% compared to an original estimate of 2.62%.

6. INVESTMENT ACTIVITY 2021-22

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 2021-22) 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).

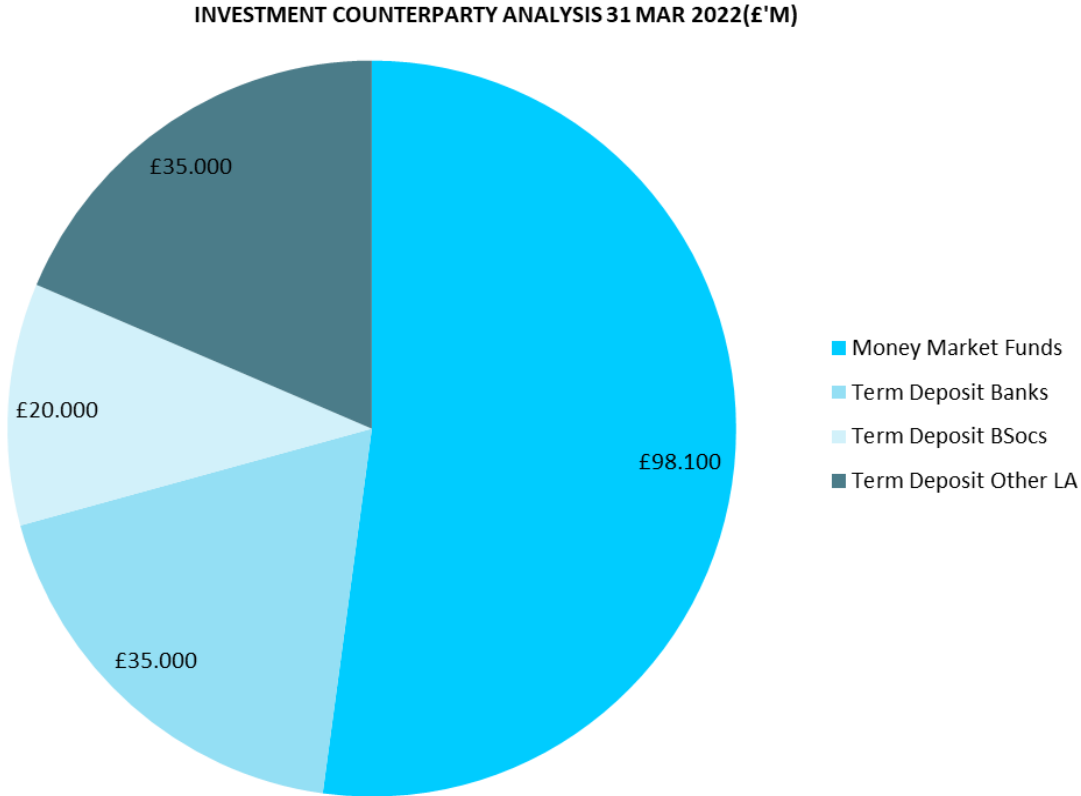
All investment activity during the year conformed to the approved strategy, and the Council had no liquidity difficulties.

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 £250.325 million at 31 March 2022 - an increase of £93.690 million compared to 31 March 2021. At the same time, the level of balances available for investment increased during the year by £42.391 million, and the net difference between outstanding creditors and debtors (referred to as working capital) increased by £32.525 million. (See Balance Sheet Review at Appendix 1).

As a result, overall external investments (excluding cash and accrued interest) decreased during the year from £206.600 million to £188.100 million, and the Council maintained an average balance of £229.077 million of internally managed funds.

The weighted average maturity (WAM) of the £188.100 million of investments held at the year-end was 0.14 years (0.30 years at 31 March 2021).

An analysis of the year-end investment balance (excluding cash) by counterparty category is shown in the following chart:



6.2. Investment Performance / Benchmarking

As covered in section 3.3 above, investment rates were, as expected, very low during 2021-22. However, overall returns were lifted by an increase in the level of balances available for investment.

Budgeted investment returns for 2021-22 were based on a weighted average rate of return of 1.23% and an average daily balance of £89.268 million. Actual average investment balances were significantly higher than anticipated at £229.077 million - largely due to the additional grant support received to tackle the coronavirus pandemic and reserves not being utilised as quickly as originally anticipated. However, as these 'additional' sums were invested short term (for liquidity reasons), at the prevailing low interest rates, this in turn dragged-down the overall weighted rate of return for the year, reducing it to 0.55%.

Overall, income from core treasury management investments slightly exceeded the budget for the year by £0.169 million, totalling £1.268 million against an original estimate of £1.099 million.

Whilst the overall rate of return was enhanced by the longer-term investments with other Local Authorities, which were taken out several years earlier, the performance still compares favourably against the average London Interbank Bid Rate (LIBID) benchmark indicators of:

- 7 Day: negative 0.04%
- 3 Month: 0.02%
- 1 Year: 0.34%

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 2022, Northumberland's rate of 0.85% was higher than the average for its benchmarking group (0.52%), as well as English Unitary Authorities (0.47%) and overall Link benchmarking group population (0.44%).

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 £19.164 million, which was slightly lower than the original budget by £0.165 million.

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 £0.353 million lower than budgeted, at £40.233 million when compared to the budget of £40.586 million. The key variances are summarised in the following table:

	Additional Cost/(Saving)
	£m
Interest Payable – External Borrowing.....	(0.302)

Interest Payable – PFI	0.136
Interest Receivable – Treasury Management Activity.....	(0.169)
Interest Receivable – Loans to Third Parties	0.165
Minimum Revenue Provision (MRP)	(0.311)
Other	0.128
TOTAL NET UNDERSPEND	(0.353)

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 opening CFR at the beginning of year (due to capital underspends in 2020-21).
- The above figures include MRP set aside for the loans to Advance Northumberland and Newcastle Airport, but 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 2021-22

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 2021-22 are provided in Appendix 2.

Implications

Policy

The report provides a review of the Treasury Management activities for 2021-22 and sets out performance against the Treasury Management Strategy Statement for 2021-22. 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 2021-22 investment and borrowing transactions have been taken into account within the revenue budget and outturn for 2021-22.

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 2021-22. Approved by Council on 23 February 2021.

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	Helen Lancaster
Interim Executive Director of Finance & Section 151 Officer	Jan Willis
Relevant Executive Director	Jan Willis
Interim Chief Executive	Rick O'Farrell
Portfolio Holder	Richard Wearmouth

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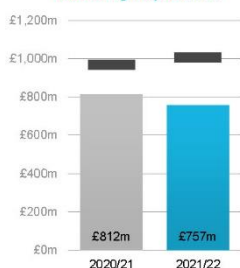
Alistair.Bennett@northumberland.gov.uk

NORTHUMBERLAND COUNTY COUNCIL

2021/22 Desktop Balance Sheet Review

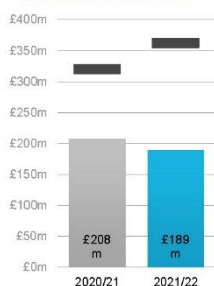
CAPITAL FINANCING AND BORROWING (£'000)			2020/21 (£'000)	2021/22 (£'000)	Change (£'000)
	2020/21	2021/22			
Capital Financing Requirement	£1,036,717	£1,072,134	1,392,832	Capital Financing Requirement (CFR)	1,487,230
Underlying Borrowing Requirement	£969,107	£1,007,255	2,029	Property, Plant & Equipment	2,269
External Borrowing	£812,472	£756,930	1,734	Investment Property	1,237
Under Borrowing	£156,635	£250,325	2,085	Intangible Assets	4,088
Net Borrowing (exc TFR debt)	£604,851	£568,083	14,067	Assets Held for Sale	18,128
			410,526	Capital Investments (non-TM)	403,847
			(161,748)	Capital Long-term Debtors	(210,932)
			(615,375)	Revaluation Reserve	(620,539)
			(9,433)	Capital Adjustment Account	(13,194)
			1,036,717	Financial Instruments Revaluation Reserve (capital)	
			4,650	CFR (as per Prudential Code)	1,072,134
			(72,260)	PFI Prepayment	5,108
			969,107	PFI Liability	(69,987)
				Underlying Borrowing Requirement	1,007,255
					38,148
				External Borrowing	
			(55,579)	Short-Term	(51,552)
			(756,893)	Long-Term	(705,378)
			(812,472)	TOTAL External Borrowing (Principal)	(756,930)
					55,542
			156,635	Under Borrowing	250,325
					93,690

External Borrowing vs Underlying Borrowing Requirement

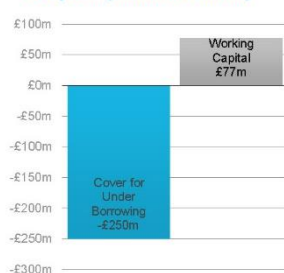


RESERVES / BALANCES AND INVESTMENTS (£'000)			2020/21 (£'000)	2021/22 (£'000)	Change (£'000)
	2020/21	2021/22			
Balances Available for Investment	£319,845	£362,236	(70,469)	Reserves / Balances	
External Investments	£207,621	£188,847	(37,497)	General Fund Balance	(70,081)
(Internal Investments)	£112,224	£173,389	21,906	Housing Revenue Account Balance (inc MRA)	(40,088)
			(177,538)	Collection Fund Adjustment Account	9,169
			(4,025)	Earmarked reserves / other balances	(185,325)
			(8,392)	Capital Receipts Reserve	(4,951)
			(43,830)	Provisions (exc. any accumulating absences)	(9,656)
			(319,845)	Capital Grants Unapplied	(61,304)
				Amount Available for Investment	(362,236)
					(42,391)
				Investments	
			99,250	Short-Term	90,000
			25,000	Long-Term	-
			83,371	Cash & Cash Equivalents	98,847
			207,621	TOTAL Investments	188,847
					(18,774)
				(Internal Investments)	(173,389)
					(61,165)

Investments vs Balances

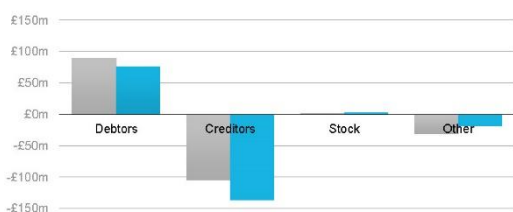


Analysis of (Internal Investments)



WORKING CAPITAL (£'000)			2020/21 (£'000)	2021/22 (£'000)	Change (£'000)
	2020/21	2021/22			
TOTAL Working Capital (Surplus)	-£44,411	-£76,936	89,930	Working Capital	
			(104,917)	Debtors	75,581
			(21,251)	Creditors	(135,973)
			(13,729)	Capital Grants Receipts In Advance	(14,724)
			1,260	Cash Overdrawn	(11,988)
			(48,707)	Stock / WIP	2,255
				NET Working Capital (Surplus)	(84,849)
					(36,142)
				Other	
			(4,200)	Balance LT Debtors	(300)
			(1)	Balance of LT Liabilities	-
			8,497	FIAA - Premiums, (Discounts) etc	8,213
			4,296	Other Long-Term Working Capital	7,913
					3,617
				TOTAL Working Capital (Surplus)	(76,936)
					(32,525)

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.

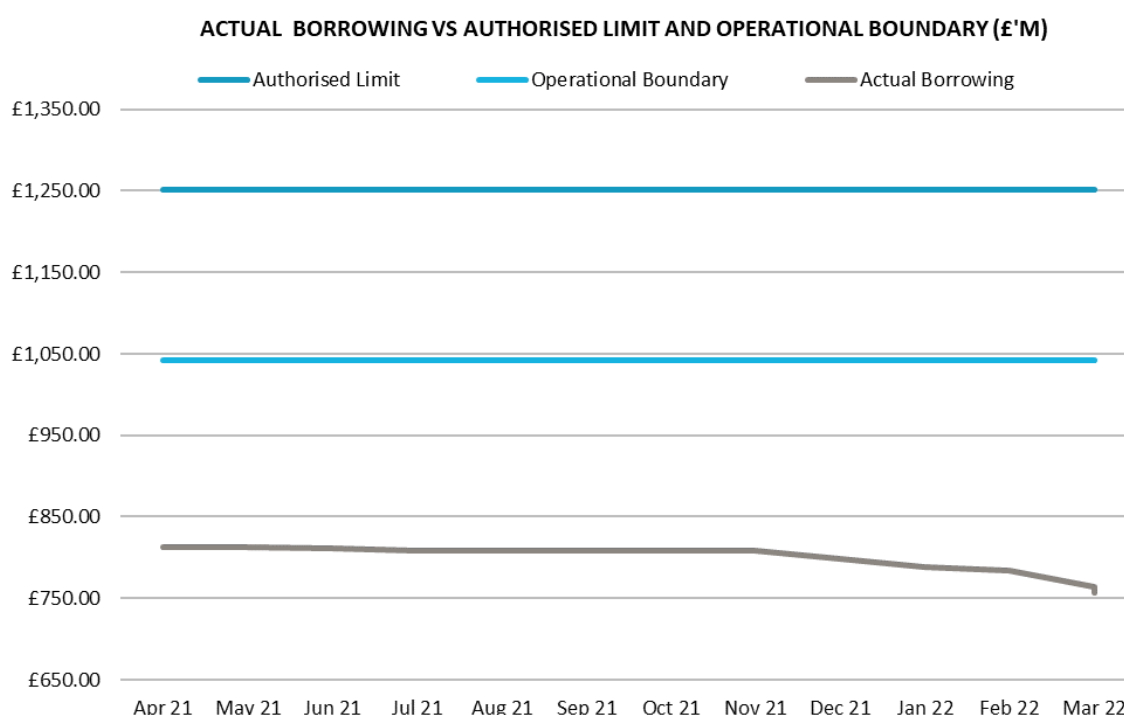
The authorised limit - is the “affordable borrowing limit” required by s3 of the Local Government Act 2003. Once this has been set, the Council does not have the power to borrow above this level.

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 2021-22 the Council has maintained gross borrowing within its authorised limit.

	Authorised Limit for External Debt £m	Operational Boundary £m	Actual 31 March 2022 £m
External Borrowing	1,251.294	1,042.745	756.930
Other Long Term Liabilities (PFI)	79.239	66.032	64.879
TOTAL EXTERNAL DEBT	1,330.533	1,108.777	821.809

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.

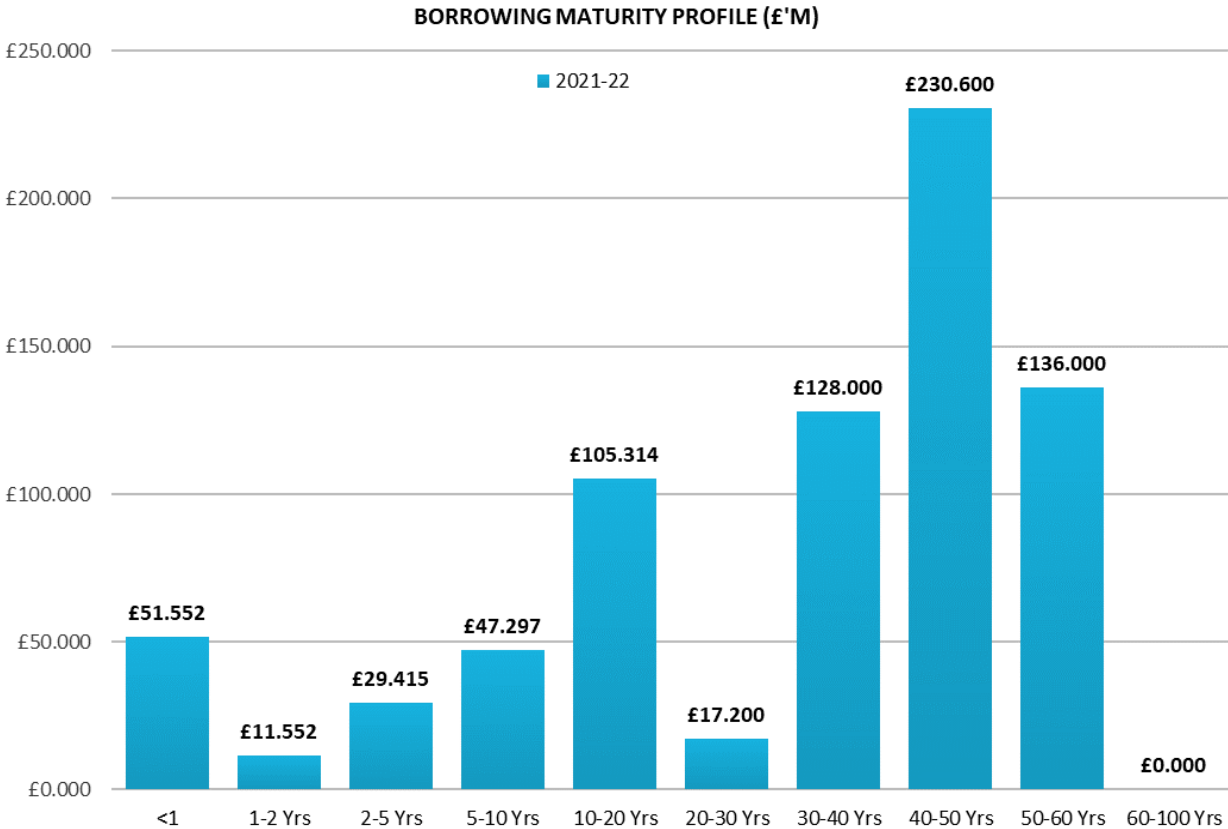
Lender option, borrower option loans (LOBOs) callable within 12 months are classed as variable; and if the rate is fixed for a longer period they are classed as fixed. At 31 March 2022 the total of variable rate loans was £74.000 million and is within the set limit.

	Limit for 2021-22	Actual 31 March 2022
Fixed Rate Exposure	0% - 100%	90.22%
Variable Rate Exposure	0% - 50%	9.78%

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 2021-22 £m	Actual Highest £m	Actual 31 March 2022 £m
Principal sums invested > 364 days	120.000	25.000	0.000



Northumberland County Council

COUNCIL

2 NOVEMBER 2022

COMMUNITY GOVERNANCE REVIEWS

Report of Interim Chief Executive

Cabinet Member: Councillor Richard Wearmouth

Purpose of report

To consider the outcome of three community governance reviews in the County.

Recommendations

It is recommended that Council

- (1) notes the outcome of the Community Governance Review for Allendale Parish and agrees that the status quo be retained.
- (2) agrees that Tasset with Greystead Parish is no longer subdivided into wards and resolves to make an Order to this effect.
- (3) agrees that the number of Councillors on Acomb Parish Council be increased from seven to nine.
- (4) authorises the Monitoring Officer to make, sign and seal the appropriate Orders by virtue of the powers contained in the Local Government and Public Involvement in Health Act 2007.

Link to Corporate Plan

This report is relevant to the “Living’ and ‘How’ priorities included in the NCC Corporate Plan 2021-24

Key issues

1. Three Community Governance Reviews have recently been conducted.

Allendale Parish

2. Allendale Parish Council asked that a Community Governance Review be carried out with a view to reducing the number of its Councillors. The Parish Council felt that it had become increasingly difficult to fill vacancies at election time and also that its

number of Councillors was disproportionate for the size of the Parish. Reducing the number of Councillors would bring it in line with other similar Parish Councils, while remaining effective and convenient.

3. The terms of reference of the review were: -

'To consider the electoral arrangements of Allendale Parish Council with a view to reducing its number of members from 13 to 8.'

4. In accordance with the Department for Communities and Local Government Guidance on Community Governance Reviews, a four-week consultation process was carried out. As part of the consultation, Allendale Parish Council was consulted directly by letter along with the local County Councillor, Councillor C.W. Horncastle. A press release was issued in the local newspaper, notices put up in the Parish, and a notice published on the County Council website along with that of Allendale Parish Council.
5. There were no responses from members of the public or County Councillor Horncastle. On the final day of the consultation period an e-mail and telephone call were received from the Parish Clerk for Allendale Parish Council. The Parish Council had met on 9 June 2022 and was now of the view that the proposed reduction in its members would limit the extent of its work. Although there had only been eight nominations at the 2021 Parish Elections, through co-option, the complement of members was now eleven. The Parish Council stated that its members now represented a wide range of professions, age groups and geographical areas. It now felt that eleven would be a more appropriate number of members.
6. It would now seem that a higher number of Councillors than the eight originally requested would be more appropriate for Allendale Parish and rather than make a change to the number of members, the Council is recommended to retain the status quo in this instance.
7. The recommendation to Council has been advertised on the Council website with any comments to be received by 1 October 2022. No comments have been received.

Tarset with Greystead Parish

8. Tarset with Greystead Parish Council asked that a Community Governance Review be carried out with a view to removing its ward system. At previous elections there had been difficulties in election candidates obtaining signatures on nomination papers from electors eligible to do so. If the Parish was unwarded, then this difficulty would be removed, and all eight Parish Councillors would represent the whole of the Tarset with Greystead Parish.
9. The Parish currently comprises two wards, the Tarset Ward and the Greystead Ward. The current electorates are 62 and 174 respectively. The Parish has a total of eight

Parish Councillors with five representing the Tasset Ward and three representing the Greystead Ward.

10. The terms of reference of the review were: -

'To consider the electoral arrangements of Tasset with Greystead Parish Council with a view to removing its subdivision into wards.'

11. In accordance with the Department for Communities and Local Government Guidance on Community Governance Reviews, a four-week consultation process was carried out. As part of the consultation, Tasset with Greystead Parish Council was consulted directly by letter along with the local County Councillor, Councillor J. Riddle. A press release was issued in the local newspaper, notices put up in the Parish, and a notice published on the County Council website along with that of Tasset with Greystead Parish Council.
12. There were no responses from members of the public or County Councillor Riddle.
13. The Council is recommended to agree that the subdivision into wards of Tasset with Greystead Parish be removed.
14. The recommendation to Council has been advertised on the Council website with any comments to be received by 1 October 2022. No comments have been received.

Acomb Parish

15. Acomb Parish Council asked that a Community Governance Review be carried out with a view to increasing the number of its Councillors. Acomb Parish Council is concerned that the number of Parish Councillors has been seven for at least 30 years despite the increase in the number of houses in the Parish from approximately 450 to 600. The current electorate is 1,042. The Parish Council feels that an increase in the number of Councillors would allow the workload of existing Councillors to be spread out more evenly.
16. The terms of reference of the review were:-
- 'To consider the electoral arrangements of Acomb Parish Council with a view to increasing the number of Councillors from seven to nine.'*
17. In accordance with the Department for Communities and Local Government Guidance on Community Governance Reviews, a four-week consultation process was carried out. As part of the consultation, Acomb Parish Council was consulted directly by letter along with the local County Councillor, Councillor T. Cessford. A press release was issued in the local newspaper, notices put up in the Parish, and a notice published on the County Council website. The Parish Council was also invited to publish the notice on its own website.
18. There were two responses to the consultation process from members of the public and a response from Councillor T. Cessford. The responses are outlined in

Appendix 1. One of the respondents and Councillor Cessord supported the request and one respondent neither supported or objected.

19. The Council is recommended to agree that the number of Councillors on Acomb Parish Council increases from seven to nine.
20. The recommendation to Council has been advertised on the Council website with any comments to be received by 1 October 2022. No comments have been received.

Background

1. Councils now have extensive powers delegated to them in relation to the creation of parishes, modification of boundaries and names changes by virtue of the Local Government and Public Involvement in Health Act 2007. At the request of parish councils, the public or even on their own initiative they may conduct Community Governance Reviews. The aim of reviews is to improve the local governance in an area. The process is managed by principal councils with outcomes incorporated into formal orders.
2. Delegated powers have been granted to the Head of Democratic and Electoral Services Manager to conduct reviews subject to full council reserving the power to agree any formal orders arising out of reviews.

Implications

Policy	N/A
Finance and value for money	None. There were no additional costs incurred in the community governance review other than officer time.
Legal	The Local Authorities (Functions and Responsibilities) (England) Regulations 2000 confirm that the matters within this report are functions reserved to Full Council
Procurement	N/A
Human Resources	All the work can be carried out by existing employees who possess the necessary skill and expertise.
Property	N/A
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No <input type="checkbox"/> N/A <input type="checkbox"/>	N/A
Risk Assessment	The items raised pose a minimal risk to the organisation.
Crime & Disorder	There are no crime and disorder implications.
Customer Consideration	The proposals should improve the governance of the local community.

Health & Wellbeing	N/A
Carbon reduction	N/A
Divisions	Acomb, Bellingham and South Tynedale

Background papers

Community Governance File

Report sign off

	Full Name of Officer
Monitoring Officer/Legal	Lynsey Denyer/Neil Masson
Executive Director of Finance & S151 Officer	Jan Willis
Relevant Executive Director	Rick O'Farrell
Interim Chief Executive	Rick O'Farrell
Portfolio Holder(s)	Richard Wearmouth

Author and Contact Details

**Jackie Roll, Head of Democratic and Electoral Services
01670 622603 Jackie.Roll@northumberland.gov.uk**

ACOMB COMMUNITY GOVERNANCE REVIEW
Consultation Responses

1. *"I would like to support their request for an increase of councillors from 7(seven) to 9(nine). I have been a County Councillor for over five years now, during all of which time I have attended the Acomb Parish Council meetings, and others, as their County Council link person.*

There is no doubt in my mind that the Parish Council have a very high workload and a limited number of councillors to carry out these tasks. In my time as their elected County Council representative there have been several councillors leave, some of whom because of the high workload and commitment they needed to put into the role. I have also known two people who have had to take a temporary leave of absence for similar reasons.

I believe having two extra councillors will help reduce the workload considerably for all, thereby helping to alleviate some of the issues for those who still remain as councillors."

2. *"Over the years the expectations of residents, as to what their parish council should deliver, has changed. This has placed additional burden on the councillors who are, essentially, volunteers.*

As the population of the parish has increased it would make sense for the number of councillors to increase so that more emphasis could be placed on the delivery of their statutory duties. It might even enable the delegation of some functions from the county council.

I would not want to see the number increased so that the parish council could become embroiled in non-statutory functions that could more appropriately be handled in other ways.

I also have a slight concern, that along with many other parish councils, seats on Acomb Parish Council are rarely contested (I can only recall one election in recent years) and it can be difficult finding people to take on the role of councillor,

There is a danger with co-opting members that the council may not fully represent views of residents.

However, these concern aside, I am in favour of increasing the number of councillors."

3. *"I note the Terms of Reference associated with this review.*

Before detailing my response to this review process, I wish to comment on the very poor arrangements for consultation with the local community on these matters. The Parish Council (PC) has not engaged with this electorate to explain or explore the issues that are of concern to them that have resulted in their request to increase the number of members on the PC.

Furthermore, the only information they themselves have publicly produced on this matter was posted on local Facebook pages comprising a link to an article in the local newspaper, the Hexham Courant. This article did not detail the arrangements for consultation.

With regard to the notice of the Community Governance Review produced by NCC, I am aware that only a small handful of notices that have been put up on village notice boards. Beyond the local newspaper's article, the PC has not posted anything from themselves on any of the several local social media outlets, including their own website and their own Facebook page. In just the last few days the PC have distributed the latest version of their parish newsletter, and this contains nothing about any of this either. In short, it is the case that very few residents of the parish will be aware of this review process unless they move about the village on foot. In particular, those who do not reside directly within the boundaries of the village itself are unlikely to have accessed the notice boards.

I would be interested to hear what would normally be expected to demonstrate adequate consultation with the community and what part the PC itself should play in this.

My comments in response to this review are therefore based on what little I do know, basically that "The Parish Council feels that an increase in the number of Councillors would allow the workload of existing Councillors to be spread out more evenly."

I have been a regular and frequent observer of the PC for a number of years, and it seems incongruous to read the above statement when the reality is that if the current workload were spread evenly across existing councillors, then perhaps those that do undertake any work might not feel so stretched! In particular, one long-standing member has never, to the best of my knowledge, done any more than turn up to meetings, occasionally depositing their own issues onto the rest of the council (issues that I would reasonably expect councillors to deal with themselves or on behalf of members of the community!) Not only am I not aware of this individual ever actively undertaking any work on behalf of the council or the community, but I am aware that when requested to assist with even simple things, such as distributing leaflets, this has received strong refusal. It appears the rest of the council members are either unable or unwilling to address this situation.

One other feature that undoubtedly exacerbates the situation for members of the PC is the high level of turn-over, particularly over the last 3 years. I would suggest a close examination of the reasons behind some of these departures would benefit from close scrutiny and changes in practice and behaviour.

I am also concerned about whether or not the council has other reasons for seeking additional members, reasons that are not stated in the public notice of consultation. That is, the fact that Acomb PC is also sole trustee of 3 village charitable trusts. I believe the PC is struggling to achieve a clear differentiation between its' separate roles as statutory body and charitable organisation. I can also see how these circumstances create extra demand on the time of members due to attending additional meetings throughout the course of a year. However, it is not my view this serves as legitimate or appropriate reason for additional councillors.

I neither oppose nor support the proposition for increasing the number of seats on Acomb Parish Council, although I am personally not persuaded this will enable them to fulfil their functions any more beneficially than at present unless they re-organise themselves to operate more effectively.

I hope my observations are taken into account in deciding this matter."



Northumberland County Council

COUNCIL

DATE: 2ND NOVEMBER 2022

APPOINTMENT OF ADDITIONAL INDEPENDENT PERSONS

REPORT OF THE MONITORING OFFICER

Purpose of report

The purpose of this report is to update Members on the recruitment process for two additional Independent Persons.

Recommendations

Council to requested to approve as follows:

- 1) The appointment of Mr Simon Openshaw and Mr Arne Beswick as Independent Persons for a two-year period until 1st November 2024, renewable for a further two-year period maximum thereafter; and
- 2) The renewal of the appointments for a two year period from the 1st November 2024 is delegated to the Monitoring Officer in consultation with the Chair and Vice Chair of Standards Committee

Link to Corporate Plan

This report is relevant to the “How” priority included in the NCC Corporate Plan.

Key issues

The Council currently only has one Independent Person and Council agreed at its January 2022 meeting that the process of appointing two additional Independent Persons be delegated to the Standards Committee. The final approval of Independent Persons is a matter reserved to Full Council under its terms of reference.

Background

1. The Council is required, under the Localism Act 2011, to appoint at least one Independent Person who has a role to play primarily in the assessment of complaints in conjunction with the Monitoring Officer as well as supporting the work of the Standards Committee. The current incumbent was appointed in this capacity in 2020 and Council

on the 5th January 2022 endorsed reappointment for a further two years until 31st January 2024.

2. As well as the role under the Localism Act 2011, the Independent Person also has a role to act as Independent Person in disciplinary matters for Chief Officers under the model procedure set out in the Conditions of Service Handbook of the Joint Negotiating Committee for Local Authority Chief Executives.
3. Other Councils regionally have more than one Independent Person and it is believed to be prudent for Northumberland County Council to have two further Independent Persons. Additionally, in 2019 the Committee for Standards in Public life conducted a review of local government ethical standards, publishing a report and best practice guidance (“the CPSL Report”). One of the outcomes of the best practice guidance was a recommendation that local authorities should have access to at least two Independent Persons.
4. On the 5th January 2022, full Council agreed the appointment of two further Independent Persons and delegated the recruitment process to Standards Committee in conjunction with the Monitoring Officer. However, final approval of the successful candidates will still need to be approved by full Council as it is a matter reserved under its terms of reference.
5. At its meeting on the 10th February 2022, the Standards Committee approved the interview pack and agreed the composition of the interview panel. The composition of the interview panel was further changed to replace Councillor Wallace with Councillor Dunn at the meeting on 14th July 2022.
6. The positions were advertised from the 24th June 2022 – 15th July 2022 on the Council’s Taleo system and nine applications were received. Three candidates withdrew and the interviews of the remaining six candidates took place on the 6th and 7th of October 2022.
7. The interview panel reported their conclusions to a meeting of Standards Committee on 13th October 2022 and the Standards Committee resolved to recommend to Council that i) Mr Simon Openshaw and ii) Mr Arne Beswick be appointed as Independent Persons. Attached at appendix A as a confidential appendix are the application forms of the candidates recommended for appointment.
8. The appointments will be for a period of two years, which is renewable for a further period of two years under the terms and conditions of appointment. The CPSL Report at recommendation 8 states that the Localism Act 2011 should be amended to require that Independent Persons are appointed for a fixed term of two years, renewable once. In their response to the CPSL Report, the government did not accept that the legislation needed amending, suggesting that the recommendation be a matter of best

practice guidance for local authorities, but leaving local authorities flexibility in instances where there is a lack of candidates for the role.

9. The recommendation also seeks a delegation to the Council's Monitoring Officer to further re-new the term of up to two years to be exercised in consultation with Chair and Vice-Chair of Standards Committee.

Implications

Policy	N/A
Finance and value for money	The independent persons would each be paid an allowance of £2,700 per annum which is already provided for within the Council's General Fund Budget.
Legal	These are as set out in the report
Procurement	N/A
Human Resources	The Council's recruitment and selection good practice standards was followed in the selection process
Property	N/A
Equalities (Impact Assessment attached) Yes <input type="checkbox"/> No x N/A <input type="checkbox"/>	The recruitment process was open to all sections of the community
Risk Assessment	N/A
Crime & Disorder	N/A
Customer Consideration	N/A
Carbon reduction	N/A
Wards	All

Background papers:

Terms and Conditions

Report sign off.

Authors must ensure that officers and Members have agreed the content of the report:

	Full name of officer
Monitoring Officer/Legal	Suki Binjal
Service Director Finance & Interim S151 Officer	Jan Willis
Relevant Executive Director	Rick O'Farrell
Chief Executive	Rick O'Farrell
Portfolio Holder(s)	Richard Wearmouth

Author and Contact Details

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Telephone - 01670 623314

Email: neil.masson@northumberland.gov.uk

NORTHUMBERLAND COUNTY COUNCIL

CABINET

At a meeting of the **Cabinet** held at County Hall, Morpeth on Wednesday 21 September 2022 at 4.40 pm.

PRESENT

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

CABINET MEMBERS

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

OTHER MEMBERS

Ferguson, D.	Seymour, C.
Stewart, G.	

OFFICERS IN ATTENDANCE

Aviston, S.	Head of School Organisation and Resources
Binjal, S.	Monitoring Officer
Bradley, N.	Director of Adult Social Services
Brannigan, S.	Planning Manager, Neighbourhood Planning and Infrastructure
Brown, Dr J.	Consultant in Public Health
Hadfield, K.	Democratic and Electoral Services Manager
Hunter, P.	Interim Senior Service Director
Kingham, A.	Interim Joint Director of Children's Services
Morgan, L.	Interim Executive Director for Public Health and Community Services
O'Farrell, R.	Interim Chief Executive
Roll, J.	Head of Democratic and Electoral Services
Rushton, S.	Environment and Design Team

Ch.'s Initials.....

Simpson, P.	Manager Public Health Protection Unit Manager
Taylor, M.	Interim Executive Director for Communities and Business Development
Willis, J.	Interim Executive Director of Finance and S151 Officer

One member of the press was present

26. MINUTES

RESOLVED that the minutes of the meeting of Cabinet held on 12 July 2022, as circulated, be confirmed as a true record and signed by the Chair.

27. REPORT OF THE JOINT INTERIM DIRECTOR OF CHILDREN'S SERVICES

Outcomes of Consultation on Proposals for the Coquet Partnership

The report set out the analysis of feedback from consultation on proposals for schools in the Coquet Partnership to reorganise to a 2-tier (primary/secondary) system of education. It also set out an analysis of the feedback on the proposal to provide additional specialist SEND places to meet the growing need for places for children and young people diagnosed with a primary need of Autistic Spectrum Disorder (ASD) and Social, Emotional and Mental Health needs (SEMH) within the Coquet Partnership area (copy attached to the signed minutes as Appendix A, along with the report of the FACS OSC).

The report was introduced by Councillor Renner Thompson and he was pleased to inform members that James Calvert Spence High School had recently been awarded a good Ofsted rating which was the best result the school had ever had and was a great achievement for all involved. He advised members that FACS OSC had supported the report. Sue Aviston then gave a detailed presentation on the key points of the report.

Councillor Watson congratulated officers on an excellent report and consultation process. He fully supported the proposals but reminded members that there was a wider opportunity here to ensure that the sports and recreational element of the school facilities tied in with the needs of the wider community to ensure better provision of services for all.

RESOLVED that:-

- (a) the feedback from the informal (non-statutory Consultation) be noted;

- (b) Cabinet note that consultation that took place between 11 May and 29 June, summarised at paras. 18 to 26 of the report;
- (c) Cabinet agree that, in the light of the report and the report from the Family and Children’s Services Overview and Scrutiny Committee, to permit the publication of a Statutory Proposal setting out the intention of the Council to implement the proposals as follows:
- Extend the age range of Amble First School from an age 4-9 first school to an age 4-11 primary school and relocate the school building with effect from 1 September 2024;
 - Extend the age range of Amble Links First School from an age 2-9 first school to an age 2-11 primary school and expand the school in accordance with table 5 of the report building with effect from 1 September 2024;
 - Extend the age range of Broomhill First School from an age 3-9 first school to an age 3-11 primary school and expand the school building with effect from 1 September 2024;
 - Extend the age range of Red Row First School from an age 3-9 first school to an age 3-11 primary school and expand the school building with effect from 1 September 2024;
 - Reduce the age range of James Calvert Spence College from an age 9-18 school to an age 11-18 secondary school with effect from 1 September 2025;
- (d) Cabinet agree that, in the light of the report and the report from the Family and Children’s Services Overview and Scrutiny Committee, to permit the publication of a Statutory Proposal setting out the intention of the Council to increase the number of pupil places at Barndale House Special School by 50 places for children and young people diagnosed with special educational needs, primarily those with ASD, SEMH, Speech Language and Communication (SLCN) and Moderate Learning Difficulties (MLD) through the addition of a satellite site in the current South Avenue site of JCSC. Cabinet noted that this is a standalone proposal and was not dependent on the outcome of the decision in relation to the proposals for the first schools and JCSC set out at recommendation c;
- (e) Cabinet note that it has previously approved capital investment in the Medium Term Plan to replace/refurbish the buildings of JCSC on its current site. Cabinet therefore noted the preferred building solutions and the associated indicative capital costs of the proposals set out in recommendations c) to f) set out in para. 55 of the report and noted that the Medium Term Plan would need to be increased by £11.1m to accommodate these capital costs as detailed in para. 55 of the report. Also, it noted that £2m of the additional funding required from MTFP would be achieved by reducing the budget for Astley as detailed in para. 55 of the report;

- (f) Cabinet note that the outcomes of the publication of the Statutory Proposals will be brought back to Cabinet within 2 months of the date of their publication for a final decision; and
- (g) the report of the FACS OSC be noted.

28. REPORT OF THE INTERIM CHIEF EXECUTIVE

Energising Blyth Culture Placemaking Programme: Outline Business Case

In accordance with the Energising Blyth Programme - Local Assurance Framework, the report sought approval of the Town Deal Outline Business Case (OBC) for the Culture Placemaking Programme which was pending approval by the (Department of Levelling Up, Housing and Community (DLUHC). The OBC had been externally appraised with a recommendation to proceed to Full Business Case (FBC). It was approved by Town Deal Programme on 29 June 2022 (copy attached to the signed minutes as Appendix B).

Councillor Ploszaj introduced the report, highlighting the challenges which Blyth town centre was facing and the plans detailed in the report to address this. Funding would come from the Town Deal and £0.5m from the County Council.

The Interim Chief Executive provided members with some background detail to this and the next two reports.

Councillor Wearmouth commented that much work had been done on this not just by councillors, but also by the local MP who had been a champion for securing investment for Blyth.

RESOLVED that:-

- (a) the Outline Business Case (OBC) for the Culture Placemaking Programme be approved to enable progression to Full Business Case; and
- (b) authority be delegated, in accordance with the Local Assurance Framework, to the Council's s151 Officer following consideration by the Energising Blyth Programme Board to approve the Full Business Case and to report the capital implications to Capital Strategy Group for inclusion in the Capital Programme.

29. REPORT OF THE INTERIM CHIEF EXECUTIVE

Energising Blyth Energy Central Campus Phase 1 - Learning Hub: Outline Business Case

In accordance with the Energising Blyth Programme - Local Assurance Framework, the report sought approval of the Town Deal Outline Business Case (OBC) for the Energy Central Campus Phase 1 - Learning Hub which was pending approval by the Department of Levelling Up, Housing and Community (DLUHC). The OBC had been externally appraised with a recommendation to proceed to Full Business Case (FBC). It was approved by Town Deal Programme on 29 June 2022 (copy attached to the signed minutes as Appendix C).

Councillor Ploszaj introduced the report.

Councillor Renner Thompson supported the report. The energy central learning hub was a key project for the Council to help with tackling inequality through better education. Audrey Kingham informed members that a lot of work had gone into this. It was a good accelerator and should be the hub of change for Blyth. All primary and secondary schools in Blyth were linked into this and the aim was to develop it into a regional facility.

Rick O'Farrell advised that he would declare an interest in this matter as a director of Energy Central Campus Limited, following consultation with the Monitoring Officer.

RESOLVED that:-

- (a) the Outline Business Case (OBC) for the Energy Central Campus Phase 1 - Learning Hub be approved to enable progression to Full Business Case; and
- (b) authority be delegated, in accordance with the Local Assurance Framework, to the Council's s151 Officer following consideration by the Energising Blyth Programme Board to approve the Full Business Case and to report the capital implications to Capital Strategy Group for inclusion in the Capital Programme.

30. REPORT OF THE INTERIM CHIEF EXECUTIVE

Energising Blyth Offshore Renewable Energy Catapult Technology Demonstration Centre: Outline Business Case

In accordance with the Energising Blyth Programme - Local Assurance Framework, the report sought approval of the Town Deal Outline Business Case (OBC) for the OREC Technology Demonstration Centre (formerly Bearing Technology) which was pending approval by the Department of Levelling Up, Housing and Community (DLUHC). The OBC had been externally appraised with a recommendation to proceed to Full Business Case (FBC). It was approved by Town Deal Programme on 27 July 2022 (copy attached to the signed minutes as Appendix D).

Councillor Ploszaj introduced the report. This was a great project and was completely externally funded.

RESOLVED that:-

- (a) the Outline Business Case (OBC) for the OREC Technology Demonstration Centre be approved to enable progression to Full Business Case; and
- (b) authority be delegated, in accordance with the Local Assurance Framework, to the Council's s151 Officer following consideration by the Energising Blyth Programme Board to approve the Full Business Case, subject to a satisfactory subsidy control solution and to report the capital implications to Capital Strategy Group for inclusion in the Capital Programme.

31. REPORT OF THE EXECUTIVE DIRECTOR OF PUBLIC HEALTH AND COMMUNITY SERVICES

Food & Feed, Safety & Standards Service Plan 2022/23

The report presented to the Cabinet, for its consideration and endorsement, the Food and Feed, Safety and Standards Service Plan for 2022/23 (copy attached to the signed minutes as Appendix E, along with the report of the Communities and Place OSC).

Councillor Horncastle introduced the report and referred to the suggestion from Scrutiny that the display of ratings be mandatory, however, this was not in the Council's hands. In Northumberland, 98.3% of businesses had a 3–5-star rating which was well above national average. The Produced in Northumberland badge was also good to have.

Peter Simpson detailed the key points of the report for members. 2021-22 had been a very challenging year. The Service was in consultation with all of the members of the Produced in Northumberland Scheme to see how it could be developed and made even better.

Councillor Watson asked whether the very high food rating levels for premises could be used to promote the County as a destination place for food. Councillor Horncastle agreed this could be taken on board.

Councillor Renner Thompson endorsed the Produced in Northumberland Scheme and felt many more businesses could be approached to join the scheme and looked forward to seeing how this could be promoted. Members were advised that around 25 businesses had expressed an interest in joining.

Councillor Riddle commented that the Scheme was much valued. It would be nice to make premises ratings compulsory but this was not in the Council's

gift. Members were advised that it was mandatory in Wales and Northern Ireland and there had been some significant lobbying of the Government to do the same for England.

The Leader asked if members could have an update on the Produced in Northumberland Scheme in the next three months.

RESOLVED that:-

- (a) the Food and Feed, Safety and Standards Service Plan for 2022/23 be received and adopted; and
- (b) the report of the Communities and Place OSC be noted.

32. REPORT OF THE EXECUTIVE DIRECTOR OF PUBLIC HEALTH AND COMMUNITY SERVICES

Proposals for the allocation of the Public Health ring-fenced grant reserve to reduce health inequalities

The report described the process undertaken to agree proposals for additional investment in public health interventions from the ring-fenced public health grant to reduce health inequalities, and made recommendations (copy attached to the signed minutes as Appendix F, along with the report of the Health and Wellbeing OSC).

The report was introduced by Councillor Pattison. Dr Jim Brown detailed the key points of the report and Audrey Kingham informed members that this was core to the work of her team – narrowing gaps around attainment, ensuring children were ready for school, ensuring children were able to consider a career at an early stage thereby reducing unemployment, considering post 16 opportunities and engaging industry with education.

In response to a question from Councillor Riddle regarding selective licensing, Dr Brown advised that there was a pilot in Cowpen Quay over five years and this would involve an evaluation of private rented properties where there was relatively low demand with the intention of improving the quality of housing and to address anti-social behaviour. Housing was also a key area in terms of its impact on health inequalities.

The Leader asked for an update on the position in 4-5 months.

RESOLVED that:-

- (a) the allocation of funding from the Public Health reserve as proposed in the report be approved; and

(b) authority be delegated to the Director of Public Health the precise expenditure of the funding set aside to address issues around poverty; and

(c) the report of the Health and Wellbeing OSC be noted.

33. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF PLANNING & LOCAL SERVICES

Adoption of Hexham Shopfront Design Guide and Alnwick Shopfront Design Guide

The report explained the need for the adoption of Shopfront Design Guides for Hexham and Alnwick, the background to this and the benefits of doing so (copy attached to the signed minutes as Appendix G).

The report was introduced by Councillor Horncastle. He welcomed the report as it would help developers during the planning process and it was important to have shop fronts which reflected the historic nature of the towns. Rick O'Farrell added that adoption of the design guide meant it would be a material consideration in considering applications.

RESOLVED that the Hexham Shopfront Design Guide and the Alnwick Shopfront Design Guide be adopted as formal guidance and material considerations in the determination of planning applications and to inform relevant Council/stakeholder project design.

34. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF PLANNING & LOCAL SERVICES

Endorsement of Conservation Area Character Appraisal for Bamburgh

The report explained the need for a Conservation Area Character Appraisal for Bamburgh, the background to this and the benefits of doing so (copy attached to the signed minutes as Appendix H).

The report was introduced by Councillor Horncastle.

RESOLVED that the contents of the Bamburgh Conservation Area Character Appraisal be noted and its use as an evidence base to inform Council decisions be endorsed.

35. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF PLANNING & LOCAL SERVICES

Making the Haydon Parish Neighbourhood Plan

The report was introduced by Councillor Horncastle. The Leader thanked the Parish Council and officers for the work which had been done on this.

The report sought approval to formally 'make' the Haydon Parish Neighbourhood Plan. The Plan passed independent examination in March 2022. A local referendum held in Haydon Parish on 30 June 2022 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 I).

RESOLVED that:-

- (a) the referendum outcome of 30 June 2022 be noted;
- (b) Cabinet agree to formally 'make' the Haydon Parish Neighbourhood Plan in accordance with section 38A(4)(a) of the Planning and Compulsory Purchase Act 2004;
- (c) Cabinet approve the decision statement (attached at Appendix 1) required under Regulation 19 of the Neighbourhood Planning (General) Regulations 2012, as amended, and
- (d) Cabinet agree that both the Haydon Parish 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.

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

Financial Performance 2022-23 - Position at the end of June 2022

The report informed Cabinet of the current financial position for the Council against the Budget for 2022-23 (copy attached to the signed minutes as Appendix J).

Jan Willis detailed the key points of the report for members. The Council's revenue budget was under significant pressure as a result of increasing fuel costs, general inflation and the expected pay award leading to a projected overspend of just over £17m at the end of June. A reserve of just over £5m had been set aside for exceptional inflationary pressures so there would be a net overspend of around £12m. Key providers' budgets were also under pressure so the report proposed some inflationary increases for those providers.

The Government had announced a scheme to provide financial help to limit the impact of fuel increases for businesses and it was expected that this would include the Council, and providers such as Active Northumberland. In relation to the increase to commissioned home care providers, officers would be looking at whether the cost of increased travel rates for staff using their own cars could be absorbed as part of the ongoing market sustainability exercise and this would come back to members.

Councillor Wearmouth referred to comments in the press regarding the financial position. The pressures were coming from salary costs which were out with the control of the Council and negotiated after the budget was set, as well as inflationary pressures resulting from the war in Ukraine which could not have been foreseen. The Council had prudently set funds aside in previous years and it was this good financial management which meant the Council had good levels of reserves. In setting next year's budget, the priority would be to protect front line services and deliver good quality services.

Councillor Riddle asked if there was any further information on what help for businesses was likely to be from Government. Jan Willis advised that gas and electricity was purchased via NEPO so officers were still working through what the announcement actually meant but she did anticipate some significant help. When there were further details, these would be shared with members.

RESOLVED that:-

- (a) the services projected overspend of £4.813 million and the assumptions outlined in the report be noted;
- (b) Cabinet agree the inflationary increase that will be awarded in relation to home to school transport contracts to cover fuel inflation and backdate it to April 2022;
- (c) Cabinet agree the increase for commissioned home care providers to enable them to pay the staff who use their own cars a mileage rate of £0.45 per mile (increased from £0.25 per mile) with effect from 1 September 2022. The increase will be funded from existing resources within the service;
- (d) Cabinet note the potential overspend of £17.135 million following the employer's pay award, utility and fuel inflation;
- (e) Cabinet note the following actions which will be implemented with immediate effect in order to help bring the budget back in line and minimise/contain the overspend:
 - The Council will be inviting applications from staff for voluntary redundancy.
 - The normal budget approval process is now suspended, and all expenditure will be authorised by Executive Directors. A pro forma has been issued and all managers needing to spend will be expected

to complete a business case to justify the expenditure and obtain formal sign off.

- There is now a freeze on in-year contingency requests and the balance on the contingency will be utilised to offset the inflationary increases and potential overspend

- Whilst there will not be a moratorium imposed in relation to recruitment to vacant posts, a vacancy panel will be established where all requests to recruit to posts will be considered. The vacancy panel will then make recommendations to the Executive Team who will make the ultimate decision.

- The Executive Team will look selectively to increase fees and charges in year. Any proposals deemed necessary will be referred to Cabinet for a formal decision.

- The Executive Team has been reminded and will instruct all managers to be proactive and ensure “good housekeeping”; e.g. ensure that all of their suppliers are on the supplier incentive scheme, review contracts and request better value from their suppliers.

- The capital programme is being reviewed particularly in relation to contract price inflation. Once this exercise is complete then the cost of capital and debt charges (borrowing) will be examined to establish any potential for an in-year revenue budget underspend to offset the impending Council overspend.

- All capital projects going ahead will be contained within their existing approvals even if it means revisiting the scope of the project. Value engineering will be considered as well as a reduction to or a deferral of each project.

- (f) Cabinet approve re-profiling to the Capital Programme of £41.706 million from 2022-23 to 2023-24 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 Q;
- (j) Cabinet note the use of reserves shown at Appendix R;
- (k) Cabinet note the virements requested by services shown at Appendix S; and
- (l) Cabinet note that the outcome of the strategic review of Advance Northumberland will be reported to the November Cabinet meeting and will include a request to commission external advice on the group structure and financial model.

37. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF FINANCE AND SECTION 151 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 (CSG) via email on 4 July 2022 and 5th August 2022 (copy attached to the signed minutes as Appendix K).

RESOLVED that:-

37.1 NFRS Fire Control Mobilising System:

Cabinet approve spend of £89,000 for further necessary upgrades to the Northumberland Fire & Rescue Service (NFRS) Fire Control Mobilising System to be funded from the FRS Risk Critical Equipment Budget for 22/23 (£25,000) and 23/24 (£64,000) in the Council's 2022-26 MTFP.

37.2 Longframlington Affordable Housing Units

Cabinet approve the acquisition of two 3 bedroom, section106 houses on the Cussins Lightpipe Farm Development in Longframlington at a total cost of £312,000 funded through the HRA Affordable Homes Budget included in the 2022-26 MTFP.

37.3 Desktop Refresh Preparation

Cabinet approve the transfer of £100,000 from the Cloud Migration Budget to the Desktop Refresh Budget in 2022/23 with a corresponding reversal in 2023/24 to enable the appointment of an external IT consultancy to commence the necessary planning and scoping for the roll out of the Desktop Refresh Programme which will commence in 2023/24.

37.4 Pegswood Children's Home Grant Award

Cabinet accept a grant award of £429,000 from the Department for Education as a contribution towards the construction of the Children's Home at Pegswood and increase the budget accordingly. The original project was approved by Cabinet in December 2019 at a cost of £648,000. However due to construction cost inflation since that date, the build cost has increased to £960,000. The Grant will therefore enable the project to be delivered within the approved budget limit.

37.5 B6344 Todstead Landslip Repairs

Cabinet approve repairs to the B6344 at Todstead at a total cost of £9,316,000, to be funded from the Todstead Landslip budget included in the

Council's Medium Term Financial Plan for 2022-26 with £2,500,000 being spent in 2022/23 and £6,816,000 in 2023/24.

Authority be delegated to the Council's Interim Chief Executive to sign the works contract for the project up to a value of £8,600,000.

37.6 Next Generation Flood Resilience

Cabinet:-

- (a) approve the allocation and associated expenditure for Next Generation Flood Resilience within the Council's MTFP of £5,605,000 for the years 2022/23 to 2026/27 to be fully funded by the Environment Agency's Flood & Coast Resilience Innovation Fund and increase the budget accordingly; and
- (b) delegate authority to the Council's Interim Chief Executive to sign relevant works contracts up to a value of £5,000,000.

37.7 Contracts in excess of Delegated Limits

Cabinet had previously approved capital investment for the County Hall Solar PV Carport Project in June 2019 and October 2020 to a total budget value of £3,362,120.

RESOLVED that Cabinet approval be given to award the contract for the project to UK Power Network Ltd at a price of £3,059,767 in order to carry out the works.

Cabinet had previously approved capital investment of £5,500,000 to refurbish the vacant Richard Coates School in Ponteland to enable the relocation of Atkinson House Special School from Seghill.

RESOLVED that Cabinet approval be given to award a contract for the project to Robertson Construction Group Ltd for the sum of £4,943,168.

38. 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

17 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 disclosure could adversely affect the business reputation or confidence in the person / organisation and could adversely affect commercial revenue.

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

Trading Companies' Financial Performance 2022-23 - Position at the end of June 2022

The report informed Cabinet of the current financial positions of its trading companies and of any relevant issues arising (copy attached to the signed minutes as Appendix L, coloured pink and marked Not for Publication).

Councillors Renner Thompson, Riddle and Watson did not take part in this matter.

RESOLVED that the recommendations detailed in paragraph two of the report be approved.

CHAIR.....

DATE.....

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 Council Chamber, County Hall, Morpeth, NE61 2EF on Monday, 10 October 2022 at 10.00 am.

PRESENT

Councillor D. Bawn
(Chairman in the Chair)

COUNCILLORS

Dunn, E.
Jackson, P.
Oliver, N.

Taylor, C.
Wallace, A.

CABINET MEMBERS

Sanderson, H.G.H.
Wearmouth, R.

Leader of the Council
Deputy Leader & Corporate
Services

OFFICERS

Barnes, G.

Revenues, Benefits and Customer
Services Manager

Greally, R.

Assistant Democratic Services
Officer

Hunter, P.

Senior Service Director

McMillan, S.

Assistant Service Director

Nicholson, S.

Scrutiny Co-ordinator

Pringle, S.

Business and Community
Engagement Officer

Thompson, C

Director of Information Technology

Willis, J.

Executive Director of Finance
(Section 151 Officer)

17. APOLOGIES FOR ABSENCE

Apologies were received from Councillors J. Beynon, P. Ezhilchelvan, M. Murphy and M. Robinson.

18. DECLARATIONS OF INTEREST

Councillors D. Bawn, N. Oliver and G. Sanderson declared that their businesses had received Covid grants. It was confirmed that they would still be present and take part in discussions.

19. MINUTES

RESOLVED that the minutes of the meeting of the Corporate Services and Economic Growth Overview and Scrutiny Committee held on 11 July 2022, as circulated, be confirmed as a true record and signed by the Chairman.

20. 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).

Members noted that the Budget 2023-24 and Medium-Term Financial Plan 2022-27 was due to come to Committee on 7th November, but J. Willis had advised that this be deferred until the December meeting to allow further information to be gathered.

RESOLVED that the Forward Plan of key decisions be noted with the verbal amendment.

21. COUNCIL TAX SUPPORT SCHEME

Councillor R. Wearmouth, Deputy Leader of the Council and Portfolio Holder for Corporate Services introduced the report. The scheme was one of the most generous in the North East. It was hoped the Committee would endorse the scheme for the next financial year which would provide support 92% Council Tax support to working age claimants. Central Government was providing support for energy bills this winter along with winter fuel allowances for those who were eligible. A briefing note was also attached to explain the Government assistance provided to the Council to help with Council Tax since the COVID pandemic 2020/21.

It was confirmed that the Authority were awaiting confirmation on the continuation of the Council Tax hardship scheme, but no information was expected imminently. G. Barnes, revenues, benefits and customer services manager, was in attendance to answer questions from members.

The following comments were made in response to member questions:

- Members welcomed the additional assistance from the Government however that aid was to combat the energy crisis and that Council Tax support had always been in place. Some members felt that the support provided was only bringing residents up to an expected level of living. It was felt that the

Council needed a scheme to help those hit hardest even if only temporarily to combat the cost of living crisis. By raising the support to 100% it would simplify the scheme to residents and reduce the need for recovery action.

- The scheme which was being proposed was unchanged from last year. It was confirmed that the Authority was one of the most generous in the region. Members were unaware of any major problems with the scheme and it was felt that 8% was a small amount of money. The Council Tax scheme was felt to be generous and had proven to work.
- It was confirmed to members that the forecasted cost of £25,756,617 was for residential homes only.
- Members noted that the future of the hardship fund would be announced in due course. If it was not continued the Council would look into providing similar cover within its own budget.

RESOLVED members agreed to note and support the recommendations in the report.

22. BROADBAND CONNECTIVITY UPDATE

Councillor R. Wearmouth, Deputy Leader of the Council and Portfolio Holder for Corporate Services introduced the report. C. Thompson, Director of Information Technology and S. Pringle, Business and Community Engagement Officer were in attendance. They explained that the report gave a summary of projects, some national and some local which were being undertaken to close the historical gap in broadband connectivity.

Due to the diverse geography of Northumberland and the rurality of much of the county, delivering good digital connectivity across the whole county has been a perennial challenge. The Covid crisis in 2020 and 2021 brought the need for good connectivity into even sharper focus with many residents struggling to work from home and children to access online learning.

The following comments were made in response to member questions:

- Members noted that the LFFN project had concluded, and 216 sites had been created with a number of structures being capitalised such as schools and libraries. It was still in the early stages of the project, but it was hoped that other providers would link in with the spine connections. It was hoped it would be the backbone of the future network in the County.
- Project Gigabit is a government infrastructure project which aims to deliver fast and reliable digital connectivity that officers were confident would be started in early 2023. It has a target of connecting 85% of residents. Northumberland has been split into two procurement categories: Type A for North Northumberland and Type B for the rest of the County and parts of Durham. Officers confirmed that a map could be shared with members and published on the website once more details of the premises included are known.
- Members noted that social tariffs were available from most providers however they were not widely advertised. Each provider would have their own eligibility criteria for these tariffs. Also, as part of the procurement process for Project

Gigabit, BDUK had requested a social value section. Members confirmed that they had experience of the Council actively pursuing hard to reach communities.

RESOLVED that the information in the report be noted.

23. BUDGET CONSULTATION

Councillor R. Wearmouth, Deputy Leader of the Council and Portfolio Holder for Corporate Services introduced the report. The report provided questions included in the 2022-23 budget consultation for members to consider and make suggestions upon. It also sought members views on how to strengthen the consultation and engagement with residents.

The following comments were made from members:

- It was suggested that a section regarding the Council Tax support scheme be added.
- Members suggested that it would be useful to create an interactive budget tool for customers to create their own budget online or a way in which customers could rank the importance of different services.
- It was agreed that it was important to get as much interaction and participation from residents and businesses within the county.
- It was noted that the online response was good value for money and it was important to get the online consultation out to the public for more responses. Members were encouraged to promote the consultation on social media.

RESOLVED that the information be noted and suggestions looked into.

24. COVID GRANTS AND SUPPORT TO BUSINESS

Councillor R. Wearmouth, Deputy Leader of the Council and Portfolio Holder for Corporate Services introduced the report. Members reiterated thanks to officers for their efficient hard work during the pandemic to ensure swift support was given to those in need. It was acknowledged that there was a high number of microbusinesses in the county which made it a mammoth task to accomplish with over 39,000 individual payments being made.

G. Barnes, Revenues, Benefits and Customer Services Manager and S. McMillan, Assistant Service Director were in attendance to answer questions from members.

The following comments were made by members:

- First-hand experience highlighted the efficiency of the service. It was acknowledged that the Authority was the 4th fastest to distribute the support nationally.
- Members thanks officers for the detailed report and commented on the coherence of it.

- Members highlighted the importance of using town and parish councils to relay important communications into the community.

RESOLVED that the information in the report be noted.

24. WORK PROGRAMME

The Committee received an update on its Work Programme for the 2022/23 council year. The Scrutiny Coordinator reiterated to members that the Budget 2023-24 and Medium-Term Financial Plan 2022-27 item would be deferred until the December meeting.

RESOLVED that this information was noted.

26. 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 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
- 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
12	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

27. TRADING COMPANIES' FINANCIAL PERFORMANCE

The confidential report, which was considered by Cabinet on 21 September 2022, was introduced to the Committee by Councillor R. Wearmouth, Deputy Leader and Portfolio Holder for Corporate Services.

Members welcomed the report. J. Willis confirmed that work was underway to create a rationale for NEHL and a strategic review was taking place of Advance.

Members were assured that further information would be provided in due course regarding the future of NEHL.

It was confirmed that there were no active tenders being pursued and none would be until the future of the NEHL company was confirmed.

It was also confirmed that a detailed annual presentation from Advance on its core operations would be provided to the Committee in March 2023.

RESOLVED that the information in the report be noted

Chairman _____

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 Council Chamber - County Hall on Thursday, 8 September 2022 at 2.00 pm.

PRESENT

R Dodd (Vice-Chair in the Chair)

COUNCILLORS

C Ball
M Richardson
T Thorne

C Dunbar
M Swinburn
A Watson

CHURCH REPRESENTATIVES

A Hodgson
P Rickeard

D Lennox

TEACHER UNION REPRESENTATIVES

J Sanderson

OFFICERS

C Angus
S Aviston

S Barron

M Connor
A Hartwell

A Kingham
L Little
G Reiter
K Willis

Scrutiny Officer
Head of School Organisation and
Resources
Strategic Lead for SEND & Designated
Clinical Officer
Head of Service, Children's Social Care
Senior Manager - Performance and
Systems Support
Joint Interim Director of Children's Services
Senior Democratic Services Officer
Joint Interim Director of Children's Services
Complaints Manager - Children and
Education

ALSO PRESENT

G Renner-Thompson
S May

Cabinet Member
NE & NC ICB

Around 2 members of the press and public were present.

22 **APOLOGIES FOR ABSENCE**

Apologies had been received from Councillors Dale, Daley and Fairless-Aitken. Apologies were also received from L Houghton.

23 **MINUTES**

RESOLVED that the minutes of the Family and Children's Services Overview and Scrutiny Committee held on Thursday 7 July 2022, as circulated, be agreed as a true record of each and be signed by the Chair.

Councillor Swinbank requested clarification be provided for the reason looked after children were placed outside of Northumberland following reports in the media. G Reiter confirmed that the media coverage had been in respect of a Freedom of Information request which provided figures for the previous 10 years and that information had been provided along with a great deal of other information. He confirmed that children were only placed outside of the Authority's area when it was the right place for a particular child and that could be for a number of reasons including the safety of a child, or that a child was placed with a family member who lived outside of the area.

24 **FORWARD PLAN**

RESOLVED that the information be noted.

25 **PERFORMANCE & FINANCE REPORT (CHILDREN'S SERVICES)**

An introduction to the report was provided by A Hartwell, Senior Manager - Performance and Systems Support with the headlines outlined.

In response to questions the following information was provided:-

- The projected overspend for Education and Skills was entirely related to home to school transport. Backdated payments of an 8.9% increase had been made to providers in order to secure travel for students and ensure that there was no drop-off of contractors. The overspend had been secured through the budget and the overspend would be built into next year's budget.
- The percentage of pupils in secondary schools in schools judged to be good or outstanding equated to 16,600 to 16,800 students as figures fluctuated out of a school population of 22,600. It was a key priority to reduce the number of pupils in schools judged to be less than good, however it was highlighted that whilst a school may need to improve that some students within those schools continue to perform well.

- It was clarified that the split in pupil numbers in academies or maintained schools judged to be good or outstanding was 79.9% pupils for academies and 80.5% for maintained school as judged at their last inspection, however some of these inspections were some time ago. These figures equated to approximately 36,000 pupils which meant that approximately 8,000 students were in schools which were currently not judged to be good or outstanding.

RESOLVED that the current performance and how it compared to benchmarks was noted.

26 **OUTCOMES OF CONSULTATION ON PROPOSALS FOR THE COQUET PARTNERSHIP - UPDATED REPORT**

S Aviston, Head of School Organisation and Resources provided a comprehensive introduction to the report advising that the response to the consultation had been low which was usual when they were in agreement with the proposals. She highlighted the positive responses to the proposals for additional SEND places within the partnership, which Councillor Renner-Thompson, Portfolio holder for Children's Services, highlighted was a key priority for the Administration.

In response to questions from Members of the Committee, the following information was noted:-

- In consultation with the Headteachers and Governing bodies of schools within the partnership it had been agreed that one consultation event should be held in Amble. Transport had been provided from other areas but had not been utilised by parents.
- The reduction of £2m from the Astley budget had been made due to the original proposals being for three schools to be provided on the one site, however this was changed following the consultation within that partnership and the decision to retain Seaton Sluice Middle School on its current site. Officers were confident that the plans were affordable and deliverable within the revised budget. As previously highlighted to the Committee, Seaton Sluice Middle School was not in poor condition and should any repairs be required then these costs would be met from separate grant funding.
- The timescale had been proposed to ensure that the transition was as smooth as possible with time allowed to ensure that necessary refurbishment work to the existing middle school was carried out prior to the relocation on the site of Amble First School.
- The budget costs had inflation predictions built in and was based on recent experience of delivering new school building projects.

Councillor Renner-Thompson highlighted that James Calvert Spence College had just been judged to be good in the recently published Ofsted report, which had been down to the hard work of the Headteacher and staff.

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

P. Rickeard joined the meeting at this point.

27 **CHILDREN'S SERVICES ANNUAL REPRESENTATIONS 2021-2022**

K Willis, Complaints Manager for Children's Services provided an introduction to the report with the aid of a power point presentation. In response to a question it was clarified that the Complaints Manager regularly attended the Regional Complaints Managers Forum which fed into the National Forum, and there were often webinars regarding learning and good practice and also training offered by the Local Government and Social Care Ombudsman (LGSCO). Unfortunately due to the way in which data had been provided by the LGSCO this year, it was difficult to provide benchmarking specifically related to Children's Services against other authorities, however it was hoped this could be done through the Regional Forum going forward.

Members welcomed the positive report.

RESOLVED that the contents of the report be noted.

28 **CHILDREN'S SOCIAL CARE - ANNUAL SELF ASSESSMENT**

The report which shared the content and findings of the children's social care self-assessment was required to be provided by Ofsted and would form the basis of the annual conversation with them. An introduction was provided by G Reiter, Joint Interim Director of Children's Services with the aid of a power point presentation. Continuing improvements in the quality of practice were evidenced despite key ongoing challenges of workforce retention and increasing demand. The areas for further improvement were highlighted along with the priorities for the continuous improvement plan for 2022/23.

Members welcomed the report and recognised the continuing difficulties encountered in the recruitment of experienced social workers across the country as a whole. They particularly highlighted the continuing success of the AYSE academy and that staff stated that training was good and that they felt supported in what was recognised as an extremely challenging role.

RESOLVED that the contents of the report be noted.

The Chair advised that he would re-order the agenda from this point to provide a more coherent approach.

29 **URGENT BUSINESS - OFSTED FOCUSED VISIT TO NORTHUMBERLAND CHILDREN'S SERVICES**

G Reiter advised that a letter summarising the findings of a focussed visit to Northumberland Children's services on 26 and 27 July 2022 had been published after the agenda had been published, however he felt that it would be timely for this to be brought to the attention of Members. A copy of the letter had been

circulated in advance of the meeting and would be uploaded to the Council's website. The focussed visit had been in relation to the local authority's arrangements for planning and achieving permanence with a range of evidence interrogated. The comments set out in the headline findings were highlighted and were very much welcomed by Officers and Members and the two areas identified for improvement would be addressed, however it was noted that these were more in relation to information recording and not the impact of the service on children.

RESOLVED that the information be noted.

30 **FAMILY HUB DEVELOPMENT**

M. Connor, Head of Service, Children's Social Care provided an introduction to the report which gave an update in relation to the DfE funding for the Family Hub developments within Northumberland, advising that Northumberland had been selected as one of the 75 local authorities who could receive additional funding to develop the offer. The expectations were outlined and it was confirmed that feedback from engagement work undertaken had been positive.

In response to questions from Members the following information was noted:-

- It was clarified that two Family Hub buildings would be provided in Blyth for the south east locality, however outreach work would be provided across the whole locality, including Cramlington working with other organisations.
- Following the reopening of buildings following covid new partners and services had moved into buildings over the last twelve months, such as midwifery into Ashington and Blyth West buildings offering clinics. Primary mental health services had also been moved into some buildings along with some health visitors, however the services were not all office based and the shared space offered the opportunity of hot desking for other services and would able a better use of the available space. VCS organisations could also use buildings on evenings/ weekends it was more about the co-location of services providing a wrap-around offer. Outreach work would also be undertaken and there would be other community venues used.
- The 15 Children's Centres within the County were morphing into the new Hubs and rebranding etc would happen and work would be undertaken with other partners regarding the use of other spaces.
- Different ways of working would be trialled and any impact evidenced to ensure the best use of resources to provide a system transformation.
- In respect of the Blyth west building there was agreement to rent until at least the end of March and negotiations were underway with Barnardo's going forward.

Whilst Members welcomed the development of the Family Hubs, there was some concern regarding the conflicting uses of the buildings and if they would become more formal spaces rather than being informal spaces that could be used by families. It was stated that Members were welcome to visit any of the Hubs to see how they were being used by families.

RESOLVED that the Committee:-

1. Agree to proceed with the funding for the Family Hub offer; and
2. Support the development of the governance and wider processes to underpin this as outlined in the report.

31 **PROPOSAL IN RELATION TO FUTURE ARRANGEMENTS FOR THE YOUTH SERVICE**

M Connor, Head of Service, Children's Social Care provided an introduction to the report which provided an overview of a recent review of the activity and impact of the Youth Service and proposal for the future needs of the service linked to the development of the Family Hub model. The report outlined the two options for the future of the service with a recommendation that Option 1 be agreed as the best option and fit within the corporate priorities.

It was clarified that there were outreach workers, the exact number was not known in the meeting but could be made available for anyone interested and their use varied in different areas working with VCS to make the best use of resources in the County. In Blyth they worked closely with Silx.

In response to a concern that this would impact young people; put more pressure on already stretched organisations who relied on volunteers; not provide help to identify issues at an early stage and only respond when intervention was necessary, it was stated that this would join up a range of provision in an integrated way and build on work already being undertaken with families and other professionals within the Family Hubs, allowing earlier identification of where help was needed. The proposals would reduce duplication of services and provide the most effective use of the resources available to maximise effectiveness.

RESOLVED that :-

- The activity undertaken during the review be noted; and
- Option 1, as outlined in the report, be agreed as the way forward.

32 **MEETING THE MENTAL HEALTH NEEDS OF CHILDREN AND YOUNG PEOPLE IN NORTHUMBERLAND**

An introduction to the report, which gave a current overview of support for children and young people with mental health needs and detailed future plans, was provided by S Barron, SEND Strategic Lead and Designated Clinical Officer with the aid of a power point presentation. S May, CYP Operational Commissioning Manager from NE & NC ICB) was also in attendance.

In response to an earlier question regarding ADHD, 3-5% of the childhood population had a diagnoses of ADHD in Northumberland the diagnostic service was provided by the Children and Young Peoples Service in CNTW.

RESOLVED that the contents of the report and the future plans be noted and the support now on offer for children and young people in Northumberland be recognised.

33 **FAMILY AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME AND MONITORING REPORT 2022/23**

The work programme had been circulated for information and any issues which Members wished to bring to the Committee should be raised with the Chair or the Scrutiny Officer in the first instance.

Councillor Ball asked that the issue of school uniforms be raised as a matter of urgency as there had been a number of problems within schools since the beginning of the new school year. A Kingham provided assurance that this would be reinforced with Headteachers at meetings, however the responsibility for the setting of uniform rules was with individual schools. The issue would be brought to the attention of Councillor Daley, Chair.

RESOLVED that the information be noted.

CHAIR.....

DATE.....

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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 Council Chamber - County Hall on Thursday, 6 October 2022 at 10.00 am.

PRESENT

W Daley (Chair) (in the Chair)

COUNCILLORS

C Ball
R Dodd
S Fairless-Aitken
M Swinburn
A Watson

A Dale
C Dunbar
M Richardson
T Thorne

CHURCH REPRESENTATIVES

A Hodgson
P Rickeard

D Lennox

TEACHER UNION REPRESENTATIVES

L Houghton

J Sanderson

OFFICERS

C Angus
S Aviston
L Bryden
N Dorward

A Kingham
L Little
D Street
G Younger

Scrutiny Officer
Head of School Organisation and Resources
Senior Manager - Commissioning
Senior Manager - Education Development &
Collaborative Projects
Joint Interim Director of Children's Services
Senior Democratic Services Officer
Deputy Director of Education
Accommodation Lead

ALSO PRESENT

G Renner-Thompson
K Cowell

Cabinet Member
Regional Director

There was 1 member of the press and public present.

34 APOLOGIES FOR ABSENCE

Ch.'s Initials.....

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Apologies had been received from G Reiter.

35 **MINUTES**

RESOLVED that the minutes of the Family and Children's Services Overview and Scrutiny Committee held on Thursday 8 September 2022, as circulated, be agreed as a true record and be signed by the Chair.

36 **DISCLOSURE OF MEMBERS' INTERESTS**

P Rickeard advised that he was the Director of Education for the Diocese which had 5 schools within the Berwick Partnership.

37 **FORWARD PLAN OF KEY DECISIONS**

RESOLVED that the information be noted.

38 **REGIONAL SCHOOLS DIRECTOR OVERVIEW**

Katherine Cowell, Regional Director North East, was in attendance to provide a presentation on the purpose and responsibilities of the Regional Director and Regions Group which now brought together improvement and intervention work in Children's Social Care, SEND and schools and was accountable to the Secretary of State. She advised that the Regions Group had been established in July 2022 as the final stage of the structural changes to the Department for Education and that had been when her role had changed from Regional Schools Commissioner.

The actions and interventions which could be taken in the case of inadequate schools or Academy Trusts were outlined. Close working with local authorities was also undertaken in respect of school places and sufficiency. The Schools White Paper set an ambitious goal of all schools to either be in, have plans to join or form a strong multi-academy trust (MAT) by 2030. Information was also provided on Education Investment Areas whereby 55 local authority areas had been identified in the Levelling Up White Paper with the implementation of a package of measures to drive school improvement and pupil outcomes.

In response to a question raised on failing academies, Members were advised that there were a range of different ways in which academies could be supported and it was the view that academies performed better in a strong MAT. In respect of replicating the success of the London Challenge it was confirmed that there had been some good results in the North East as part of the Education Challenge.

The Regional Director advised that her role did not have direct links with teaching staff as she worked closely with local authorities and at Trust level but did recognise the additional expectations which were being put on teachers. However strong trusts also focussed on workforce wellbeing and had strong emphasis on student inclusion and destinations and it was not about size. The good relationships between the Regional Group, local authorities and the two dioceses

working for the benefit of all children in the region was highlighted.

The Chair and Members thanked the Regional Director for her attendance, advising that she would be welcome to attend future meetings.

39 **CABINET REPORT - OUTCOMES OF CONSULTATION ON BERWICK CONSULTATION**

The Cabinet report set out the feedback received from stakeholders arising from Phase 1 of informal consultation with stakeholders in the Berwick Partnership area and other relevant parties on whether any models of organisation that may be brought forward with specific proposals for schools (Phase 2) should consist of only 3-tier models of organisation or include 3-tier and 2-tier (primary/secondary) models of organisation. As a result of the feedback, Cabinet was being recommended to approve Phase 2 consultation on specific proposals for individual schools in the partnership within both a 3-tier and 2-tier (primary/secondary) structure, including some school closures. This would consist of a 15 week (school weeks) consultation beginning on 31 October 2022.

A comprehensive introduction to the Cabinet report was provided by Councillor Renner-Thompson, Cabinet Member for Children's Services and S Aviston, Head of School Organisation and Resources who advised that this was a good example of partnership working and whilst account would be taken of the responses received, this would not be the only determining factor in making any decision and suggestions made at this stage would be subject to change following the next consultation.

In response to a request to include GCSE results for Berwick Academy in the next report if it was agreed to proceed to the next stage, it was confirmed that whilst this information could be included, this data would not be validated until January 2023 and should not be compared to previous data due to the impact of Covid. It was commented that staff in schools had been disappointed to read of possible school closures in the report and had not been advised of this prior to its publication. S Aviston advised that this was disappointing as they had been working with the Headteachers over the past twelve months and the possibility of the closure of schools had been made clear. All Headteachers had received a telephone call from a senior manager on the detail of the report and a link sent to the report on the Council's website as soon as it had been published. Reassurance was provided that all staff would have the opportunity to express their views fully and work would be undertaken, as usual on the possible redeployment of any affected staff should this be needed.

Mr Hodgson apologised that no response had been received from the Diocese of Hexham and Newcastle and advised that they were in support of a 2-tier option. He highlighted that due to the long distance to the secondary Catholic School, which was in Bedlington, a high proportion of children opted to stay within the Berwick Partnership.

It was clarified that mapping systems giving details of schools and catchment areas was available on the website and these had been provided as part of the consultation documentation and would also be made available at consultation events. At the current time approximately 200 children left the partnership to be educated and it was essential to gain local community support to ensure that the

high school remained viable and the development model was sustainable. If it progressed to the next stage, the importance of increasing engagement was highlighted with officers confirming that the options outlined were a starting point and a lot of engagement work was still to be undertaken allowing ideas to come forward and options evolve.

Members particularly welcomed the proposals in relation to the development of SEND provision.

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

40 **CABINET REPORT - SUPPORTED ACCOMMODATION AND LODGINGS FOR CARE LEAVERS AND YOUNG HOMELESS - PERMISSION TO TENDER**

The report sought permission from Cabinet to go to the market to commission a range of services to provide supported accommodation and lodgings for Northumberland care leavers and young homeless which would assist the Council in meeting its statutory duties. An introduction to the report was provided by L Bryden, Senior Manager, Commissioning and G Younger, Accommodation Lead.

Members were advised that since the current framework had come into place there had been 156 young people placed across a whole range of services. Since April 2022 there had been 55 placements. The service was seeing a large increase in the number of young people requiring placements with a 116% increase in the numbers between 2020/21 to 2021/22 across a number of types of providers and this increase in demand would continue to rise as the Council was now part of the National Transfer Scheme for unaccompanied young asylum seekers.

The Chair suggested that as this report was only requesting permission from Cabinet to go to tender to create a dynamic purchasing system it would be useful to ask the officers to attend a future meeting to provide an account of the service and this would be scheduled into the programme.

RESOLVED that Cabinet be advised that this Committee supported the recommendations outlined in the report and asked that a report be brought back to the Committee at a future date outlining the available services and anticipated placement numbers.

41 **THE NORTHUMBERLAND STRATEGIC INCLUSION PLAN 2022-2026**

The report provided the first Northumberland Strategic Inclusion Strategy which had been developed in response to the recommendations of the Exclusion Task and Finish Working Group and follows previous reports to this Committee on their findings and recommendations. An introduction to the report was provided by S Aviston, Head of School Organisation and Resources who highlighted the work of the Task and Finish Working Group in securing resources for the appointment of additional team members to help address the previous high levels of exclusion.

In response to a question regarding the affordability of alternative provision, Members were advised that meetings of the Inclusion Group were to be held

fortnightly where schools would be able to request extra support for a pupil or where assistance was required with the cost of transport to alternative provision.

More detail as to the reason why Ashington, Bedlington and Blyth had the majority of the exclusions would be provided. It was clarified that the majority of academies access the free support and guidance offered and whilst it was more challenging to get information from certain academies, the important issue was that they all knew that the support offer was available. The Committee was advised that there was currently a free school bid being developed for alternative provision which it was hoped would impact on the number of permanent exclusions.

C Angus would do a briefing note for Members on the detail of Appendix 2 which would be circulated and a further decision would be made on whether a more detailed report would be required.

Councillor Swinbank was thanked as the Chair of the Task and Finish Working Group for the work undertaken on this and he in turn thanked all those that had been involved in the Working Group and also the staff and schools who had worked to reduce the level of exclusions. He questioned if information on good practice was being shared and expressed disappointment that those pupils with SEND and EHCPs were being excluded

It was clarified that no exclusions had been the result of uniform infringements and the detail of exclusions would likely be included within the Annual Report. Members were also invited to visit the Pupil Referral Unit. In response to a question regarding early identification of dyslexia it was confirmed that early identification of any SEN was important and whilst a number of central teams focussed on early literacy there was not a particular strand specifically for dyslexia, but this would be picked up with officers.

RESOLVED that the Committee welcomed the report and noted the content and detailed strategy along with the impact that the work undertaken within Children's Services and Schools has had on the lives of Northumberland children.

42 **POST CABINET DECISION UPDATE: RDA RELOCATION FROM TRANWELL (PEGASUS CENTRE) TO KIRKLEY HALL CAMPUS (NORTHUMBERLAND COLLEGE)**

The report set out the progress made in preparing to deliver the capital project since approval being granted by Cabinet in March 2022 and was introduced by N Dorward, Senior Manager, Education Development & Collaborative Projects.

Members expressed their disappointment that the delay had resulted in children not being able to take part in riding lessons and stated that in future arrangements should be made in advance to ensure a smooth transition, which was what had been expected by this Committee.

RESOLVED that the information in the report be noted.

43 **FAMILY AND CHILDREN'S SERVICES OVERVIEW AND SCRUTINY COMMITTEE WORK PROGRAMME AND MONITORING REPORT 2022/23**

Ch.'s Initials.....

The work programme had been circulated for information and any issues which Members wished to bring to the Committee should be raised with the Chair or the Scrutiny Officer in the first instance.

The date of the next meeting has been changed to 2.00 pm on 10 November 2022.

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** held at County Hall, Morpeth on Wednesday, 5 October 2022 at 2.00 p.m.

PRESENT

Councillor J. Reid
(Chair, in the Chair)

MEMBERS

Carr, D.	Gallacher, B.
Cartie, E.	Lang, J.
Castle, G.	Mather, M.
Dale, A.	Morphet, N.
Dodd, R.R.	

CABINET MEMBER

Horncastle, C.	Community Services
Watson, J.	Healthy Lives

OFFICERS IN ATTENDANCE

N. Carney	Strategic Tourism Project Manager
H. Hinds	Business Resilience and Emergency Planning Lead
P. Hunter	Interim Senior Service Director
M. McAllister (virtual)	Head of Tourism
S. Nicholson	Scrutiny Co-Ordinator
M. Taylor	Interim Executive Director - Communities and Business Development
N. Turnbull	Democratic Services Officer
N. Walsh	Head of Cultural Services
A. Ward	Communications Manager

1 member of the press.

16. MINUTES

RESOLVED that the minutes of the meeting of the Communities & Place OSC, held on 31 August 2022, as circulated, be confirmed as a true record and signed by the Chair.

17. FORWARD PLAN OF CABINET DECISIONS

The Committee considered the Forward Plan of key decisions (to December 2022). (Schedule enclosed with the signed minutes).

A member queried whether a report should be considered on the relationship between highway repairs and utility companies.

RESOLVED that the report be noted.

18. SCRUTINY

18.1 Endorsement of the Northumberland Destination Management Plan 2022-2032

The report sought approval from cabinet for the Vision, Partnership Principles, Strategic Aims and Priorities of the Destination Management Plan (DMP) for Northumberland 2022-32. (A copy of the report and presentation is enclosed with the signed minutes).

Councillor Watson, Portfolio Holder for Healthy Lives, referred to the importance of tourism to Northumberland given the number of employees working in the sector, numbers and expenditure of day and overnight visitors. He noted that the plan had regard to the needs of both residents and visitors.

Nigel Walsh, Head of Culture was in attendance with Neil Carney, Strategic Tourism Project Manager whilst Maureen McAllister, Head of Tourism was in attendance remotely. He commented that the importance of tourism was recognised in the Economic Development Strategy 2019-2024 and one of a few key industrial growth opportunities. Northumberland was a leading UK destination following a period of unrivalled growth in the previous 10 years and demonstrated in a comparison of visitor numbers and expenditure which had been assisted by the television series 'Tales from Northumberland with Robson Green'. The Destination Management Plan set out the challenge of growing private sector investment whilst balancing the needs of the environment, residents and communities.

Maureen McAllister, shared a PowerPoint presentation which gave some background information on tourism in Northumberland which had seen Visit Northumberland and the Council now operating as a single organisation with a 2 year partnership agreement, formation of a Board with strategic advisors, areas of focus and actions under three main headings of strategy, engagement and marketing.

Whilst visit numbers were not quite at the level prior to the pandemic, recovery was strong and she estimated that around 30% of new visitors to the county would come back, stop longer and recommended Northumberland as a destination. It was therefore important to manage the increase in vehicles, provide training, ensure the correct products were in place and the destinations and communities were ready to visitors. The aforementioned were the reason for the creation of the Destination Management Plan which

had been developed over the previous 18 months with key stakeholders. It included prioritisation of actions, allocation of resources and identification of stakeholders responsible for delivery.

Key areas of focus and the process for delivery by the Action Planning Forum, Partner meetings and DMP Board were summarised as follows:

- Data Evidence and Intelligence
- Destination Infrastructure and Connectivity
- Position and Profile
- Business, Product and People Development

There had been 2 meetings of the Action Planning Forum to date with the commitment from businesses and stakeholders acknowledged.

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

- The nature, quantity and length of the funding had been discussed by Cabinet when the arrangements for Visit Northumberland had been agreed, previously financing had been agreed on a yearly basis. The 2-year period allowed time for the new organisation to become embedded although it was hoped that resources would be allocated in the future for a longer period as the plan covered 10 years, from 2022 to 2032.
- A 10-year investment plan had been established for Hadrian's Wall with colleagues looking to optimise Borderland's funding. Attractions along Hadrian's Wall were also involved in the DMP.
- A new website had been launched for Visit Northumberland in 2021 and any difficulties accessing the website would be investigated.
- Coastal areas received high numbers of visitors which had been closely managed by stakeholders including local services, AONB, National Trust, coastguard, Northumbria Police. Promotional activity for the autumn encouraged the dispersal of visitors to attractions and locations across the county. The DMP enabled problems, such as parking, to be logged and solutions to be found.
- It was important that the right products were developed to ensure that any images of activities and experiences in campaigns could be easily booked.
- The plan would be included on the next agenda of the Northumberland Cycling and Walking Board which was meeting in the next few weeks.
- Cycle tourism was important in the thematic development of product development and new business opportunities. The DMP had an active cycling group which met quarterly. They hoped to become a cycling tourism exemplar and create a virtual hub with information in one place to book suitable accommodation, hire cycles, plot circular routes etc.
- One of the DMP priorities focused on people development to ensure that the tourism industry was an attractive proposition. They were therefore working with colleges and businesses to facilitate this. Recruitment of some staff, such as chefs, was difficult across the country and best practice of those who were able to retain their staff was being shared. Accommodation for staff was also a key factor that was being considered and included at partner events.

- 30% of overnight visitors were staying with friends and relatives and it was therefore important to ensure residents had easy access to the right information at restaurants and attractions and considered as part of the Information Strategy. An annual 'days out' map was a useful tool for visitors and available locally. The links between attractions and communities were being developed by the tourism team.
- A wide variety of organisations were represented on the board from small independent businesses to larger hotel complexes as well as a geographical representation.
- The Service Director of Local Services was a key member of one of the working groups to ensure that investment opportunities were aligned with priorities for infrastructure improvements.
- Cabinet was aware of the impact on the availability of rental properties and Town and Parish Council funding arising from increasing numbers of properties becoming holiday accommodation in some areas. The Council was unable to prevent properties being bought as second homes or holiday lets although it was hoped new Council Tax legislation would provide some assistance.
- A membership list for Action Planning Forum and DMP Board would be shared with the committee when finalised. Representatives included individuals from The Alnwick Garden and Slaley Hall amongst others. Councillors were welcome to attend any of the meetings and were asked to contact officers if they wished to do so.
- In addition to the Council's annual financial contribution, income was also generated by a partner membership scheme and successful grant applications for marketing and product development.

Comments from members included:

- There needed to be cycling hubs and facilities for the hire of cycles.
- Camping facilities in the southeast.
- It was hoped that the creation of one organisation removed the previous duplication.
- Residents of Northumberland were rediscovering other areas of the county as evidenced by data from bus companies.
- New cost of living pressures with fuel and energy increases could have an impact on tourism; a 'normal' year was unlikely for a few years.
- Fair wages were needed for people working in tourism and other sectors in Northumberland.
- High-profile attractions were also experiencing difficulties recruiting staff in hospitality, despite salaries being significantly above minimum wage. It was also more difficult in the winter period and when students returned to university, particularly, when travel to rural areas were more expensive or problematic.
- The detrimental impact on residential rental markets and Town and Parish Council funding as a result of properties being converted to holiday accommodation.
- Officers needed to work with colleagues in the planning department regarding the provision of staff accommodation in rural areas.
- Awareness be raised of the 100th anniversary of Blyth Promenade in 2028.

The officers were thanked for the report and presentation which had been clear and informative.

RESOLVED that Cabinet be advised that the Communities & Place OSC supported the recommendation contained in the report.

19. OVERVIEW

19.1 Storm Arwen, Community Resilience Update

The purpose of the report was to provide the Community and Place OSC with an update on progress about the Community Resilience workstream prior to the winter and in line with the recommendations from the Storm Arwen review task and finish group. (A copy of the report is enclosed with the signed minutes).

Helen Hinds, Business Resilience and Emergency Planning Lead summarised the report and confirmed that further progress had been made in a number of areas since the report had been written several weeks previously. The following acronyms were explained:

NPg – Northern Powergrid
SPEN – Scottish Power Energy Networks
NWL – Northumbrian Water Limited
BT – British Telecom

She highlighted the following:

- It had recently been announced that NWL had been fined £20 million for the disruption to residents' water supply, primarily in Northumberland and Durham, following Storm Arwen.
- Relationships had been strengthened with most of the utility companies through daily engagement and via the Local Resilience Forum.
- NPg had been particularly proactive in the identification of suitable community buildings to receive generators if there was loss of power in the future. They had also made £7.5 million of funding available to enable communities to become more resilient through the creation of a new Foundation. Whilst Charity Commission approval was awaited, a soft launch had been undertaken in the areas worst affected by Storm Arwen and information shared with Town and Parish Councils with, so far, 11 applications for funding being made to date for different types of back-up power.
- The Northumberland Community Resilience stakeholder group had been formed and had met in August 2022 to work with the utility companies and Northumberland Communities Together (NCT), Community Action Northumberland (CAN) and Northumberland Association of Local Councils (NALC), Northumbria Police and Northumberland Fire and Rescue Service.

- Engagement with BT had been much more difficult with concerns continuing regarding the resilience of telecoms. Alternatives were being investigated to enhance rural telecoms.
- A number of successful events had been organised in recent weeks by Guy Opperman MP at Hexham, Bellingham and NCC at Newbiggin by the Sea. These had been well attended and had enabled contact to be made with some where there had been no previous engagement with the Civil Contingencies Team.
- The 30 days 30 ways social media campaign of preparedness had been suspended during the period of national mourning following the death of Her Majesty The Queen. The campaign would recommence the following week.
- Visits had been arranged with approximately 20 parish councils and community groups as well as communication with many others. An exercise was planned to take place in Rothbury on 15 October 2022 in partnership with the parish council.

Councillor Horncastle, Portfolio Holder for Community Services thanked Helen Hinds and the Civil Contingencies Team for the many extra hours of work they had carried out during and following Storm Arwen which had an impact on the whole of the county, but in different ways. He also thanked all staff, officers and Councillors for the assistance they had given, particularly to those who had gone above and beyond. He reported that significant work had been carried out by Northern Powergrid to replace damaged and weakened poles.

He commented on the role of the Emergency Planning Committee and confirmed that a meeting would be arranged in the near future to assess the recommendations of the Storm Arwen report with a possible emergency scenario. He stressed that it was important for all residents to get prepared for the winter as well as any emergency events.

The following points were made by Members:

- Reference to the recommendation that a checklist of useful items leaflet be produced to help residents prepare for winter and / or any other emergency with a reminder to test equipment, such as generators.
- The Council needed to work with local radio as an alternative source of information for residents in the event of a power outage.
- The importance of checking that contact details for villages / community buildings were up to date.
- Councillors should be asked what the best method/telephone number to be used to contact them in an emergency.
- More winter preparedness events in the south east were welcomed as the urban areas had experienced different problems to those in the rural areas.
- A desire to see improved working arrangements and communication between utility companies and the Highways section as well as Civil Contingencies.
- Disappointment that BT were unwilling to engage with the Council.
- All residents in Northumberland needed to be prepared as well as Town and Parish Councils.

The following information was provided in response to questions from Members:

- The 30 days 30 ways campaign would have incorporated a checklist for residents. Officers would prepare something that could be circulated electronically or produce a paper version.
- A winter preparedness session had been held at Newbiggin by the Sea.
- Some NPg grants had been awarded for the acquisition of back up generators for community buildings. It was suggested that as it was unknown what NPg's criteria would be for distribution and prioritisation of generators, organisations should make an application for funding. It was noted that, if successful, organisations would then become responsible for the maintenance of the equipment.
- No date had been set as yet for the Emergency Planning Committee to test the Community Resilience Plan. It was to be arranged as soon as possible.
- The 28 recommendations of the Storm Arwen Task & Finish Group were being regularly monitored via Microsoft Planner with tasks assigned to responsible officers within the organisation, including the Civil Contingencies Team, the Director of Public Health etc. Officers were liaising closely, particularly around data and inequalities. Reports on the remaining recommendations would be brought to future meetings, when appropriate.
- The Civil Contingencies Team had contact details for approximately 90 community buildings. It was agreed that the list be shared with all Members to review and so they could provide details for any community buildings that should be included. Organisations needed to be willing to volunteer as a hub for the community if there were an extreme event.
- The Council was unable to assist residents with compensation claims for interruption to utility supplies.
- Officers were able to pre-nominate buildings for the distribution of water or other supplies, so they became a more useful hub.

Several members expressed their gratitude for the update in the report and also the assistance that the officers had provided in local areas.

RESOLVED that:

- a) The report be received.
- b) The Communities and Place OSC continues to support the concept of community resilience within Northumberland.

19.2 Winter Emergencies Communications Plan

The purpose of the report was to consider the Winter Emergencies Communications Plan, a key recommendation of the Storm Arwen Review. (A copy of the briefing note is enclosed with the signed minutes).

Andrew Ward, Communications Manager, highlighted the following key points:

- The plan could be used for an emergency of any description, despite its title of ‘Winter Emergency Communications Plan’.
- There had been a lot of excellent communication work carried out in November and December 2021, when the county had been at the centre of regional and national focus.
- There had been a number of tactics that had worked well, including:
 - The distribution of flyers for residents without power. The information was being reviewed should it be needed again in the future.
 - Use of local members as media spokespersons, where appropriate.
 - Daily briefings for members to be reviewed to ensure that all members were able to receive the information.
- People expected information in the way that best suited them, this was more challenging if residents did not have power.
- 3 areas for improvement included:
 - Working more closely with local radio to enable communication in a crisis to warn and inform communities. The first meeting had been postponed and would be rearranged. The relationship with the Local Resilience Forum (LRF) had developed over the previous 12 months with regular meetings. It was a useful channel for messages.
 - Build better relationships and dialogue with key communications contacts within the utility companies. The preparedness communications campaign would recommence during October. Additionally, messages would be shared about winter preparedness, gritters etc.

The following information was provided in response to questions from Members:

- Media links would be shared with members to encourage residents to sign up to the weekly e-newsletter which was currently received by 10,000 residents.
- They wanted to ensure there was 2-way communication between the county council and town and parish councils in an emergency through working with the Civil Contingencies Team.
- Methods of distributing emergency flyers would be reviewed to ensure that organisations received it via the most appropriate method, electronic sharing of PDFs was desirable, but consideration be given to the distribution of paper versions, if this was required. Reference was made to the leaflet drop to the worst affected households following Storm Arwen which had been undertaken by county Council staff and military personnel. Delivery of bulk copies for distribution by parish or town councils would be of assistance. The action taken would depend on the circumstances at the time.
- Leaflets could not be finalised in advance as information from utility companies, such as booking hotel accommodation or other assistance available, would be determined at the time of an incident.
- Other agencies referred to in news releases would be provided with copies but would not require their approval to avoid slowing the process down for the timely release of information.

The Chair confirmed that the discussion had referred to production of 2 leaflets, one for winter preparedness which had been suggested by members. The other was a leaflet circulated when responding to an emergency. It was agreed that the 'be prepared' message could be included as an article within the next edition of Northumberland News which was circulated in early December.

Members commented on the following:

- Whether magnetised signs with useful contact numbers could be attached to the sides of refuse vehicles in advance of adverse weather.
- Other methods of distributing leaflets were also suggested, such as delivery by personnel on refuse collections.
- The ability of town and parish councils to disseminate information varied across the county and it would therefore be useful to liaise with elected members regarding the best methods in their wards.
- Any leaflets/articles would need to be carefully worded regarding the suggestion of household items needed for winter. Residents be as asked to think about what might be needed and referring them to relevant guidance. Some councillors were concerned regarding the inclusion of candles which could be dangerous if left unattended.

RESOLVED that:

- a) The information be received
- b) An article on winter preparedness be included within the December edition of Northumberland News with input from members of the Storm Arwen Task and Finish Group.

20. REPORT OF THE SCRUTINY CO-ORDINATOR

Communities and Place Overview and Scrutiny Committee Monitoring Report

The Committee reviewed its work programme for the 2022/23 council year. (Report enclosed with the signed minutes).

The Scrutiny Co-ordinator reported that he was hoping that the Woodland Strategy would be ready for the meeting on 11 January 2023. He confirmed that the concerns raised by members at the previous meeting regarding Ash Die Back had been relayed to the Service Director - Regeneration, Commercial and Economy who was responsible for the aforementioned strategy.

Following the discussion earlier in the meeting, he would add an item to the work programme on the relationship between highway repairs and utility companies. He had also noted a previous suggestion regarding recruitment of retained firefighters.

Members sought clarity regarding the presentation of scrutiny minutes to Full Council. They were frustrated that they were unable to discuss matters as only the accuracy of the minutes could be challenged.

The Scrutiny Co-ordinator explained that the minutes of OSC meetings were presented to Council to receive and consider. The respective Chairs would present the minutes highlighting the work of the Committee and members could ask questions or seek clarification on the issues contained therein.

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 & Wellbeing Overview and Scrutiny Committee** on Tuesday, 6 September 2022 at 1.00 p.m. at County Hall, Morpeth.

PRESENT

Councillor V. Jones
(Chair, in the Chair)

MEMBERS

Bowman, L.	Hunter, I.
Dodd, R.R.	Nisbet, K.
Hill, G.	

HEALTH AND WELLBEING BOARD MEMBERS

Blair, A.	Simpson, L.
Ezhilchelvan, P.	Watson, J.
Sanderson, H.G.H.	

ALSO IN ATTENDANCE

Angus, C.	Scrutiny Officer
Bradley, N.	Director of Adult Social Services
Brown, J.	Public Health Consultant
Fletcher, P.	NHS England
Marynissen, K.	Public Health Trainee
Nugent, D.	Healthwatch Northumberland
O'Neill, G.	Deputy Director of Public Health
Robson, T.	NHS England
Taylor, S.	NHS England
Todd, A.	Democratic Services Officer

1 Member of the press was also in attendance.

20. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors E. Chicken, C. Hardy, C. Humphrey and R. Wilczek.

21. MINUTES

RESOLVED that the minutes of the meetings of the Health & Wellbeing Overview & Scrutiny Committee held on 5 July 2022, as circulated, be confirmed as a true record and signed by the Chair.

22. FORWARD PLAN

The Committee considered the Forward Plan of key decisions (a copy of the Forward Plan has been filed with the signed minutes).

RESOLVED that the report be noted.

23. HEALTH AND WELLBEING BOARD

RESOLVED that the minutes of the Health & Wellbeing Board held on 14 July 2022 be noted.

24. PROVISION OF DENTAL SERVICES IN NORTHUMBERLAND

Members received a presentation from P. Fletcher, S. Taylor and T. Robson from NHS England which updated the committee on the level of NHS dentist provision in Northumberland and sought assurance on the arrangements for dental access in Berwick. (A copy of the powerpoint slides have been filed with the signed minutes).

The presentation covered the following issues:

- Confirmation that there was no 'formal' registration in NHS dentistry. Patients could contact any NHS dental practice to access care.
- Dental contracts and provision were activity and demand led with the expectation that practices delivered and managed their available commissioned activity to best meet the needs of patients.
- The contract regulations set out the contract currency which was measured in units of dental activity (UDAs) that were attributable to a 'banded' course of treatment prescribed under the regulations.
- NHS England did not commission private dental services. Also, the NHS dental regulations did not prohibit the provision of private dentistry by NHS dental practices. Where this was the case practices had separate appointment books and clinical capacity assigned.
- In 2019-20 (pre-Covid) 90% of the total commissioned capacity in Northumberland was met. However, the COVID- 19 pandemic and requirement to follow strict infection prevention control guidance had significantly impacted on access to dental care over the last 2 years with demand for dental care remaining high across all NHS dental practices.
- Patients' needs were now far more urgent following the pandemic and appointment times were taking longer per patient.
- NHS England also commissioned: urgent dental care services, Community dental, Specialist orthodontic service and Domiciliary care services.

- There were 39 NHS dental contracts in Northumberland however Corbridge Dental Practice and Castlegate Dental Practice (Berwick) were both ending their NHS contracts.
- It was hoped that neighbouring practices to Corbridge would take on their NHS contract. However, finding a solution to maintaining NHS dental access in Berwick was proving much more difficult.
- The dental sector was suffering nationally from a recruitment and retainment crisis, particularly for NHS dentists. Providers and performers were choosing to retire early or move to private dentistry as well as not working as many hours.
- In July 2022, NHS England published a package of initial reforms to the NHS dental contract. These included prioritising care for patients with high needs by increasing the remuneration practices receive for more complex treatments and greater flexibility in how dental funding can be used by enable practices who can deliver more to do so and to release funding locked into practices who are unable to deliver the commissioned activity so that it can be moved to those who can deliver. The process of engagement on these proposals had commenced.
- Local Measures/actions included:
 - Offering incentives for all NHS dental practices to prioritise patients not seen in the practice within the previous (24 months) adults and 12 months (children) who require urgent dental care.
 - Invested in additional clinical triage capacity within the out of hours integrated NHS 111 North East and North Cumbria Dental Clinical Assessment Service.
 - Increased investment into the new Dental Out of Hours Service contract (from 01 Oct 2021).
 - Additional funding made available in 2021- 22 to practices who were able to offer additional clinical capacity above their contracted levels.
 - Working with practices to maximise their clinical treatment capacity.
 - Engaging with dental providers within the areas where contracts have been handed back to see if they were able to take on additional NHS capacity on either short-term or long term basis.
 - Exploring with Northumbria Healthcare NHS Trust whether they were able to offer any short term support whilst all options are explored for a longer term-solution in Berwick.

Members were reassured that all NHS dental practices were now able to safely provide a full range of treatments but demand for care remained extremely high with dental practices having to balance addressing the backlog of care with managing new patient demand. Practices were prioritising patients with the greatest clinical need, i.e. those requiring urgent dental care, delayed treatments and vulnerable/high risk groups such as children. However, high treatment needs of patients and workforce recruitment and retention issues had resulted in a delay in practices being able to meet the demand for more routine and non-urgent care. Work to explore all opportunities to increase the clinical capacity available and improve access for patients was continuing.

Members were advised of the particular issues in Berwick and the actions taken place to try and secure NHS dental access including:

- There had been engagement with NHS Borders to understand opportunities for Berwick patients to access services as an interim measure until a long-term solution could be secured. However, so far, the practices contacted over the border were not able to help. There was a new NHS practice opening in Kelso which many Berwick residents had requested to join.
- Formal market engagement was underway to inform procurement of a long-term sustainable contract in Berwick.
- The two private practices in Berwick had confirmed that they were not in a position to help.
- Officers would yet again be going out to seek expressions of interest from all NHS practices across Northumberland who may have the capacity and capability to deliver additional access on a sessional basis to assist with the current demand.
- Continue to work with current practices to explore how to support them to maximise their clinical treatment capacity and make contracts sustainable in the long-term.
- Continue to work with local dental networks/committees and local Health Education England colleagues to explore opportunities to improve workforce recruitment and retention and to identify further measures to improve access for patients.
- Conversations had taken place with Northumbria Healthcare to see if they had capacity at Berwick Hospital but unfortunately the dental suite was not operational yet.
- Confirmation that replacing NHS dentist capacity in Berwick would continue to be a top priority.

Members of the Health and Wellbeing Board had been invited to attend for this item and made the following comments:

- They welcomed the update on dentist provision in Northumberland.
- The capacity problems in Northumberland were discussed.
- A concern whether the reforms and measures being put in place could change or improve dentist capacity especially in the more rural parts of the county.
- A suggestion that a further update be provided in 6 months' time to examine progress made including an update on the dental system reform.

Scrutiny Members comments and responses included:

- Confirmation that there had been additional funding made available and work was ongoing to maximise the clinical treatment capacity of practices.
- The units of dental activity were to be increased to help practices, but this would not increase the cost of treatment for patients.
- The need to frequently update members of the public of changes to access and how to find NHS dentists.
- Confirmation that a range of measures would continue to be put in place to try to improve the situation in Berwick including more capacity for critical access and enticing more dentists to the area.

- Recognition that there was a need to resolve the current issue in Berwick but in the meantime, it was advised that those in urgent need of a dentist should:
 1. Call any NHS practice and explain fully what the problem was.
 2. A triage system would be in operation at practices to identify those with urgent need to access a dentist. If it was deemed urgent and they had capacity arrangements would be made.
 3. If an NHS practice was not able to arrange an appointment, then patients had the option to call NHS 111, again a triage system would be in place.

RESOLVED that:

- (a) the presentation and information detailed be noted, and
- (b) an update on the provision of NHS dental services be provided in six months' time.

25. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF PUBLIC HEALTH AND COMMUNITY SERVICES

Northumberland Inequalities Plan 2022 - 2032

Members received the draft Northumberland Inequalities Plan 2022-32 and considered the proposals for system development and enablers, focused areas of action and short, medium and long-term indicators of progress. (A copy of the report and powerpoint slides have been enclosed with the signed minutes).

The report was to be considered by the Health and Wellbeing Board on 8 September 2022.

Gill O'Neill, Interim Deputy Director of Public Health, gave a presentation and raised the following key points:

- The journey towards the development of the plan, including the Inequalities Summit in March 2022 and the 12 locality events during June-July 2022.
- The Inequalities Summit and discussions which took place facilitated by Prof. Chris Bentley and the keynote speaker Cormac Russell. Delegates from across the system sharing examples of best practice.
- Key messages and priorities from the Summit, including:
 - Improve our data and insights sharing
 - Upscale community centred approaches as our core delivery model
 - Align our organisations and resources (not just about funding.)
 - Look at everything through an inequalities lens
- Three questions from Cormac Russell asking what communities do best, what help do they require and what do communities need outside agencies do for them?
- Twelve Locality Conversations including understanding inequalities to be: inclusion groups, socio-economic factors, geographical areas as well as protected characteristics

- Over 400 stakeholders were involved covering many areas including parish councils, fire & rescue, general practice, housing, VCSE, faith sector and volunteers.
- Information had been collated and analysed to inform the plan and the next steps. Each locality would have a newsletter. A webinar of the event was created as a knowledge resource. There was overwhelmingly positive feedback although it was noted that it would be building on existing good practice.
- Northumberland Community Centred Approach to closing the inequalities gap would be based around five principles
 - Looking at everything through an inequalities lens.
 - Voice of residents and better data sharing.
 - Communities strengths were considered first.
 - Enhancing our services to ensure equity in access to opportunity.
 - Maximising our civic statutory level responsibilities
- Detailed lists of challenges, key statistics, approach, actions, inputs, outputs & outcomes 2022-32 and indicators to measure success were provided.
- All partners were requested to take the plan into their own organisations and refresh their internal plans to incorporate the five themes of a three-year action plan.
- Actively participate in the overview and scrutiny process on an annual basis to demonstrate progress against the inequalities plan.

Members welcomed the report and a number of comments were made, including:-

- The cost of living crisis was of great concern. There were areas of wide spread poverty and there needed to be action taken now to help residents.
- The cost of living was widening inequalities and increasing mental health issues.
- It was noted that a cross party members group was being convened to provide support and challenge to the inequalities plan and specifically, the poverty and hardship component of it.
- The need for community groups to work together and not in silos for the benefit of residents.
- The impact Covid had on widening inequalities.
- It was important that everyone was committed to the Inequalities Plan.
- There would be different starting points for communities as they all had differing needs. Neighborhood communities would be built on over the next few years.
- In the past there had been too many short term objectives to make a difference. However, it was hoped this new system wide approach could help address issues and signpost funding to where it was needed.

RESOLVED that the recommendations detailed within the report to be considered by the Health and Wellbeing Board at its meeting on 8 September 2022 be supported.

26. REPORT OF THE INTERIM EXECUTIVE DIRECTOR OF PUBLIC HEALTH AND COMMUNITY SERVICES

Proposals for the allocation of the Public Health ring-fenced grant reserve to reduce health inequalities

This Cabinet report described the process undertaken to agree proposals for additional investment in public health interventions from the ring-fenced public health grant to reduce health inequalities; and to make recommendations. It was noted that comments made by this Committee would be reported to Cabinet when the item was considered at their meeting on 13 September 2022. (A copy of the report has been filed with the signed minutes).

J. Brown, Public Health Consultant presented the report which described a prioritisation exercise undertaken for allocation of part of the public health reserve that had accumulated from underspend. Criteria were developed and weighted to score bids that were sought from within the public health team and from other teams across the council. Criteria with the highest weighting were: 'aim to reduce inequalities' (20%); and 'local need', 'evidence of impact/ effectiveness', and 'prevention' (each 15%). A higher score was given if the goal was primary prevention (preventing illness or maintaining health), in line with public health principles.

It was reported that a total of 13 projects costing £2,543,000 were provisionally approved by the senior team assessing and scoring bids, pending Cabinet approval. These ranged from £1,500 to £1 million in individual cost. Four proposals of relatively low value individually (£23,000 in total) were approved as business as usual. Supported bids with the highest cost were for: poverty (£1 million); a selective licensing scheme for privately rented homes (£710,000); NHS Health Checks programme redesign (£300,000); Children and Young People's Emotional & Mental Health Support (£210,000); and the evaluation of integration of services for children, young people and families in Northumberland (£150,000).

Members made a number of comments including:

- Selective licensing of rental properties to help address the impact of poor-quality housing, management, and anti-social behaviour associated with tenants was welcomed.
- One-off funding to support a major redesign of the NHS Health Check programme to enable direct delivery by health trainers (and potentially other staff) in community settings outside of General Practice could help target those most at risk of premature mortality and reduce socioeconomic inequalities in uptake.
- The contribution of £1 million from the Public Health reserve to support the implementation of the NCC Poverty Action Plan (part of the system-wide Inequalities Plan) over 18 months was welcomed.
- The need to ensure there was evidence based decision making when allocating funding to ensure openness and transparency with the public.
- The benefits of alternative and complementary treatments.

- The importance of good leadership to deliver programmes to increase capacity and to use creativity to improve health and wellbeing and reduce inequalities.
- Healthwatch was reassured funding for children's and young people's emotional health support had been included as this had been raised as an area of focus during their work talking to communities.

RESOLVED to recommend that Cabinet:

- (a) Approve the allocation of funding from the Public Health reserve as proposed in this report.
- (b) Delegate to the Director of Public Health the precise expenditure of the funding set aside to address issues around poverty.

27. HEALTHWATCH NORTHUMBERLAND ANNUAL REPORT 2021-22

Members received the Healthwatch Annual Report 2021-22 and a presentation from Derry Nugent, Project Co-ordinator of Healthwatch. (A copy of the report and presentation slides have been filed with the signed minutes).

The presentation highlighted the issues discussed within the Annual Report, including:

- All Local Authorities were required to have a Healthwatch function and Northumberland County Council.
- Although the focus was always Northumberland, Healthwatch would also work with friends and partnership outside the county.
- The focus of Healthwatch's work had been 'championing what matters to you', with you being someone who lived and worked in Northumberland. Healthwatch actively listened to patients and service users, checked what they had said, and then reported onwards.
- It was necessary for services to take a step back and look at the bigger picture. Healthwatch had been able to bring the public's experiences to services and trying to create empathy by providing a deeper understanding than by using data alone.
- Change took time and this was one of the biggest challenges for Healthwatch. It hoped to be able to influence the decision makers partnerships and other bodies.
- Healthwatch would always pass on the information and feedback it received.
- In the last year Healthwatch had looked at a number of areas including end of life, impact of Covid on health inequalities, dental services, the new Integrated Care System, primary care and people being cared for at home.
- A list of outcomes of each project were listed.
- Forthcoming work included:-
 - Reports were due to be published in autumn 2022 on family experiences to autism and mental health services and experiences of people with sight loss.
 - There would be no annual survey but instead Healthwatch would do more focus group work aimed at hearing from people who were 'less often heard'.

- Discussion of new ways of delivering social care and outpatient services.
- The Annual General Meeting would be held on 19 October 2022 at Northumberland College with all invited to attend. Keynote speakers would be R. Mitcheson and N. Bradley.
- Healthwatch was once again able to get into communities, hold talks and reach out to more people now that there was no Covid restrictions in place.

Members welcomed the informative report and presentation.

RESOLVED that Healthwatch Northumberland Annual Report for 2021-22 be received.

28. REPORT OF THE SCRUTINY OFFICER

Health and Wellbeing OSC Work Programme

The Committee reviewed its work programme for the 2022/23 council year. (A copy of the work programme has been filed with the signed minutes).

A request was made for an update on progress made regarding the new Berwick Hospital. It was agreed to ask the Trust to provide a timetable for completion to members of the committee.

RESOLVED that the work programme be noted.

29. DATE OF NEXT MEETING

RESOLVED that the next meeting has been scheduled for Tuesday, 4 October 2022 at 1:00 p.m.

CHAIR _____

DATE _____

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NORTHUMBERLAND COUNTY COUNCIL

HEALTH AND WELLBEING OVERVIEW AND SCRUTINY COMMITTEE

At a meeting of the **Health & Wellbeing Overview and Scrutiny Committee** on Tuesday, 4 October 2022 at 1.00 p.m. at County Hall, Morpeth.

PRESENT

Councillor K. Nisbet
(Vice-Chair, in the Chair)

MEMBERS

Bowman, L.	Hardy, C.
Chicken, E.	Hill, G.
Dodd, R.R.	Hunter, I.

ALSO IN ATTENDANCE

Angus, C.	Scrutiny Officer
Bell, A.	Northumbria Healthcare NHS Foundation Trust
Blair, A.	Northumbria Healthcare NHS Foundation Trust
Bradley, N.	Director of Adult Social Services
Dickson, M	Northumbria Healthcare NHS Foundation Trust
Finn, G.	Northumbria Healthcare NHS Foundation Trust
Hillary, J.	Complaints and Customer Relations Manager
Nugent, D.	Healthwatch Northumberland
Pattison, W.	Cabinet Member for Adults' Wellbeing
Todd, A.	Democratic Services Officer
Weatherhead, M.	Northumbria Healthcare NHS Foundation Trust

1 Member of the press was also in attendance.

30. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors V. Jones, C. Humphrey and R. Wilczek.

31. MINUTES

RESOLVED that the minutes of the meetings of the Health & Wellbeing Overview & Scrutiny Committee held on 6 September 2022, as circulated, be confirmed as a true record and signed by the Chair.

32. FORWARD PLAN

The Committee considered the Forward Plan of key decisions (a copy of the Forward Plan has been filed with the signed minutes).

RESOLVED that the report be noted.

33. HEALTH AND WELLBEING BOARD

RESOLVED that the minutes of the Health & Wellbeing Board held on 11 August 2022 be noted.

34. POST COVID PATHWAYS AND ACTIVITY IN NORTHUMBERLAND

A. Blair, Executive Medical Director, Mark Weatherhead, Consultant (Medicine), and A. Bell, Senior Head of Commissioning for Northumberland Place gave a presentation from Primary and Secondary care bodies outlining the support and pathways available for people dealing with post Covid. (A copy of the presentation slides has been filed with the signed minutes).

The presentation covered the following issues:

- Analysis of post Covid clinic contacts per month compared to North Tyneside.
- The age profile of referred patients in Northumberland compared to those in North Tyneside and North East and North Cumbria.
- Average age of post Covid clinic referrals compared to those in North Tyneside and North East and North Cumbria.
- The deprivation profile of the referred cohort within Northumberland.
- There was no definitive test for past Covid infection with 205 symptoms associated with 'long' Covid.
- Post Covid seemed to affect more women than men and mainly those aged between 30-50 years old.
- Post Covid was not linked to the severity of initial infection.
- The emphasis on listening, believing and excluding other causes before diagnosing post Covid.
- Numbers affected over time. 21% of Covid swab positive patients had symptoms at 5 weeks and 14% of Covid swab positive patients had symptoms at 12 weeks.
- The largest group of long Covid sufferers reported symptoms such as fatigue, 'brain-fog' and headache.
- A second group experienced respiratory symptoms such as chest pain and severe shortness of breath. These symptoms were the most common in the early stages of the pandemic, before widespread vaccination.
- A third, smaller group experienced a diverse range of symptoms including heart palpitations, muscle ache and pain, and changes in skin and hair.
- Management of long Covid was similar to chronic fatigue syndrome.

- Initial estimates suggested 2-5% of all positive patients had long Covid. Later versions of Covid-Omicron etc. appeared to have generated fewer case of long Covid.
- Nationally there were 70,000 patients whose symptoms had lasted over one year which would equate to around 540 patients across Northumberland and North Tyneside.
- Information on post Covid clinics was available. The clinics had the ability to refer onwards to community and hospital based psychology services and a dedicated psychologist in post.
- Details on the physiotherapy intervention offered to patients.
- Post Covid services available regionally and the limited funding in place for this provision.

Discussion followed of which responses from officers were:

- Post Covid clinics offered reassurance and advice. They offered signposting to self help, physiotherapy and psychology support.
- There were no proven specific medical treatments for Post Covid syndrome at present. Time, rest and pacing was most important.
- There was evidence that being fully vaccinated reduced the risk of developing long Covid. It reduced the risk of catching Covid in the first place but there was also evidence that being vaccinated reduced the risk of developing long Covid should you catch Covid. Later versions of Covid-Omicron appeared to have generated fewer cases of long Covid.
- Confirmation that long Covid and ME did mirror similar symptoms and both were initiated by infection. The management of both was also similar.
- The data on post Covid clinic referrals in relation to deprivation was not linked to areas of the county of higher population. Work could be carried out to look at referrals broken down by urban/rural data to examine the findings.
- Weakened immune systems could put a person at a higher risk of illness.
- The signposting of services represented a number of methods used for post Covid patients. There was a vast amount of information and resources available online, available at clinics, through GPs and individual interventions. However, accessing services was linked to motivation and belief that alternative therapies could help with long Covid. Not every patient would be referred to a clinic, but it was hoped everyone would be informed and be able to access available help and resources.
- Confirmation that the Trust continued to monitor mortality rates, but Northumberland was not showing an increase. However, the winter season was starting, and it was predicted that flu would be high this year.
- Communications and education had been provided to health professionals. Patients should not have any difficulty being signposted to resources and services. If this was not happening officers could pick this up by carrying out some targeted work.

RESOLVED that the presentation and information provided be noted.

35. HOME CARE AND CARE HOMES

M. Dickson, Executive Director of Nursing, Midwifery and AHPs and Community Services and G. Finn, Operational Services Manager Home Care gave a presentation from Northumbria Healthcare on their Home Care in Northumberland Strategy. (A copy of the powerpoint slides has been filed with the signed minutes).

The presentation informed Members about Care Northumbria and included:-

- Care Northumbria was a new domiciliary care service that would offer support with personal care to people in their own homes.
- Care Northumbria would be commissioned to provide services in both Northumberland and North Tyneside, allocated work through usual local authority pathways.
- It would support people to return home with care as needed when they were ready to leave hospital.
- It would support patients, families and carers to receive high quality packages of care at home that met their needs.
- It would support local authority and care provider market gaps within Northumberland and North Tyneside.
- It was advised that across both local authority areas there were substantial gaps in availability of care provision. People were often in hospital awaiting care packages or placed in a step down facility while they awaited care at home. Care Northumbria would support people home at speed and with good quality care.
- The sector was under pressure, and it had been decided that the NHS would enter the market to deliver high quality care and give value back to the caring role in which morale had been severely damaged.
- The opportunity felt right for the Trust to move into this area and deliver personal care and elevate the standards across the system for those who needed it.
- The development of Care Northumbria had begun. Personal care had been added to Northumbria Healthcare Foundation Trust's Care Quality Commission (CQC) registration. A registered manager was in post and the structure for Care Northumbria service agreed. Phased recruitment was in progress with an induction and training programme in place. A communication strategy was also now in place.
- There were some hurdles to overcome while establishing Care Northumbria. It was a new area of work for the Trust. There was likely to be some disruption, but it was hoped enough support would be in place to ensure the existing provision was not destabilised or threatened.
- Confirmation that the staff would be employed on NHS terms and conditions and would be part of the broader organisation.
- Staff would be receiving payment at prevailing market rates.
- It was an exciting new innovative way of delivering care and provision at home.

Members made a number of comments, and responses included:

- The risk that the NHS would pay high wages that other providers could not match. It was confirmed that staff costings had been modelled after looking at other providers salary and had linked pay using this information. It was

stated that because of this costing, Care Northumberland staff would not receive a higher level of pay compared to local authority carers or private providers.

- Confirmation that Care Northumbria would cover the whole of Northumberland. It was currently being phased in starting with North Tyneside first before starting in the west of Northumberland. Work had taken place with the Council to establish where there were pressure areas were, which was why the west of the county would be first. It was hoped that by starting the new service in stages it would help to stop any disruption of existing provision.
- It was asked if recruitment for Care Northumbria would be from existing NHS staff. It was reported that recruitment had went out through the normal recruitment channels so both internal and external people could apply for posts. Analysis work had taken place to examine where people who had been applying for post had previously been employed to ensure service provision within the county was not undermined. It was advised that the data was showing that carers who had felt devalued and had left the sector were applying for these new roles.
- Confirmation that the service would be commissioned. It was stated that Care Northumbria would be applying to be on the local authority's providers list.
- There was a national issue regarding recruitment across a number of sectors. It was asked if the NHS was struggling to recruit staff to Care Northumbria. It was confirmed that there had been a few issues however the recruitment drive had centred on promoting career pathways, opportunities for people to move onto more senior roles and a route into the wider NHS. The Trust had a participation strategy which developed programmes that offered work experience, apprenticeships and helped attract school leavers to jobs within the NHS to further help with overall recruitment within the NHS.
- Concern by Members that by growing the capacity of the new service it could have a detrimental impact on other providers within the sector.
- Acknowledgment that there could be some disruption, but they were not seeing a high number of staff leaving one single provider to join Care Northumbria.
- It was confirmed that there would be 250 staff which would be aligned to the primary care networks.
- Confirmation that Care Northumbria would offer long term packages of care which would be adjusted as needs changed. The service was not solely focused on hospital discharge and would be available to all, along with other providers.
- Members agreed that they should be kept updated with developments on this new provision for Northumberland.

In conclusion, the Chair stated that Northumberland County Council officers had raised concerns about this new area of work with the Trust. The worry was that it could destabilise and threaten the existing market. However, officers and Members hoped to continue to work with the NHS in the future.

RESOLVED that the information and comments made be noted.

36. COMPLAINTS ANNUAL REPORT 2021-22: ADULT SOCIAL CARE AND CONTINUING HEALTH CARE SERVICES

Members were provided with the 'Complaints Annual Report' report which covered adult social care and the NHS responsibilities for continuing health care and related services which the Council delivered under a partnership arrangement with Northumberland Clinical Commissioning Group. (A copy of the report has been filed with the signed minutes).

J. Hillary, Complaints and Customer Relations Manager introduced the report which described what people had said about adult social care services in Northumberland and what had been learned as a consequence during 2021/22. The report also described what people had said about NHS continuing healthcare funded by Northumberland Clinical Commissioning Group and about supporting people in their own home or in a care home.

The report detailed the approach to listening and respecting all feedback offered, valuing each individual's perspective on the care they received, and resolving issues raised by people in Northumberland. It also explained in the appendices the custom and practice in complaint handling which had evolved to meet the requirements of the national regulations as well as providing some equalities information.

The service continued to be guided by the aim of responding to complaints in an appropriate and proportionate manner, understanding the perspective of each family member or service user that made a complaint, and where possible aiming to resolve things at an early opportunity.

Overall, and despite the challenges of lockdown and increased home working, it had been a positive year for Adult Services with many compliments received and enquiries dealt with at an early stage. The service had successfully resolved most of the issues raised locally. However, the service would continue to speak to people to hear their views and take their concerns very seriously. Officers were committed to improving services and continued to receive support from staff and managers throughout the organisation.

Councillor Pattison, Cabinet Member for Adults' Wellbeing, thanked officers for the detailed report and spoke about the small number of complaints received. It was confirmed that there were over 7000 service users, around 2000 carers and over 5000 packages of care, but the service only received 50 complaints within the last year.

N. Bradley, Director of Adult Social Services responded to a question regarding training and learning. It was confirmed that the service continued to learn lessons, to make changes to improve things for individuals and their families, and to draw on what was learnt to improve services more generally. Feedback received from complaints was a key tool for the service in improving services and procedures for all.

Members were advised of the complaints' procedure. It was stated that most complaints were carried out by family members. If a third party was to be involved, then there would need to be authorisation from the client to share data. Complaints received were quite small in number and there had not been a claim being awarded for many years. Any complaints submitted were acted upon. It was recognised that sometimes things could go wrong but measures were always then put in place to ensure incidents were not repeated.

Members were advised that charging of services was the most contentious. N. Bradley commented on his view that the newly created Care Northumbria could cause confusion for members of the public. Public would see NHS staff delivering a service, but it would not be free. He stated that a detailed and full communication drive by the Trust would be needed to ensure there was no misunderstanding.

It was confirmed that Northumberland officers were trained to deal with charging issues however it was very complex. Charging for care information sheets were available to residents to help explain how care was charged but these could also be difficult to understand. The cost of living crisis would also have an impact both on users and the service, but it was too early to say by how much. He stated that he could share copies of the information sheets with Members for them to see the complexity of the documents.

It was advised that the government was introducing a new adult social care charging framework from October 2023 which would fundamentally change the way people pay for their care and support. It was hoped the reform would make sure that people no longer faced unpredictable or unlimited care costs.

Members along with D. Nugent, from Northumberland Healthwatch welcomed the honest report and felt reassured that there was an approach to listening and respecting all feedback offered, valuing each individual's perspective on the care they received, and resolving issues raised by people in Northumberland.

RESOLVED that the report be received.

37. REPORT OF THE SCRUTINY OFFICER

Health and Wellbeing OSC Work Programme

The Committee reviewed its work programme for the 2022/23 council year. (A copy of the work programme has been filed with the signed minutes).

Members suggested the following be added to the work programme:

- Home Care update
- Ambulance update

RESOLVED that the work programme be noted.

38. DATE OF NEXT MEETING

RESOLVED that the next meeting has been scheduled for Thursday, 3 November 2022 at 1:00 p.m.

CHAIR _____

DATE _____

NORTHUMBERLAND COUNTY COUNCIL

HEALTH AND WELL-BEING BOARD

At a meeting of the **Health and Wellbeing Board** held in County Hall, Morpeth on Thursday, 8 September 2022 at 10.00 a.m.

PRESENT

Councillor P. Ezhilchelvan
(Chair, in the Chair)

BOARD MEMBERS

Anderson, E. (substitute)	Pattison, W.
Bailey, M.	Reiter, G.
Blair, A.	Sanderson, H.G.H.
Bradley, N.	Syers, G.
Lothian, J.	Taylor, M.
Mitcheson, R.	Travers, P.
O'Neill, G. (substitute)	Watson, J.

IN ATTENDANCE

L.M. Bennett	Senior Democratic Service Officer
A. Everden	Public Health Pharmacy Adviser
P. Lee	Public Health
D. Nugent	Healthwatch Project Co-ordinator

84. APOLOGIES FOR ABSENCE

Apologies for absence were received from S. Lamb, P. Mead, L. Morgan, D. Thompson and Councillor G. Renner-Thompson.

85. MINUTES

RESOLVED that the minutes of the meeting of the Health and Wellbeing Board held on 11 August 2022, as circulated, be confirmed as a true record and signed by the Chair.

86. NORTHUMBERLAND INEQUALITIES PLAN 2022-23

Members received the draft Northumberland Inequalities Plan 2022-32 and considered the proposals for system development and enablers, focused areas of action and short, medium and long-term indicators of progress.

Gill O'Neill, Interim Deputy Director of Public Health, gave a presentation and raised the following key points:-

- The journey towards the development of the plan, including the Inequalities Summit in March 2022 and the 12 locality events during June-July 2022.
- The Inequalities Summit and discussions which took place facilitated by Prof. Chris Bentley and the keynote speaker Cormac Russell. Delegates from across the system sharing examples of best practice.
- Key messages and priorities from the Summit
 - Improve our data and insights sharing
 - Upscale community centred approaches as our core delivery model
 - Align our organisations and resources (not just about funding.)
 - Look at everything through an inequalities lens
- Three questions from Cormac Russell asking what communities do best, what help do they require and what do communities need outside agencies do for them?
- Twelve Locality Conversations including understanding inequalities to be: inclusion groups, socio-economic factors, geographical areas as well as protected characteristics.
- Over 400 stakeholders were involved covering many areas including parish councils, fire & rescue, general practice, housing, VCSE, faith sector and volunteers.
- Information had been collated and analysed to inform the plan and the next steps. Each locality would have a newsletter. A webinar of the event was created as a knowledge resource. There was overwhelmingly positive feedback although it was noted that it would be building on existing good practice.
- Northumberland Community Centred Approach to closing the inequalities gap would be based around five principles
 - Looking at everything through an inequalities lens.
 - Voice of residents and better data sharing.
 - Communities' strengths are considered first.
 - Enhancing our services to ensure equity in access to opportunity.
 - Maximising our civic statutory level responsibilities
- Detailed lists of challenges, key statistics, approach, actions, inputs, outputs & outcomes 2022-32 and indicators to measure success were provided.
- All partners were requested to
 - take the plan into their own organisations and refresh their internal plans to incorporate the five themes of a three-year action plan.
 - Present to the Health & Wellbeing Board on an annual basis their continued commitment to the inequalities plan
 - Actively participate in the overview and scrutiny process on an annual basis to demonstrate progress against the inequalities plan.

Members welcomed the report and a number of comments were made:-

- It was noted that further references to the involvement of the VCSE sector should be made in the report and this would be discussed outside the meeting.
- It was planned to widen the membership of the Health & Wellbeing Board to include other organisations that were not necessarily health care related – eg business / private sector.
- It was important the Board Members and their respective organisations committed to the Inequalities Plan.
- It was hoped that life expectancy of Northumberland residents would increase as a result of the Inequalities Plan.
- How would this work be followed up and built on to ensure there was meaningful activity for General Practice and community pharmacies? The Public Health Team would be happy to work alongside practice to ensure the plan's actions were real and tangible.
- There would be different starting points for communities as they all had differing needs. Neighbourhood communities would be built on over the next few years.

RESOLVED

- (1) the proposals for the shorter term supporting and enabling actions be agreed.
- (2) The proposed short, medium and long term indicators be agreed.
- (3) The levels of ambition and Board members' contribution to the plan be agreed.
- (4) The mechanism to continue to the next stage and development the long term plan be agreed
- (5) Board partners will present the plan at a strategic level within their own organisation for endorsement and agreement on their contribution.

87. PHARMACEUTICAL NEEDS ASSESSMENT (PNA) CONSULTATION REPORT

Members received an update on the consultation process and were asked to approve the final Pharmacy Needs Assessment (PNA) which had been updated as a result of comments received during the consultation.

Anne Everden, Public Health Pharmacy Adviser, updated Members as follows:-

- A formal consultation process had taken place with 12 written responses being received. Healthwatch had carried out a public engagement exercise which attracted 665 responses, providing a good overview of what the public's views were.
- Healthwatch had concentrated its efforts in areas where there had been a decrease in the number of pharmacies, for example, Alnwick, Hexham,

Morpeth, and Blyth. Responses had been received from all over Northumberland.

- Concerns expressed by the public were busier pharmacies, longer queues, shortage of medicines, inconvenient opening hours.
- An issue had been identified at Alnwick, where there was no pharmacist on duty over the lunchtime period which caused issues for rural communities which were dependent on bus services to come to the town. This issue had been investigated further and Senior Managers at Boots had now agreed to recruit more pharmacists to prevent this issue happening again.
- Following the responses to the official consultation, several factual inaccuracies in the draft had been corrected. Every comment made had been taken into account

The following comments were made:-

- There was concern about the use of online pharmacies which could undermine local pharmacies. There was the added risk to patients who would not be able to seek advice on taking their medicines and also not be able to get their prescriptions quickly.
- It appeared that, despite the pandemic, there had not been a general move towards use of online pharmacies and that people valued their local pharmacies. There were still many pressures on community pharmacies and it was expected that there would be closures in the future. Consolidations of pharmacy services had to come to the Health & Wellbeing Board to be approved. If a pharmacy went out of business, the Health & Wellbeing Board could declare a gap in service and be reviewed on how to resolve.
- There was an issue with some Tesco stores closing their pharmacies on a temporary basis. This could cause a problem in some rural areas where there was a need for this out of hours service – to keep an eye on the situation.
- The PNA must be a living document and work was already under way to address the needs of the change to the GP contract which required them to provide services over a longer period.

RESOLVED that the updated Northumberland Pharmacy Needs Assessment be approved.

88. FAMILY HUB DEVELOPMENT

Members received an update in relation to DfE funding for Family Hub developments in Northumberland.

Graham Reiter, Service Director Children's Social Care and Interim DCS, updated Members as follows:-

- There was a clear link with the Inequalities Plan

- The development of Family Hubs arose from the national Best Start in Life initiative. Northumberland benefited from a strong early help offer which had been developed over the years and was based around existing children's centres. This work had been going on for some time and provided a strong basis to develop a partnership with the Family Hub offer.
- Significant funding had been obtained for the next three years to support and enhance the development of the Family Hubs.
- Developments were being based around the existing Children's Centres and were integrating partnership working across the county. Co-locating partner agencies in existing children's centres and where these estates did not exist, virtual, coordinated and co-location links being made to enable a comprehensive offer over the county to develop partnerships in a consistent way.
- It was aimed to identify needs as early as possible and provide whatever support was needed and to prevent escalating to statutory or higher level services unnecessarily.
- There was a need to sign up promptly. Strategic governance would be through the Director of Public Health supported by the Director of Children's Services. Agreement from political leaders had already been sought and agreed.
- Other activities included integrating adults and children's safeguarding partnership work, and children and young people strategic partnership work, and trying to map governance arrangements to avoid duplication.
- Family Hubs would be overseen by the Children and Young Peoples' Partnership with a formal link into the Health & Wellbeing Board.
- There had to be evidence of how services were being enhanced and not just replacing services that already existed and show impact and improvement.

RESOLVED

- (1) to proceed with the funding for the Family Hub offer.
- (2) the development of the governance and wider processes to underpin this be supported.

89. HEALTHWATCH ANNUAL REPORT 2021-22

Members received the Healthwatch Annual Report 2021-22 and a presentation from Derry Nugent, Project Co-ordinator of Healthwatch.

- All Local Authorities were required to have a Healthwatch function and Northumberland County Council was very committed to the Healthwatch function.
- Although the focus was always Northumberland, Healthwatch would also work with friends and partnership outside the county.
- The focus of Healthwatch's work had been 'championing what matters to you', with you being someone who lived and worked in Northumberland.

- Healthwatch actively listened to patients and service users, checked what they had said, and then reported onwards.
- It was necessary for services to take a step back and look at the bigger picture. Healthwatch had been able to bring the public's experiences to services and trying to create empathy by providing a deeper understanding than by using data alone. For example, the data showed that there was a pharmacy in Alnwick but did not show that it was not open at lunch time and so was not convenient for the user.
 - Change took time and this was one of the biggest challenges for Healthwatch. It hoped to be able to influence the decision makers partnerships and other bodies.
 - Healthwatch would always pass on the information and feedback.
 - In the last year Healthwatch had looked at a number of areas including end of life, impact of Covid on health inequalities, dental services, the new Integrated Care System, primary care and people being cared for at home.
 - A list of outcomes of each project were listed.
 - Forthcoming work included:-
 - Reports were due to be published in autumn 2022 on family experiences to autism and mental health services and experiences of people with sight loss.
 - There would be no annual survey but instead Healthwatch would do more focus group work aimed at hearing from people who were 'less often heard'.
 - Discussion of new ways of delivering social care and outpatient services.
 - The Annual General Meeting would be held on 19 October 2022 at Northumberland College. All Members of the Health & Wellbeing Board had been invited to attend. Keynote speakers would be Rachel Mitcheson and Neil Bradley. In addition, students from the college who were studying health and social care would attend and be explaining why they had made a positive choice to pursue this career.

The Chair thanked Derry Nugent for the interesting and informative report and presentation.

RESOLVED that the report and presentation be received.

90. HEALTH AND WELLBEING BOARD FORWARD PLAN

Gill O'Neill, Interim Deputy Director of Public Health, referred to the Board Development session where the strategy was reviewed and identification of Executive Sponsors for each of the four thematic groups was underway as well as the Member sponsors. This would be reported on at the October meeting along with how all four themes would be brought into the Forward Plan.

RESOLVED that the Forward Plan be noted with the addition of the above item.

91. URGENT BUSINESS

The Chair reported that he had been made aware of the following two items and agreed that they be raised as items of urgent business.

Membership and Vice-Chair of the Health & Wellbeing Board

The Chair reported that following the feedback from the Development Session it was suggested that the membership of the Health & Wellbeing Board be broadened to include a representative of both Northumbria Police and the Fire & Rescue Service.

The Vice-Chair of the Health & Wellbeing Board was required to be the Clinical Chair of the CCG. However, this post no longer existed following the recent restructuring. In order to maintain stability, it was proposed that Dr. Graham Syers remain as Vice-Chair for the foreseeable future as a Northumberland clinical leader.

RESOLVED

- (1) that Northumbria Police and the Fire & Rescue Service be invited to each send a representative to join the Health & Wellbeing Board.
- (2) Dr. Graham Syers remain as Vice-Chair of the Health & Wellbeing Board until further notice.

92. DATE OF NEXT MEETING

The next meeting will be held on Thursday, 13 October 2022, at 10.00 a.m. in County Hall, Morpeth.

CHAIR _____

DATE _____

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NORTHUMBERLAND COUNTY COUNCIL

AUDIT COMMITTEE

At a meeting of the Audit Committee held in the Council Chamber, County Hall, Morpeth on Wednesday, 28 September 2022 at 10.15 a.m.

PRESENT

S. Watson (Chair, in the Chair)

COUNCILLORS

Cessford, T.
Dale, A.
Grimshaw, L.

Jackson, P.
Oliver, N.
Towns, D.

CO-OPTED MEMBERS

Topping, P.

OFFICERS IN ATTENDANCE

Gorman, C.

Henderson, C.
Masson, N.
McDonald, K.

Todd, A.
Willis, J.

Principal Accountant (Pensions) -
Project Officer
Group Assurance Manager
Senior Manager – Legal Services
Head of Internal Audit and Risk
Management
Democratic Services Officer
Interim Executive Director of
Finance and S151 Officer

ALSO IN ATTENDANCE

Waddell, C.

Mazars (External Audit)

1 member of the press was in attendance

30. APOLOGIES FOR ABSENCE

Apologies for absence were received from Councillors J. Reid and A. Wallace.

31. MINUTES

RESOLVED that the minutes of the meeting of the Audit Committee held on 27 July 2022, as circulated, be confirmed as a true record and signed by the Chair.

Ch.'s Initials.....

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32. DISCLOSURE OF MEMBERS' INTERESTS

Councillor Cessford declared an interest in item 8 on the agenda (Annual Report of the Firefighters' Pension Scheme Local Pension Board 2021-2022) as he was a retired member of the Tyne and Wear Metropolitan Fire Brigade with a pension managed by West Yorkshire Pension Fund. He advised he would not take part in any debate relating to this. N. Masson advised Councillor Cessford that he should also leave the room when this item was to be debated.

33. MONITORING REPORT / ACTION LOG 2022-23

The Committee was asked to review and note its monitoring report/action log for the 2022/23 council year (a copy of which had been filed with the signed minutes).

Regarding Action 1, it was confirmed that although a verbal response had been given a formal response would be prepared.

Regarding Action 2, the terms of reference for the Independent Review of International had been agreed. J. Gilbert a former Chief Executive of Swindon Borough Council, had been appointed to lead the investigation and it was envisaged that key interviews would commence in the next three to four weeks. Councillor Jackson welcomed the update and suggested a report to inform Audit Committee on progress made be prepared for the next meeting.

Councillor Jackson requested a report detailing the processes and practices of employment and redundancy payments to be added to the work programme. J. Willis advised that an Internal Audit report had been drafted on this issue. She stated that she may need to seek further legal advice, but it was hoped to present the paper to the next meeting of Audit Committee.

Councillor Jackson commented on the Caller Report which identified a number of governance issues. Actions to address the concerns raised had begun but he suggested Audit Committee scrutinise and monitor improvements throughout the process.

Councillor Dale asked if the CIPFA audit report could be included in the work programme. J. Willis confirmed that the report had been received by officers and had been subsumed into the Strategic Change Work Programme. It was envisaged that an update could be ready to be reported to the next meeting of the Audit Committee. However, in the meantime the CIPFA report could be circulated to Members.

RESOLVED that the monitoring report/action log and comments made be noted.

34. REPORT OF INTERIM EXECUTIVE DIRECTOR OF FINANCE & SECTION 151 OFFICER

Ch.'s Initials.....

Northumberland County Council – Consideration of ‘Going Concern Status’ for the Statement of Accounts for the year ended 31 March 2022

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

J. Willis, Interim Executive Director of Finance and S151 Officer introduced the report which detailed all of the considerations that were taken into account in arriving at the judgment that the statement of accounts should be prepared on a ‘going concern’ basis.

Members were reminded that there had been a forecast outturn for this financial year with a gross overspend of £17 million and a net of the exceptional inflation reserve, which was set aside at the beginning of the year, of just under £12 million.

She commented that it was helpful that an intervention was being made to address rising energy costs which would help the Council as well as helping residents and businesses.

However, the latest issue was rising interest rates with the latest estimates of where interest rates could potentially end up being around the 6% mark. This was significantly higher than anticipated when this year’s budget was set and even planning assumptions for the following year. The risks associated were increasing which would mean that it was more important than ever to maintain an adequate level of reserves to deal with the unforeseen. The Council was going into a very challenging period, and it would be very difficult over the next eighteen months.

Nevertheless, the financial position of the Council for the time being remained healthy, with significant reserves and strong financial disciplines.

The Chair welcomed the report and the financial position of the Council. However, he stated that it was uncertain times and Audit Committee would need to monitor and be kept up to date with developments.

Councillor Oliver commented that the final two candidates for the central government leadership election had both made strong statements about local authorities delivering more public services. He questioned whether there had been any indication of what might happen in terms of local authority funding at the end of the year. Or was it anticipated that it would be another one year funding settlement. In response J. Willis stated that unfortunately there had been no indications other than the announcement of a £500 million funding package around social care and hospital discharge which would probably go to the NHS rather than local authorities. Ordinarily the Chancellor’s Autumn announcement would happen in October, but it was now being pushed back to the end of November. Local authorities would normally get their financial settlements in December, but it was quite possible that this would also be pushed back. Usually there was intelligence ahead of what was likely to be in the financial settlement, but this year there had been no indication which was of concern to local authorities. It was believed that it would be another

one year funding settlement and it was not anticipated that there would be any funding reforms before the next general election. But the consensus was that local authorities would need help, although what that would look like and when it would be announced no one could answer.

Councillor Jackson felt reassured that the report highlighted that Northumberland did have high reserves and was in a much better position than others. However, there was a need to continue to plan ahead. There was a proposal to spend £3 million over the next three years on a Strategic Transformation Programme. He questioned if the business case had been finalised yet and whether from a value for money perspective Audit Committee could examine it to ensure that the £3 million per year would produce real results. J. Willis confirmed that the business case would be finalised by the end of October. She had first sight of the opportunity analysis which identified all the areas where there were real opportunities to make savings and an initial quantification of those savings had started. The Programme Board had also seen the opportunity analysis and the underlying assumptions were currently being validated. The business case would set out the prioritisation, phasing and investment needed to deliver the savings over the next three financial years. The Transformation Programme was needed to drive efficiencies across the whole organisation and was part of the Council's approach to pursue value for money. Having the correct governance and resourcing in place was essential. Councillor Jackson requested that the Audit Committee be informed of the outcome of the process once at the relevant stage.

Councillor Towns commented on recent local press articles and comments made by councillors about a reported '£17 million black hole in the Council's finances. However, looking at the report there was a overspend forecast of £17 million but that seemed to be offset by a £5.2 million from exceptional inflation reserve. Therefore, there was a £12 million forecasted overspend not £17 million as wrongly reported in the press. He suggested that better communication was needed with residents to inform them that Northumberland's finance position was strong especially compared to other local authorities in the region and around the country. He felt the press had reported Northumberland's finances unfairly and had worried residents into thinking council services would be cut, their council tax would increase and there would be job losses. He hoped that something could be done to reassure the public and change the perception created by these such newspaper headlines. J. Willis advised that she could not control what was written in the local press. However, the Council's financial status was audited each year by Mazars as part of the value for money assessment. Members of the public could take comfort that not only officers but also an external body felt that the Council was in a financially strong position.

Councillor Towns queried why there was an exceptional inflation reserve, had it been put aside specifically for this kind of eventuality or was it coming out of the healthy general reserves of £70 million. J. Willis confirmed that when the budget was set for this year inflation was starting to increase particularly around energy costs which resulted in some additional allowance being built in. As the 2020/21 accounts were reporting an underspend Cabinet agreed to set aside £5.2 million in the exceptional inflation reserve to accommodate further inflationary increases. However, no one could have predicted the scale of the cost of living crisis and the speed at which it had developed. Undoubtedly, it would have a significant impact on the Council's budget going forward, as well as on households.

Ch.'s Initials.....

Councillor Dale commented on the pay award which she felt could have come in earlier and the concerns from members of the public over the delivery of council services. She commented on the voluntary redundancy scheme in place but was reassured that there were no plans for voluntary redundancies in hard to recruit roles, such as social workers. She discussed the issue of recruitment and the concerns faced in trying to attract the right people to the right posts to deliver services. Councillor Dale asked if it was believed that enough had been done to ensure the Council could maintain its 'going concern' status next year. J. Willis confirmed that yes it was believed that the status would be maintained although difficult choices would need to be made along with efficiency savings. The Council would continue to balance the budget and try to protect frontline services. The Strategic Change Programme would drive out some of the efficiencies in the longer term. It was hoped that by doing this the Council would not be forced into cutting services that residents valued the most.

P. Topping asked about those village schools who were using oil for heating and whether there was any energy relief tariff to help them. J. Willis reported that there had been recognition that households would need financial help with their heating along with businesses, but the detail contained within the package of support had not been provided yet. It was hoped this would also cover oil heating.

Councillor Grimshaw raised concerns regarding benefit payments and the precepts for grants and the possible impact to the Council if people could not keep up with repayments. She also sought reassurance around the inflation rate and the current borrowing rates for the Council. J. Willis confirmed that monitoring the collection fund performance was taking place. It was expected that the cost of living crisis would impact on collection rates both for business rates, rents and council tax. Within the second quarter of this financial year a small dip in performance had been seen. When council tax was to be set for next year any surpluses or deficits on the collection fund would need to be taken into account. Money had been set aside from previous year's surpluses that could be used for collection fund smoothing. However, there would need to be a review of the provision for doubtful and bad debts ahead of budget setting for next year. Regarding borrowing, the Council had high cash reserves and had been under borrowing. The Council had recently taken on some external debt and locked into some fixed rate deals on a short term basis to help mitigate against rising interest rates.

The capital programme was being examined and it could be that there would be the need to look at rephrasing some of the capital commitments. Work was also taking place to examine all the debt charge forecasts.

The Chair thanked J. Willis for her honest and detailed report. He stated that he hoped regular reports would be brought to Audit Committee to allow members to monitor the situation going forward.

RESOLVED that the Audit Committee approve that the Council is considered to be a going concern and that the Statement of Accounts 2021-22 is prepared on that basis.

35. REPORT OF INTERIM EXECUTIVE DIRECTOR OF FINANCE & SECTION 151 OFFICER

Treasury Management Annual Report for the Financial Year 2021-22

This report provided details of performance against the Treasury Management Strategy Statement (TMSS) 2021-22, approved by the County Council on 24 February 2021. The report provided a review of borrowing and investment performance for 2021-22, 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. (A copy of the report has been filed with the signed minutes).

The report was introduced by J. Willis, Interim Executive Director of Finance and S151 Officer. The report reviewed the activities of the Treasury Management function for the period 01 April 2021 to 31 March 2022. It was noted that with the exception of a temporary increase to approved limits for Money Market Funds, all other treasury activities met the Treasury indicators set out in the TMSS, and borrowing was within the borrowing limits set by the Council. The half yearly report would be presented to the November meeting of Audit Committee.

The Chair commented that since the end of March economic conditions and interest rates had changed considerably as discussed at length in the last agenda item.

Councillor Oliver asked about short term borrowing and where officers expected PWLB rates to go. He questioned why the Council was locking into short term loans. J. Willis confirmed that PWLB rates normally followed a similar pattern to Gilts. With the prediction of further rises it was beneficial to lock in some borrowing on a short term basis, mainly authority to authority lending. By doing this it would give the Council time to determine where the markets were likely to go.

Councillor Dale asked about other borrowing and lending that was not locked in. J. Willis suggested they discuss outside of the meeting to clarify the question being asked to ensure a full response could be provided.

RESOLVED that:

- (a) The report and performance of the Treasury Management function for 2021-22 be received.
- (b) Members recommend County Council review and note the report.
- (c) A response be provided to Councillor Dale's query once clarified by the Section 115 Officer.

36. REPORT OF INTERIM EXECUTIVE DIRECTOR OF FINANCE & SECTION 151 OFFICER

Annual Governance Review and Annual Governance Statement 2020/21

Ch.'s Initials.....

The purpose of this report was to enable the Audit Committee to review the final Annual Governance Statement for 2020-21 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. (A copy of the report has been filed with the signed minutes).

The report was presented by J, Willis, Interim Executive Director of Finance and S151 Officer who highlighted the main points of the report and advised that the final Annual Governance Statement (AGS) for 2020-21 took account of the S114 Notice, the final report of the Caller Review and other significant events that occurred post 31 March 2021.

Councillor Jackson commented that he had been very critical of past governance reviews from the Council. However, he felt this Annual Governance Review was laudable, the three lines of defence were detailed, and the overall objectives were good. But he felt that it still did not detail what would happen if the three lines of defence were breached. He also felt that Audit Committee's role was not fully established within the document to ensure it would provide an independent review of the Council's governance, risk management and control frameworks and oversee the financial reporting and annual governance processes. He questioned how Audit Committee would ensure the procedures and processes of the Council followed good governance, particularly in light of the Caller Report recommendations.

The Chair stated that he thought the report did clearly set out the responsibilities of the Audit Committee and showed that it would have a key role in addressing the lessons learnt from the Caller Review.

J. Willis confirmed that Audit Committee had a key role in ensuring that lessons learnt, and actions agreed following the Caller Report were acted upon. A request for Audit Committee to receive regular Caller Report progress reports had already been made and would take place. Internal Audit also produced regular assurance reports to Audit Committee which gave an opinion on the adequacy of the governance arrangements. Audit Committee also had an essential role in overseeing governance processes and ensuring follow up in terms of agreed actions from previous annual governance statements. She commented that maybe in the past Audit Committee had not asserted its role enough. However, Audit Committee were in full control of their own work programme, and it would be up to Members to determine how much involvement they wanted to have in monitoring the implementation of the agreed actions set out in the governance statement.

The Chair agreed that the Committee needed to decide how they wanted to be updated on these issues, whether that be in a cyclical way or a more granular approach. Officers confirmed that there was no issue in bringing reports or providing information to Audit Committee.

Councillor Dale commented there was not enough detail within the governance statement. The statement quoted that during the latter part of 2020 and early 2021 it became apparent that there were significant weaknesses in the Council's corporate governance arrangements. However, there was no detail as to what the significant weaknesses were, how they were recorded or how the weaknesses came to light.

Ch.'s Initials.....

She felt that by having more information regarding governance and where it went wrong measures could be put in place to ensure such things did not happen again. J. Willis advised that Audit Committee along with two statutory officers, the Leader of the Council and the external auditor had all raised concerns about past governance arrangements. In this instance the mechanism for addressing the issues raised was to commission the Caller Review and the issuing of the S114 report. It was widely recognised that there were issues which needed to be properly investigated and rectified. Councillor Dale felt that this information should have been included to provide clarity and detail on the severity of the weaknesses found.

Councillor Oliver stated that the Caller Review was only necessary because the governance arrangements had failed or been overridden. The findings and recommendations from the Caller Report needed to be fully addressed and progress monitored regularly. The work of the Caller Review Working Group needed to be meaningful and properly scrutinised by Audit Committee and that of the relevant Scrutiny Committees. Robust mechanisms were needed to ensure that there were safe places where concerns could be voiced and heard along with procedures in place to deal with any breaches of the three lines of defence.

P. Topping commented that he had similar concerns to that of Councillor Jackson about where Audit Committee sat within the Annual Governance Statement but stated that the response from the Section 151 Officer had been extremely helpful in alleviating his initial concerns. He asked if there was clarity in the minds of officers on the relationship and responsibilities of the Challenge Board, the Members' Oversight Group, the Programme Group and Full Council and the reporting and information sharing between them. J. Willis advised that it was very early on in the process with the Challenge Board just being established. The Caller Report Action Plan was being broken down into much more granular detail to clearly identify for each recommendation the responsible officer, work packages, timescales and resources for delivery. The overall aim was to ensure the Caller Review recommendations were delivered in a joined-up way. However, expectations about timescales for implementing all of the recommendations from the Caller Report needed to be realistic. There would be an important role for the Audit Committee to ensure that the longer term improvements were delivered in full and embedded in the organisation.

P. Topping commented on the recent changes to the Adult Social Care Partnership with Northumbria Healthcare NHS Foundation Trust, the new partnership with Harrogate and District NHS Foundation and creation of the Integrated Care Boards. He suggested this may be an area of interest to Audit Committee because of all the recent changes within the NHS. J. Willis agreed with the comments made and stated there were also a number of significant reforms happening in Adult Social Care such as the Fair Cost of Care Review and changes to charging arrangements which would need monitored to ensure services were not destabilised during the transition period.

RESOLVED that Audit Committee:

- (a) Approve the final Annual Governance Statement (shown in Appendix A)
- (b) Note the further planned improvement actions, to strengthen the Council's governance arrangements following the recent Independent Review of Governance (the 'Caller Review') and the issue of the S114 Report.

Ch.'s Initials.....

At this point Councillor Cessford left the meeting while the next item was to be considered. C. Waddell declared an interest as he was the external auditor for West Yorkshire Pension Fund and therefore also left the meeting for the duration of the agenda item.

37. REPORT OF INTERIM EXECUTIVE DIRECTOR OF FINANCE & SECTION 151 OFFICER

Annual Report of the FPS Local Pension Board for 2021/22

Audit Committee was asked to receive the Annual Report of the FPS Local Pension Board for 2021/22, attached as Appendix 1 to this report and provide comment to the Board and NCC's FPS Scheme Manager, if appropriate. (A copy of the report has been filed with the signed minutes).

C. Gorman, Principal Accountant (Pensions) - Project Officer highlighted the main points of the report which provided a summary of the work of the LPB over the previous year including data on FPS membership, statement of accounts, and issues progressed through the Internal Disputes Resolution Procedure (IDRP) and Fire Disputes Panel. The Board considered one breach relating to the administration of the FPS in NCC which was recorded in 2021/22 but concluded it was not of material significance to the Regulator and should not be reported. One Stage Two IDRP complaint was made in the year and the Board was satisfied that a fair and transparent process had taken place.

RESOLVED that the Annual Report of the FPS Local Pension Board for 2021/22, attached as Appendix 1 to this report be received.

At this point Councillor Cessford and C. Waddell returned to the meeting.

38. REPORT OF THE EXTERNAL AUDITOR

External Audit Progress Report

(A copy of the progress report has been filed with the signed minutes).

The External Audit progress report provided the Committee's September 2022 meeting with:

- an update in respect of 2019/20 value for money (VFM) work;
- an update in respect of 2020/21 remaining audit work;
- an update in respect of 2021/22 audit work; and
- a summary of recent relevant reports and publications for your information (Section 2).

C. Waddell drew members' attention to the main points in the report.

Ch.'s Initials.....

He reported that the conclusions in respect of the Council's value for money arrangements remained outstanding for the 2019/20 financial year.

In terms of the 2020/21 accounts this work was fundamentally complete. There was an issue regarding the note that had set out how much senior officers were paid which related back to the S114a report and the International allowance. External Audit were looking carefully into the wording of the Code of Practice and Audit Regulations to establish clearly what must be included in the note. If there was sufficient disclosure within the accounts around the Section 114a notice, then the implications of that would not result in the External Auditor qualifying the accounts in relation to this. It was envisaged that conclusions reached would be reported formally when the audits were concluded hopefully later in the year, subject to the infrastructure issue being resolved. One other issue within the 2020/21 accounts was exit packages, with External Audit examining the information recently received to determine if further disclosure was needed.

The infrastructure issue was still not resolved and impacting on most local authorities. Until a solution was found accounts could not be signed off. It was reiterated that this was a national issue and not specific to Northumberland.

In a response to a query from Councillor Dale, it was confirmed that External Audit were examining the Caller Report and the Section 114 notice and various other issues gathered over the course of the last two years while trying to pin down the year it related to either the 2019/20, 2020/21 or 2021/22 account. It was envisaged that most outstanding issues related to the 2019/20 accounts but not all. However, External Audit would strive to try to capture it all together including the value for money Group Accounts to hopefully speed up the process. It was noted that value for money applied to the County Council not Advance Northumberland but would apply in terms of some of the issues raised by the previous External Auditor and the Caller Report around governance arrangements for Council subsidiary companies.

Councillor Jackson commented that there had recently been a resolution of an employment tribunal in relation to Advance Northumberland and questioned whether the outcome would have any bearing on the value for money view and that of the Council's Group position. C. Waddell confirmed that he was not aware of the resolution as he was not Advance Northumberland's auditor, it was carried out by another team within Mazars. That team would conclude on the implications from the tribunal in the context of Advance's accounts which would then be consolidated through into the Group. Separate Group instructions would then be issued, and their file would be reviewed. Depending on the resolution from the tribunal, that would determine whether there was any impact on the value for money opinion judgment around the County Council. However, Advance Northumberland's value for money was separate but their accounts were reported to the Northumberland Audit Committee. Councillor Jackson stated that he would pick up this issue at that time.

RESOLVED that the External Audit Progress report be noted.

39. DATE OF NEXT MEETING

Ch.'s Initials.....

RESOLVED that the next meeting is scheduled for Wednesday, 30 November 2022 at 10.15 a.m.

40. 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 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

13 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.

41. REPORT OF THE HEAD OF INTERNAL AUDIT AND RISK MANAGEMENT

Group Audit Committee: Advance Northumberland Internal Audit Update

The purpose of the report was to update Group Audit Committee on progress with the Internal Audit plan of work for Advance Northumberland Group of Companies. A report presented to Advance Northumberland Audit Committee on 13 September 2022, summarising Internal Audit coverage, was provided at Appendix 1. (A copy of the report has been filed with the signed minutes, coloured pink and marked "Not for Publication").

K. McDonald, Head of Internal Audit and Risk Management detailed the main points of the report for members.

RESOLVED that Group Audit Committee notes the update in relation to the progress of Internal Audit work within Advance Northumberland Group of Companies, summarised in Appendix 1, and considers this as part of its ongoing evaluation of the framework of governance, risk management and control within Northumberland County Council's accounting group boundary.

Ch.'s Initials.....

CHAIR.....

DATE.....

Ch.'s Initials.....

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