

SCHEDULE 10

Regulation 48

Capital to be disregarded

Premises

- 1.—(1) Premises occupied by a person as their home.
- (2) For the purposes of this paragraph and paragraphs 2 to 5, only one set of premises may be treated as a person's home.
2. Premises occupied by a close relative of a person as their home where that close relative has limited capability for work or has reached the qualifying age for state pension credit.
3. Premises occupied by a person's former partner as their home where the person and their former partner are not estranged, but living apart by force of circumstances, for example where the person is in residential care.
- 4.—(1) Premises that a person intends to occupy as their home where—
 - (a) the person has acquired the premises within the past 6 months but not yet taken up occupation;
 - (b) the person is taking steps to obtain possession and has commenced those steps within the past 6 months; or
 - (c) the person is carrying out essential repairs or alterations required to render the premises fit for occupation and these have been commenced within the past 6 months.
- (2) A person is to be taken to have commenced steps to obtain possession of premises on the date that legal advice is first sought or proceedings are commenced, whichever is earlier.
5. Premises that a person has ceased to occupy as their home following an estrangement from their former partner where—
 - (a) the person has ceased to occupy the premises within the past 6 months; or
 - (b) the person's former partner is a lone parent and occupies the premises as their home.
6. Premises that a person is taking reasonable steps to dispose of where those steps have been commenced within the past 6 months.

Business assets

7. Assets which are used wholly or mainly for the purposes of a trade, profession or vocation which the person is carrying on.
8. Assets which were used wholly or mainly for a trade, profession or vocation that the person has ceased to carry on within the past 6 months if—
 - (a) the person is taking reasonable steps to dispose of those assets; or
 - (b) the person ceased to be engaged in carrying on the trade, profession or vocation because of incapacity and can reasonably expect to be reengaged on recovery.

Rights in pensions schemes etc

9. The value of any policy of life insurance.

10.—(1) The value of any right to receive a pension under an occupational or personal pension scheme or any other pension scheme registered under section 153 of the Finance Act 2004⁽¹⁾.

(2) “Occupational pension scheme” and “personal pension scheme” have the meaning in section 1 of the Pension Schemes Act 1993⁽²⁾.

11.—(1) The value of a funeral plan contract.

(2) “Funeral plan contract” means a contract under which the person makes payments to a person to secure the provision of a funeral and where the sole purpose of the plan is the provision of a funeral.

Amounts earmarked for special purposes

12. An amount deposited with a housing association as a condition of the person occupying premises as their home.

13. An amount received within the past 6 months which is to be used for the purchase of premises that the person intends to occupy as their home where that amount—

- (a) is attributable to the proceeds of the sale of premises formerly occupied by the person as their home;
- (b) has been deposited with a housing association as mentioned in paragraph 12; or
- (c) is a grant made to the person for the sole purpose of the purchase of a home.

14. An amount received under an insurance policy within the past 6 months in connection with the loss or damage to the premises occupied by the person as their home or to their personal possessions.

15. An amount received within the past 6 months that is to be used for making essential repairs or alterations to premises occupied or intended to be occupied as the person’s home where that amount has been acquired by the person (whether by grant or loan or otherwise) on condition that it is used for that purpose.

Other payments

16. A payment made within the past 12 months under Part 8 of the Contributions and Benefits Act (the social fund).

17.—(1) A payment made within the past 12 months by or on behalf of a local authority—

- (a) under section 17, 23B, 23C or 24A of the Children Act 1989⁽³⁾, section 12 of the Social Work (Scotland) Act 1968⁽⁴⁾ or section 29 or 30 of Children (Scotland) Act 1995; or
- (b) under any other enactment in order to meet a person’s welfare needs related to old age or disability, other than living expenses.

(2) In sub-paragraph (1) “living expenses” has the meaning in regulation 66(2).

18.—(1) A payment received within the past 12 months by way of arrears of, or compensation for late payment of—

- (a) universal credit;
- (b) a benefit abolished by section 33 of the Act; or

(1) [2004 c.12.](#)

(2) [1993 c.48.](#)

(3) [1989 c.41.](#) Sections 23B and 23C were inserted by section 2 of the Children (Leaving Care) act [2000 \(c.35\)](#) and section 24A was inserted by section 4 of that Act.

(4) [1969 c.49.](#)

- (c) a social security benefit which is not included as unearned income under regulation 66(1) (a) or (b).
 - (2) “Social security benefit” means a benefit under any enactment relating to social security in any part of the United Kingdom.
- 19.** A payment to a person by virtue of being a holder of the Victoria Cross or George Cross.