

THE FIRST SCHEDULE

“Sums disregarded from claimant’s earnings

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 a claimant 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 fireman in a fire brigade maintained in pursuance of the Fire Services Acts 1947 to 1959⁽¹⁾;
- (b) as an auxiliary coastguard in respect of coast rescue activities;
- (c) in the manning or launching of a lifeboat if the employment is part-time;
- (d) as a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001⁽²⁾.

(3) If the claimant’s partner is engaged in any employment, so much of his earnings as would not in aggregate with the amount of the claimant’s earnings disregarded under this paragraph exceed £20.

4.—(1) If the claimant or 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 claimant and of any partner of his, their earnings shall for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) shall not exceed £20 of the aggregated amount.

(3) In this paragraph, the claimant or his partner is a carer if paragraph 9 of Part III of Schedule 2A (carer premium) is satisfied in respect of him.

5.—(1) £20 is disregarded if the claimant or, if he has a partner, his partner—

- (a) is in receipt of—
 - (i) long-term incapacity benefit under section 30A of the Contributions and Benefits Act⁽³⁾;
 - (ii) severe disablement allowance under section 68 of that Act⁽⁴⁾;
 - (iii) attendance allowance;
 - (iv) disability living allowance under sections 71 to 76 of that Act;
 - (v) any mobility supplement under article 26A of the Naval, Military and Air Forces Etc. (Disablement and Death) Service Pensions Order 1983⁽⁵⁾

(1) 1947 c. 41, 1951 c. 27 and 1959 c. 44.

(2) S.I. 2001/1004.

(3) Section 30A was inserted by the Social Security (Incapacity for Work) Act 1994 (c. 18).

(4) Saved by S.I. 2000/2958, article 4.

(5) S.I. 1983/883.

Status: This is the original version (as it was originally made).

(including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983⁽⁶⁾; 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⁽⁷⁾ (welfare services) or, in Scotland, has been certified as blind and in consequence is registered as blind in a register maintained by or on behalf of a regional or islands council; or
- (c) is, or is treated as, incapable of work in accordance with the provisions of, and regulations made under, Part XIIA of the Contributions and Benefits Act (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 a claimant who is terminally ill within the meaning of section 30B(4) of that Act⁽⁸⁾, 196 days;
 - (ii) in any other case, 364 days.

(2) Subject to sub-paragraph (3), £20 is disregarded if the claimant or, if he has a partner, his partner has, within a period of 8 weeks ending on the day in respect of which the claimant or his partner attains the qualifying age for state pension credit, had an award of housing benefit or council tax benefit and—

- (a) £20 was disregarded in respect of earnings taken into account in that award;
- (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 entitlement to housing benefit or council tax benefit or in employment following the first day in respect of which that benefit is awarded.

(4) £20 is the maximum amount which may be disregarded under this paragraph, notwithstanding that, where the claimant has a partner, both the claimant and his partner satisfy the requirements of this paragraph.

6. Any amount or the balance of any amount which would fall to be disregarded under paragraph 18 or 19 of Schedule 4A had the claimant's income which does not consist of earnings been sufficient to entitle him to the full disregard thereunder.

7. Except where the claimant or his partner qualifies for a £20 disregard under the preceding provisions of this Schedule—

- (a) £5 shall be disregarded if a claimant who has no partner has earnings;
- (b) £10 shall be disregarded if a claimant who has a partner has earnings.

8. Any earnings, other than earnings referred to in regulation 28(8)(b), derived from employment which ended before the day in respect of which the claimant first satisfies the conditions for entitlement to housing benefit.

9.—(1) In a case where the claimant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under this Schedule shall be increased by a sum equal to the 30 hour element of working tax credit referred to in regulation 20(1)(c) of the Working Tax Credit Regulations.

(2) The conditions of this sub-paragraph are that—

⁽⁶⁾ S.I. 1983/686; amended by S.I. 1983/1164 and 1540 and 1986/628.

⁽⁷⁾ 1948 c. 29.

⁽⁸⁾ Section 30B was inserted by the Social Security (Incapacity for Work) Act 1994 (c. 18), section 2.

(a) the claimant, or if he has a partner, either the claimant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit Regulations applies; or

(b) the claimant—

(i) is, or if he has a partner, his partner is, or both the claimant and his partner are, 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;

(bb) the aggregate number of hours for which the couple are engaged in remunerative work is at least 30 hours per week; and

(cc) his applicable amount includes a family premium under paragraph 3 of Schedule 2A; or

(iii) is a lone parent who is engaged in remunerative work for on average not less than 30 hours per week; or

(iv) is, or if he has a partner, one of them is or both are, engaged in remunerative work for on average not less than 30 hours per week and—

(aa) paragraph 5(1) above is satisfied in respect of one or, as the case may be, both of them; and

(bb) the person in respect of whom it is satisfied is engaged in remunerative work for on average not less than 16 hours per week.

(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 regulation 26(1)(c); and

(c) the amount of the element referred to in regulation 20(1)(c) of the Working Tax Credit Regulations.

(4) The provisions of regulation 4 shall apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in paragraph (1) of that regulation was a reference to 30 hours.

(5) In this paragraph, “the Working Tax Credit Regulations” means the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002⁽⁹⁾.

10. 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.”.

(9) S.I. 2002/2005.