

SCHEDULE 1

Determining eligibility for a reduction under an authority's scheme, amount of reduction and calculation of income and capital: pensioners

PART 4

Income and capital for the purposes of calculating eligibility for a reduction under an authority's scheme and amount of reduction: pensioners

CHAPTER 2

Income: pensioners in receipt of guarantee credit or savings credit : pensioners

Pensioners in receipt of guarantee credit

7. 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 the applicant's capital and income must be disregarded.

Calculation of pensioner's income in savings credit only cases

8.—(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, an 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 an 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 18 (calculation of income on a weekly basis);
- (c) the higher amount disregarded under an authority's 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 3 (sums disregarded from applicant's earnings);
- (e) the income and capital of any partner of the applicant who is treated as a member of the applicant's household under regulation 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 6 (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;

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- (g) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act⁽¹⁾;
- (h) any amount to be disregarded by virtue of paragraph 6 of Schedule 3 (sums to be disregarded from applicant's income: pensioners) .

(3) Paragraphs 11 to 16, 18, 19 and 22 to 24 (calculation of income: 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 25 to 30 (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 the applicant's 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⁽²⁾.

(1) Section 13A was substituted by section 9 of the Local Government Finance Act 2012 (c. 17).

(2) 2002 c. 16.