

SCHEDULE

Council Tax Reduction Schemes (Default Scheme) (Wales)

PART 9

Income and capital for the purposes of calculating eligibility for a reduction under this scheme and amount of reduction

CHAPTER 2

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

Pensioners in receipt of guarantee credit

32. 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

33.—(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 will 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⁽¹⁾.

(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 54(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 4 (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 paragraph 8 (households), to the extent that it is not taken into account in determining the net income of the person claiming state pension credit;
- (f) paragraph 31 (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;

(1) See paragraph 21 for the capital limit for eligibility of £16,000.

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- (g) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act⁽²⁾ (power of billing authority to reduce amount of council tax payable);
- (h) any amount to be disregarded by virtue of paragraph 6 of Schedule 4 (sums to be disregarded from applicant's income: pensioners).

(3) Paragraphs 37 to 42 (calculation of income: pensioners), and 54 to 58 (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 60, 62 to 65 and 67 of this scheme (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) Section 13A was substituted by section 10 of the Local Government Finance Act 2012 (c. 17).