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## SCHEDULES

### SCHEDULE 1

#### PROVISIONS FOR DETERMINING RIGHT TO AND AMOUNT OF SUPPLEMENTARY BENEFITS

#### PART III

##### CALCULATION OF RESOURCES

###### *Disregard of capital value of dwelling*

- 17 In taking into account the value to any person of an interest in the dwelling in which he resides, any sum which might be obtained by him by selling that interest, or borrowing money upon the security of that interest, shall be disregarded.

###### *Resources wholly disregarded*

- 18 There shall be wholly disregarded—
- (a) any maternity grant under section 21 of the Social Security Act 1975 ;
  - (b) any death grant under section 32 of that Act;
  - (c) any sums payable to any person as holder of the Victoria Cross or of the George Cross.
- 19 If the value of the capital resources taken into account would not exceed £1,200 they shall be wholly disregarded, together with any income derived from them.

###### *Calculation of income from capital resources*

- 20 The capital resources taken into account, together with any income derived from them, shall be treated as equivalent to a weekly income of 25p for each complete £50 of the excess of the value of the capital resources over £1,200.

###### *Net weekly earnings*

- 21 For the purposes of this Schedule a person's net weekly earnings shall be calculated or estimated in such manner as the Secretary of State may, by regulations made under this paragraph, prescribe.

###### *Earnings*

- 22 (1) Subject to sub-paragraphs (2) and (3) below, the weekly earnings of any person shall be taken to be his net weekly earnings reduced—
- (a) by £2, if he is the person claiming, or in receipt of, supplementary benefit and his right thereto is subject to the condition of registration for employment under section 5 of this Act, and paragraph (b) below does not apply ; or

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- (b) by £6, if he is the parent in a one parent family, that is to say, a person who has to provide for the requirements of another person who is a member of the same household, being a person whose resources are aggregated with, and treated as, his by virtue of paragraph 3(2) of this Schedule, and—
    - (i) that other person is either a child or a person who is not entitled to supplementary benefit by virtue of section 7 of this Act (persons completing secondary education); and
    - (ii) there is no one whose requirements are, or would but for exceptional circumstances be, aggregated with, and treated as, his under paragraph 3(1) of this Schedule ; or
  - (c) by £4, in any other case.
- (2) There shall be wholly disregarded the weekly earnings of—
- (a) a child ; and
  - (b) a person who is not entitled to supplementary benefit by virtue of section 7 of this Act (persons completing secondary education);
- whose resources are, by virtue of paragraph 3(2) of this Schedule, aggregated with, and treated as, those of the person who has to provide for his requirements.
- (3) Where a person who has, by reason of a stoppage of work which was due to a trade dispute at his place of employment, been without employment for any period during the stoppage becomes engaged in remunerative full-time work again in consequence of the ending of the stoppage—
- (a) any advance of earnings made or offered to him during so much of that engagement as falls within the period of fifteen days from the beginning of the engagement shall be taken into account in calculating or estimating his net weekly earnings ; and
  - (b) for the purpose of any claim for supplementary benefit made by him during so much of that engagement as falls within that period of fifteen days, sub-paragraph (1) above shall have effect as regards his weekly earnings (but not those of any other person) subject to the following modification—
    - the reduction provided for in sub-paragraph (1)(c) above shall not be applied to the full amount of his net weekly earnings but only to the amount (if any) by which his net weekly earnings exceed his net weekly earnings from his full-time work.

*Disregard of £4 a week of certain income*

- 23 (1) Subject to the provisions of this paragraph and of paragraphs 24 and 25 of this Schedule, there shall be disregarded £4 a week of the income which would, but for this paragraph, be taken into account, except so far as it consists of earnings or of any sum taken into account under paragraph 20 of this Schedule.
- (2) This paragraph does not apply to income consisting of—
- (a) any child benefit;
  - (b) any family income supplement under the Family Income Supplements Act 1970;
  - (c) any graduated retirement benefit under section 36 of the National Insurance Act 1965 ;
  - (d) any payment for the maintenance of a person whose requirements are taken into account in ascertaining the amount of supplementary benefit, being a

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- payment made under the order of a court or a payment made by a person who, for the purposes of this Act, is liable to maintain the first-mentioned person ;
- (e) any guaranteed minimum pension within the meaning of the Social Security Pensions Act 1975.
- (3) This paragraph does not apply to income consisting of any benefit under Chapters I to III of Part II of the Social Security Act 1975 or Part II of the Social Security Pensions Act 1975 except as provided in paragraph 24 of this Schedule and subject, in the case of any mobility allowance, to section 37A(8) of the Social Security Act 1975.
- (4) Except as provided in paragraph 24 of this Schedule, this paragraph applies to income consisting of injury benefit under Part II of the Social Security Act 1975, or of industrial death benefit under that Part of that Act, only to the extent of—
- (a) so much of—
- (i) any widow's pension payable at the higher permanent rate under section 68 of the Social Security Act 1975 ; or
- (ii) any widower's pension under section 69 of that Act;
- as exceeds the sum specified in section 6(1)(a) of the Social Security Pensions Act 1975 ;
- (b) any parent's pension under section 71 of the Social Security Act 1975;
- (c) any relative's pension under section 72 of that Act.
- (5) Except as provided in paragraph 24 of this Schedule, this paragraph applies to income consisting of any pension or allowance for a widow or widower, or in respect of children, granted in respect of a death due to service or war injury under powers conferred by or under any of the Acts mentioned in sub-paragraph (6)(a) below, or under any scheme mentioned in sub-paragraph (6)(b) below, only to the extent of so much of any pension or allowance for a widow or widower as exceeds the sum specified in section 6(1)(a) of the Social Security Pension Act 1975.
- (6) The Acts and schemes mentioned in sub-paragraph (5) above are—
- (a) The Ministry of Pensions Act 1916, the Air Force (Constitution) Act 1917, the Personal Injuries (Emergency Provisions) Act 1939, the Pensions (Navy, Army, Air Force and Mercantile Marine) Act 1939, the Polish Resettlement Act 1947, the Home Guard Act 1951 and the Ulster Defence Regiment Act 1969 ;
- (b) any scheme made under the Injuries in War (Compensation) Act 1914, or the Injuries in War Compensation Act 1914 (Session 2) and any War Risk Compensation Scheme for the Mercantile Marine.
- (7) Sub-paragraph (5) above applies in relation to a pension or allowance for a woman who was living with a deceased person as his wife as it applies in relation to a pension or allowance for a widow.
- (8) In this paragraph and in paragraph 24(1) of this Schedule any reference to an allowance, pension, benefit or other payment of any description includes a reference to any analogous allowance, pension, benefit or payment.
- (9) Until—
- (a) 4th April 1977, for sub-paragraph (2)(a) above there shall be substituted the following—

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- “(a) allowances under the Family Allowances Act 1965, or benefit under section 16 of the Child Benefit Act 1975 (interim benefit for unmarried or separated parents);”;
  - (b) 6th April 1978, in sub-paragraph (2) above, paragraph (e) shall be omitted ; and
  - (c) 6th April 1979, in sub-paragraph (3) above, the words " or Part II of the Social Security Pensions Act 1975 " shall be omitted, and, in sub-paragraphs (4)(a) and (5) above, for the words " as exceeds the sum specified in section 6(1)(a) of the Social Security Pensions Act 1975 " there shall be substituted the words " as exceeds the orate specified in Part I of Schedule 4 to the Social Security Act 1975 for a widow's pension under that Act ".
- 24 (1) In the case of a person who has preserved 1976 rights, paragraph 23 of this Schedule applies to—
- (a) income consisting of any benefit under Chapters I to III of Part II of the Social Security Act 1975, or Part II of the Social Security Pensions Act 1975, to the extent of—
    - (i) £0.38 of—
      - (a) any increase of widow's allowance or widowed mother's allowance, being an increase in respect of an only, or the elder or eldest, qualifying child, or a second qualifying child ; or
      - (b) any child's special allowance or any increase thereof in respect of a second qualifying child;
    - (ii) £0.28 of—
      - (a) any increase of a widow's allowance or widowed mother's allowance, being an increase in respect of any additional qualifying child beyond the first two ; or
      - (b) any increase of a child's special allowance in respect of any additional qualifying child beyond the second ;
  - (b) income consisting of injury benefit under Part II of the Social Security Act 1975, or of industrial death benefit under that Part of that Act, to the extent of—
    - (i) £0.38 of any allowance under section 70 of that Act in respect of an only, or the elder or eldest, qualifying child, or a second qualifying child ;
    - (ii) £0.28 of any allowance under that section in respect of any additional qualifying child beyond the first two ;
  - (c) such income as is referred to in the case specified in paragraph 23(5) of this Schedule, to the extent of—
    - (i) £0.38 of any allowance in respect of an only, or the elder or eldest, child, or a second child;
    - (ii) £0.28 of any allowance in respect of any additional child beyond the fist two.
- (2) For the purposes of this paragraph a person has preserved 1976 rights if—
- (a) at any time before 15th November 1976 he was entitled simultaneously to supplementary benefit and to any one or more of the allowances and increased allowances referred to in sub-paragraph (1) above ; and

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- (b) he has since that time continued so entitled without interruption for any period longer than 13 weeks, excepting any periods during which he has been an in-patient in a hospital.
- (3) For the purpose of sub-paragraph (2)(b) above, the question whether the person was entitled to supplementary benefit at any time is determined on the assumption that he then had preserved 1976 rights.
- (4) Until 6th April 1979, in sub-paragraph (1)(a) above, the words " or Part II of the Social Security Pensions Act 1975 " shall be omitted.

*Limited disregard of occupational pensions etc.*

- 25 (1) There shall not be disregarded under paragraph 23 of this Schedule more than £1 a week of any income consisting of one or more payments of any kind to which this paragraph applies.
- (2) This paragraph applies to—
- (a) any pension or other periodical sum paid to, or to the widow of, a person by reason of any service or employment in which he was formerly engaged ;
  - (b) any periodical sum paid to a person on account of his employment having terminated by reason of redundancy.
- (3) Paragraphs (a) and (b) of sub-paragraph (2) above apply whether or not the payment is made by a former employer and whether or not there is any right to receive it; but paragraph (a) shall not be construed as applying to—
- (a) any pension or allowance mentioned in paragraph 23(4) or (5) or 24(1)(b) or (c) of this Schedule or any other payment by way of compensation for injury, disease, disablement or death suffered by a person by reason of the service or employment in which he was engaged; or
  - (b) any payment out of a trust fund established for relieving, hardship in particular cases and made at the discretion of the trustees of the fund.

*Specific resources falling to be treated as income*

- 26 (1) In calculating a person's resources for the purposes of this Schedule there shall be treated as income (and, subject to paragraph 23 of this Schedule, taken into account as such)—
- (a) any amount which, while he is employed in such circumstances as are mentioned in sub-paragraph (2) below—
    - (i) becomes available to him ; or
    - (ii) would become available to him on application being duly made ;
 by way of repayment of income tax deducted from Ms emoluments, whether in the same or any previous office or employment, in pursuance of section 204 of the Income and Corporation Taxes Act 1970 (pay as you earn), except so far as the repayment in question is attributable to any period of absence from work through sickness or other similar cause or to any period of unemployment; and
  - (b) any payment which he receives or is entitled to obtain, whether from a trade union or any other source, by reason of being without employment for any period during a stoppage of work which is due to a trade dispute at his place of employment.

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- (2) The circumstances referred to in sub-paragraph (1)(a) above are that the person concerned is employed in an office or employment and that his emoluments therefrom are assessable to income tax under Schedule E.

*Further reduction of resources*

- 27 Any resources not specified in the foregoing provisions of this Schedule may be treated as reduced by such amount (if any) as may be reasonable in the circumstances of the case.

*Resources deliberately abandoned*

- 28 If a person has deprived himself of any resources for the purpose of securing supplementary benefit, or increasing the amount of any such benefit, those resources may be taken into account as if they were still his.

*Discretionary trusts*

- 29 Any sum which is held on a discretionary trust for the benefit of a person may be treated as included in his resources.

*Attribution of assets*

- 30 (1) Subject to paragraph 29 of this Schedule and to the following provision of this paragraph, a person shall be deemed for the purposes of this Schedule to own an asset if he is absolutely entitled in possession to the whole beneficial interest therein and not otherwise.
- (2) Where two or more persons are beneficially entitled in possession to any asset they shall be treated for the purposes of this Schedule as if each of them were entitled in possession to the whole beneficial interest in an equal share in the asset unless it appears that their respective beneficial interests are not equal; and in that case they shall be treated as respectively entitled in possession to the whole beneficial interest in such shares as appears to be just.
- (3) In the application of this paragraph to Scotland, the words " in possession " shall be omitted wherever they occur.