

1986 No. 1156

**HOUSING, ENGLAND AND WALES
HOUSING, SCOTLAND
RATING AND VALUATION**

The Housing Benefits Amendment (No. 4) Regulations 1986

<i>Made</i>	- - -	7th July 1986
<i>Laid before Parliament</i>		10th July 1986
<i>Coming into Operation</i>		28th July 1986

The Secretary of State for Social Services, with the consent of the Treasury, in exercise of the powers conferred on him by section 28(1) of the Social Security and Housing Benefits Act 1982(a), and of all other powers enabling him in that behalf, after consultation with organisations appearing to him to be representative of authorities concerned(b) and after reference to the Social Security Advisory Committee except in so far as the Committee agreed that the proposals to make regulation 2(5) and (6) should not be referred to it (c), hereby makes the following regulations:—

Citation and commencement

1. These regulations may be cited as the Housing Benefits Amendment (No. 4) Regulations 1986 and shall come into operation on 28th July 1986.

Amendment of the Housing Benefits Regulations 1985

2.— (1) The Housing Benefits Regulations 1985(d) shall be amended in accordance with the following provisions of this regulation.

(2) In regulation 5(2) (eligibility for rate rebate)—

- (a) in sub-paragraph (a) the word “and” shall be omitted;
- (b) in sub-paragraph (b) after “housing expenditure” there shall be inserted “; and ”; and
- (c) the following sub-paragraph shall be inserted after sub-paragraph (b)—
 - “(c) a person is not eligible for a rate rebate in respect of—
 - (i) accommodation provided under sections 21 to 26 of the

(a) 1982 c.24.

(b) See section 36(1)(a) of the Social Security and Housing Benefits Act 1982.

(c) See sections 9 and 10 of the Social Security Act 1980 (c.30) as amended by section 48(5) of and paragraph 30 of Schedule 4 to the Social Security and Housing Benefits Act 1982.

(d) S.I. 1985/677, as amended by S.I. 1985/1100, 1244, 1445 and 1986/84, 852 and 1009.

National Assistance Act 1948(a) (provision of residential accommodation by local authorities), or

- (ii) accommodation provided under section 21(1) of and paragraph 1 or 2 of Schedule 8 to the National Health Service Act 1977(b) (provision of services including residential accommodation for certain purposes by local social services authorities) or, in Scotland, under section 59 of the Social Work (Scotland) Act 1968(c) (provision of residential and other establishments by local authorities) where board is available to the claimant.”.

(3) In regulation 6(3) (eligibility for rent rebate)—

- (a) in sub-paragraph (a) the word “and” shall be omitted;
- (b) in sub-paragraph (b) after “he boards” there shall be inserted “; and ”; and
- (c) the following sub-paragraph shall be inserted after sub-paragraph (b)—
 - “(c) a person is not eligible for a rent rebate in respect of—
 - (i) accommodation provided under sections 21 to 26 of the National Assistance Act 1948, or
 - (ii) accommodation provided under section 21(1) of and paragraph 1 or 2 of Schedule 8 to the National Health Service Act 1977 or, in Scotland, under section 59 of the Social Work (Scotland) Act 1968 where board is available to the claimant.”.

(4) In regulation 7(3) (eligibility for rent allowance)—

- (a) in sub-paragraph (b) the word “and” shall be omitted;
- (b) in sub-paragraph (c) after “housing expenditure” there shall be inserted “; and ”; and
- (c) the following sub-paragraph shall be inserted after sub-paragraph (c)—
 - “(d) a person is not eligible for a rent allowance in respect of—
 - (i) accommodation provided under sections 21 to 26 of the National Assistance Act 1948, or
 - (ii) accommodation provided under section 21(1) of and paragraph 1 or 2 of Schedule 8 to the National Health Service Act 1977 or, in Scotland, under section 59 of the Social Work (Scotland) Act 1968 where board is available to the claimant.”.

(5) In regulation 20 (deductions for non-dependants)—

- (a) in paragraph (1), for the words “paragraphs (3) to (12)” there shall be substituted the words “paragraphs (2A) to (12)” and the following sub-paragraphs shall be substituted for sub-paragraph (b)—

(a) 1948 c.29.
(b) 1977 c.49.
(c) 1968 c.49.

- “(b) for each person aged under 25 in receipt of supplementary benefit in respect of whom a deduction was made immediately before 28th July 1986 under the provision of sub-paragraph (b) as then in force, £1.10;
- (c) for each person aged 25 or more in receipt of supplementary benefit, £1.10.”;
- (b) in paragraph (2), for the words “paragraphs (3) to (12)” there shall be substituted the words “paragraphs (2A) to (12)” and the following sub-paragraphs shall be substituted for sub-paragraph (b)—
 - “(b) for each person aged under 25 in receipt of supplementary benefit in respect of whom a deduction was made immediately before 28th July 1986 under the provision of sub-paragraph (b) as then in force, £2.80;
 - (c) for each person aged 25 or more in receipt of supplementary benefit, £2.80.”;
- (c) the following paragraph shall be inserted after paragraph (2)—
 - “(2A) A deduction shall cease to be made under paragraph (1)(b) or, as the case may be, paragraph (2)(b) if, at any time on or after 28th July 1986—
 - (a) the beneficiary ceases to be entitled to a rate rebate or, as the case may be, a rent rebate or allowance; or
 - (b) the person in respect of whom the deduction was made ceases to be—
 - (i) in receipt of supplementary benefit, or,
 - (ii) a member of the household,
 - or, in the case of a person who, immediately before that date, was a boarder on supplementary benefit in the household, ceases to be such a boarder.”.
- (6) In Schedule 2 (amounts to be disregarded when ascertaining weekly income), the following paragraph shall be inserted after paragraph 4:—
 - “4A. Where a person receives income under an annuity purchased with a loan which satisfies the following conditions:—
 - (a) that the loan was made as part of a scheme under which not less than 90% of the proceeds of the loan were applied to the purchase by the person to whom it was made of an annuity ending with his life or with the life of the survivor of two or more persons (in this paragraph referred to as “the annuitants”) who include the person to whom the loan was made;
 - (b) that the interest on the loan is payable by the person to whom it was made or by one of the annuitants;
 - (c) that at the time the loan was made the person to whom it was made or each of the annuitants had attained the age of 65;
 - (d) that the loan was secured on a dwelling in Great Britain and the person to whom the loan was made or one of the annuitants owns an estate or interest in that dwelling; and
 - (e) that the person to whom the loan was made or one of the annuitants occupies the dwelling on which it was secured as his home at the time the interest is paid,

the amount, calculated on a weekly basis equal to—

- (i) where, or in so far as, section 26 of the Finance Act 1982(a) applies to the payments of interest on the loan, the interest which is payable after deduction of a sum equal to income tax on such payments at the basic rate for the year of assessment in which the payment of interest becomes due;
- (ii) in any other case the interest which is payable on the loan without deduction of such a sum.”.

Signed by authority of the Secretary of State for Social Services.

Tony Newton,
Minister of State,
Department of Health and Social Security.

4th July 1986.

We consent,

Donald Thompson,
A. G. Hamilton,
Two of the Lords Commissioners of
Her Majesty's Treasury.

7th July 1986.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations amend the Housing Benefits Regulations 1985 which contain the statutory schemes for the grant by local authorities of rate rebates, rent rebates and rent allowances (collectively known as housing benefits):—

- regulation 2(2), (3) and (4) excludes from eligibility to housing benefits persons in accommodation provided under Part III of the National Assistance Act 1948 or under paragraph 1 or 2 of Schedule 8 to the National Health Service Act 1977 or section 59 of the Social Work (Scotland) Act 1968, but in the case of the two latter Acts only where board is available to the housing benefit claimant;
- regulation 2(5) raises from 21 to 25 the age at which a deduction is made in respect of a non-dependant in receipt of supplementary benefit and makes transitional provision for persons under 25 before 28th July 1986;
- regulation 2(6) provides for the disregard as income for housing benefit purposes of so much of a home income plan annuity as represents the interest payable on the loan by which the annuity was acquired.

The Report of the Social Security Advisory Committee dated 4th April 1986 on the proposals to make regulation 2(2), (3) and (4) together with a statement showing the extent to which the regulations give effect to the Committee's recommendations is contained in Command Paper No. 9833, published by Her Majesty's Stationery Office. The Committee agreed that the proposals to make regulation 2(5) and (6) should not be referred to it.

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