

SCHEDULE 9

Regulation 40 (2)

SUMS TO BE DISREGARDED IN THE CALCULATION
OF INCOME OTHER THAN EARNINGS

1. Any amount paid by way of tax on income which is taken into account under regulation 40 (calculation of income other than earnings).

2. Any payment in respect of any expenses incurred by a claimant who is—

- (a) engaged by a charitable or voluntary body; or
- (b) a volunteer,

if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under regulation 42 (6) (notional income).

3. In the case of employment as an employed earner, any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment.

4. In the case of a payment of statutory sick pay under Part I of the Social Security and Housing Benefits Act 1982 or statutory maternity pay under Part V of the Act or any remuneration paid by or on behalf of an employer to the claimant who for the time being is unable to work due to illness or maternity—

- (a) any amount deducted by way of primary Class 1 contributions under the Social Security Act;
- (b) one-half of any sum paid by the claimant by way of a contribution towards an occupational or personal pension scheme.

5. Any housing benefit.

6. Any mobility allowance.

7. Any concessionary payment made to compensate for the non-payment of—

- (a) any payment specified in paragraph 6 or 9;
- (b) income support.

8. Any mobility supplement or any payment intended to compensate for the non-payment of such a supplement.

9. Any attendance allowance but, where the claimant is in a residential care home or nursing home, only to the extent that it exceeds the amount for the time being specified as the higher rate for the purposes of section 35 (3) of the Social Security Act(1).

10. Any payment to the claimant as holder of the Victoria Cross or George Cross or any analogous payment.

11. Any sum in respect of a course of study attended by a child or young person payable by virtue of regulations made under section 81 of the Education Act 1944(2) (assistance by means of scholarships and otherwise), or by virtue of section 2 (1) of the Education Act 1962(3) (awards for courses of further education) or section 49 of the Education (Scotland) Act 1980(4) (power to assist persons to take advantage of educational facilities).

(1) 1975 c. 14; section 35 (3) was amended by section 2 of the Social Security Act 1979 (c. 18).

(2) 1944 c. 31; section 81 was amended by S.I.1964/490.

(3) 1962 c. 12; section 2 (1) was substituted by section 19 of, and Schedule 5 to, the Education Act 1980 (c. 20).

(4) 1980 c. 44.

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

12. In the case of a claimant to whom regulation 9 (1) (persons treated as available for employment) applies, any sums intended for any expenditure specified in paragraph (2) of regulation 62 (calculation of grant income) necessary as a result of his attendance on his course.

13. In the case of a claimant attending a training course provided under the Adult and Youth Training Programme established under section 2 (1) of the Employment and Training Act 1973⁽⁵⁾ or a course at an employment rehabilitation centre established under that section—

- (a) any travelling expenses reimbursed to the claimant;
- (b) any living away from home allowance under section 2 (2) (d) of that Act but only to the extent that his rent or rates payable in respect of accommodation not normally occupied by him as his home are not met by housing benefit;

but this paragraph does not apply to any part of any allowance under section 2 (2)(d) of that Act expressed to be a personal allowance.

14. Any Job Start Allowance payable pursuant to arrangements made under section 2 (1) of the Employment and Training Act 1973.

15. Except in the case of a person to whom section 23 of the Act (trade disputes) applies and for so long as it applies, subject to paragraphs 36 and 37, £5 of any charitable payment or of any voluntary payment made or due to be made (whether or not so made) at regular intervals other than a payment which is made by a person for the maintenance of any member of his family or his former partner or of his children; and, for the purposes of this paragraph, where a number of such charitable or voluntary payments fall to be taken into account in any one week they shall be treated as though they were on one such payment.

16. Subject to paragraphs 36 and 37, £5 of any of the following, namely—

- (a) a war disablement pension or war widow's pension or a payment made to compensate for the non-payment of such a pension;
- (b) a pension paid under the social security scheme of a country outside Great Britain and which either—
 - (i) is analogous to a war disablement pension; or
 - (ii) is paid to a war widow in respect of a person's death but is otherwise analogous to such a pension.
- (c) (c) a pension paid under any special provision made by the law of the Federal Republic of Germany or any part of it or of the Republic of Austria, to victims of National Socialist persecution.

17. Where a claimant 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 per cent 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;

⁽⁵⁾ 1973 c. 50; section 2 was amended by sections 9 and 11 Schedule 2 Part II paragraph 9 and Schedule 3 of the Employment and Training Act 1981 (c. 57).

- (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 accommodation 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⁽⁶⁾ (deduction of tax from certain loan interest) 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.

18. Any payment made to the claimant by a member of his household which is a contribution towards his living and accommodation costs except a payment to which paragraph 19 or 20 applies.

19. Where the claimant occupies a dwelling as his home which is also occupied by a person other than one to whom paragraph 18 refers or one who is provided with board and lodging accommodation and that person is contractually liable to make payments in respect of his occupation of the dwelling to the claimant—

- (a) £4 of any payment made by that person; and
- (b) a further £6·70, where that payment is inclusive of an amount for heating.

20. Where a claimant is employed in providing board and lodging accommodation for which a charge is payable, £35 of the weekly charge paid by each person provided with such accommodation.

21. Except where regulation 42 (4) (a) (i) (notional income) applies or in the case of a person to whom section 23 of the Act (trade disputes) applies and for so long as it applies, any income in kind.

22.—(1) Any income derived from capital to which the claimant is or is treated under regulation 52 (capital jointly held) as beneficially entitled but, subject to sub-paragraph (2), not income derived from capital disregarded under paragraph 1, 2, 4, 6 or 12 of Schedule 10.

(2) Income derived from capital disregarded under paragraph 2 or 4 of Schedule 10 but only to the extent of any mortgage repayments and payment of rates made in respect of the dwelling or premises in the period during which that income accrued.

23. Any income which is payable in a country outside the United Kingdom for such period during which there is prohibition against the transfer to the United Kingdom of that income.

24. Where a payment of income is made in a currency other than sterling, any banking charge or commission payable in converting that payment into sterling.

25.—(1) Any payment made to the claimant in respect of a child or young person who is a member of his family—

- (a) in accordance with a scheme approved by the Secretary of State under section 50 (4) of the Adoption Act 1958⁽⁷⁾ or as the case may be, section 51 of the Adoption (Scotland) Act 1978⁽⁸⁾ (schemes for payments of allowances to adopters);

⁽⁶⁾ 1982 c. 39.

⁽⁷⁾ 1958 7 & 8 Eliz.2. c.5; section 50 (4) was added by the Children Act 1975 (c. 72) section 32.

⁽⁸⁾ 1978 c. 28.

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

- (b) which is a payment made by a local authority in pursuance of section 34 (6) or, as the case may be, section 50 of the Children Act 1975⁽⁹⁾ (contributions to a custodian towards the cost of the accommodation and maintenance of a child);

to the extent specified in sub-paragraph (2).

(2) In the case of a child or young person—

- (a) to whom regulation 44 (5) (capital in excess of £3,000) applies, the whole payment;
- (b) to whom that regulation does not apply, so much of the weekly amount of the payment as exceeds the applicable amount in respect of that child or young person and where applicable to him any amount by way of a disabled child premium.

26. Any payment made by a local authority to the claimant with whom a person is boarded out by virtue of arrangements made under section 21 (1) (a) of the Child Care Act 1980⁽¹⁰⁾ or, as the case may be, section 12 of the Social Work (Scotland) Act 1968⁽¹¹⁾ or by a voluntary organisation under section 61 of the 1980 Act or by a care authority under regulation 9 of the Boarding Out and Fostering of Children (Scotland) Regulations 1985⁽¹²⁾ (provision of accommodation and maintenance for children in care).

27. Any payment made by a health authority, local authority or voluntary organisation to the claimant in respect of a person who is not normally a member of the claimant's household but is temporarily in his care.

28. Except in the case of a person to whom section 23 of the Act (trade disputes) applies and for so long as it applies, any payment made under section 1 of the Child Care Act 1980 (duty of local authorities to promote welfare of children) or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 (general welfare).

29.—(1) Any payment received under an insurance policy, taken out to insure against the risk of being unable to maintain repayments on a loan to which paragraph 7 or 8 of Schedule 3 applies (interest on loans to acquire an interest in the dwelling, or for repairs and improvements to the dwelling, occupied as the home) and used to meet such repayments, to the extent that it does not exceed—

- (a) subject to sub-paragraph (2), the amount, calculated on a weekly basis, of any interest which is excluded under that paragraph;
- (b) the amount of the payment, calculated on a weekly basis, due on the loan attributable to the repayment of capital; and
- (c) the amount, calculated on a weekly basis, of the premium due on that policy.

(2) The amount to which sub-paragraph (1) (a) refers shall be taken into account in calculating the amount to be excluded under this paragraph only for such period during which there is applicable to the claimant 50 per cent of his eligible interest under paragraph 7 of Schedule 3.

30. Except where paragraph 28 applies, any payment made to the claimant which is intended and used as a contribution towards—

- (a) the amount of eligible interest which is not met under paragraph 7 or 8 of Schedule 3 (interest on loans to acquire an interest in the dwelling, or for repairs and improvements to the dwelling, occupied as the home);
- (b) the capital repayments—

⁽⁹⁾ 1975 c. 72 as amended by section 64 of the Domestic Proceedings and Magistrates' Courts Act 1978 (c. 22).

⁽¹⁰⁾ 1980 c. 5; amended by section 9 Schedule 2 paragraph 49 of the Health and Social Services and Social Security Adjudication Act 1983 (c. 41).

⁽¹¹⁾ 1968 c. 49.

⁽¹²⁾ S.I. 1985/1799.

- (i) where the loan is one specified in paragraph 7 (3) (a) or 8 (1) (a) of Schedule 3; or
 - (ii) where the loan is one specified in paragraph 7 (3) (b) or 8 (1) (b) of Schedule 3 only to the extent that the capital outstanding on that loan represents the capital balance outstanding on the previous loan at the time when the loan was taken out;
 - (c) any payment or charge specified in paragraph 1 of Schedule 3 to the extent that that payment or charge has not been met;
 - (d) his rent in respect of the dwelling occupied by him as his home but only to the extent that it is not met by housing benefit; or his accommodation charge but only to the extent that the actual charge for the accommodation exceeds the amount determined in accordance with regulation 19 or 20 (board and lodging, hostels, residential care and nursing homes).
- 31.** Any social fund payment.
- 32.** Any payment of income which under regulation 48 (income treated as capital) is to be treated as capital.
- 33.** Any payment under paragraph 2 of Schedule 6 to the Act (pensioner's Christmas bonus).
- 34.** In the case of a person to whom section 23 of the Act (trade disputes) applies and for so long as it applies, any payment up to the amount of the relevant sum within the meaning of subsection 6 of that section made by a trade union; but, notwithstanding regulation 23 (calculation of income and capital of members of claimant's family and of a polyamous marriage) if this paragraph applies to a claimant it shall not apply to his partner except where, and to the extent that, the amount to be disregarded under this paragraph is less than the relevant sum.
- 35.** Any payment which is due to be paid before the date of claim which would otherwise fall to be taken into account in the same benefit week as a payment of the same kind and from the same source.
- 36.** The total of a claimant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under regulation 23 (3) (calculation of income and capital of members of claimant's family and of a polygamous marriage) to be disregarded under regulation 63 (2) (b) and 64 (1) (c) (calculation of covenant income where a contribution assessed) and paragraphs 15 and 16 shall in no case exceed £5 per week.
- 37.** Notwithstanding paragraph 36 where two or more payments of the same kind and from the same source are to be taken into account in the same benefit week, there shall be disregarded from each payment the sum which would otherwise fall to be disregarded under this Schedule; but this paragraph shall only apply in the case of a payment which it has not been practicable to treat under regulation 31 (1) (b) (date on which income treated as paid) as paid on the first day of the benefit week in which it is due to be paid.