

## SCHEDULE 1

### Sums to be disregarded in the calculation of income

## PART 1

### Sums to be disregarded

**1.** Any amount paid by way of tax on income which is taken into account under regulation 13 (calculation of income).

**2.—**(1) Subject to sub-paragraph (2), where the adult has needs for care and support other than the provision of accommodation in a care home, or is a temporary resident, any housing-related costs which the adult is liable to meet in respect of the adult's main or only home.

(2) Sub-paragraph (1) does not apply to the extent that the housing-related costs which the adult is liable to meet are a payment or an amount which is disregarded under paragraph 3.

(3) In this paragraph, "housing-related costs" means any mortgage repayments, payments by way of rent or ground rent, council tax or service charges (other than service charges which are ineligible under Schedule 1 to the Housing Benefit Regulations 2006).

**3.—**(1) Any payment which would be disregarded under paragraph 5 of Schedule 9 to the Income Support Regulations (housing benefit)(**1**).

(2) Any payment of income support towards housing costs determined in accordance with Schedule 3 to the Income Support Regulations (housing costs) or any amount that the local authority considers would be determined as a payment towards housing costs if the adult were in receipt of income support.

(3) Any payment which would be disregarded under paragraph 46 of Schedule 9 to the Income Support Regulations (reduction of liability for council tax)(**2**).

**4.—**(1) Where a local authority takes into account in the calculation of income any disability benefits the adult receives, any disability-related expenditure incurred by the adult.

(2) In this paragraph—

"disability benefits" means any attendance allowance (other than severe disablement occupational allowance), disability living allowance or personal independence payment;

"disability-related expenditure" includes payment for any community alarm system, costs of any privately arranged care services required including respite care, and the costs of any specialist items needed to meet the adult's disability.

**5.** Any direct payment received by the adult or in the case of an adult without capacity, the authorised person(**3**), in accordance with sections 31 to 33 of the Act.

**6.** Any payment in respect of any expenses incurred by the adult who is—

(a) engaged by a charitable or voluntary body; or

(b) a volunteer,

if the adult derives no remuneration or profit from the employment.

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(1) Paragraph 5 was substituted by [S.I. 2008/3157](#).

(2) Paragraph 46 was substituted by [S.I. 2008/698](#) and amended by [S.I. 2013/443](#).

(3) See section 32(4) of the Act for the definition of "authorised person".

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7. Any payment which would be disregarded under paragraph 3 or 4A of Schedule 9 to the Income Support Regulations (employed earner expenses and statutory sick pay in Northern Ireland)(4).

8. The mobility component of any disability living allowance or the mobility component of personal independence payment.

9. Any armed forces independence payment.

10. Any payment which would be disregarded under paragraph 8 of Schedule 9 to the Income Support Regulations (mobility supplement).

11. If the adult is a temporary resident—

- (a) any attendance allowance;
- (b) the care component of any disability living allowance; or
- (c) the daily living component of any personal independence payment.

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

- (a) any payment specified in paragraph 8 or 11; or
- (b) any income support.

13. Any amount which would be disregarded under paragraph 10 or 11 of Schedule 9 to the Income Support Regulations (payments to medal recipients and educational awards)(5).

14. Any amount which would be disregarded under paragraph 13 of Schedule 9 to the Income Support Regulations (participants in training schemes)(6).

15.—(1) Except where sub-paragraph (2) applies, and subject to paragraphs 45 and 46, any relevant payment made or due to be made at regular intervals other than any payment which is to be disregarded under paragraph 31.

(2) Subject to paragraph 46, any relevant payment made or due to be made at regular intervals which is intended and used for any item which was not specified in the personal budget but was specified in the care and support plan or support plan.

(3) In this paragraph, “relevant payment” means—

- (a) a charitable payment;
- (b) a voluntary payment;
- (c) a payment (not falling within sub-paragraph (a) or (b)) from a trust whose funds are derived from a payment made in consequence of any personal injury to the adult;
- (d) a payment under an annuity purchased—
  - (i) pursuant to any agreement or court order to make payments to the adult; or
  - (ii) from funds derived from a payment made, in consequence of any personal injury to the adult; or
- (e) a payment (not falling within sub-paragraphs (a) to (d)) received by virtue of any agreement or court order to make payments to the resident in consequence of any personal injury to the adult.

16.—(1) Subject to sub-paragraphs (2) and (3), where the adult—

- (a) is not residing with their spouse or civil partner; and

(4) Paragraph 4A was inserted by [S.I. 1988/663](#) and amended by [S.I. 2002/2689](#) and [2012/757](#).

(5) Paragraph 11 was substituted by [S.I. 2004/1708](#) and amended by [S.I. 2008/3157](#) and [2011/2425](#).

(6) Paragraph 13 was substituted by [S.I. 2004/565](#) and amended by [S.I. 2008/1554](#).

- (b) at least 50% of any occupational pension of the adult, or of any income from a personal pension scheme of the adult, is being paid to, or in respect of, their spouse for that spouse's maintenance or their civil partner for that civil partner's maintenance,

an amount equal to 50% of the pension, pensions or income concerned.

(2) Where the adult is entitled to pensions or income referred to in sub-paragraph (1) from more than one source, all pensions and income to which the adult is entitled are to be aggregated for the purposes of that sub-paragraph.

(3) This paragraph does not have effect in respect of that part of any pension or income referred to in sub-paragraph (1) to which the adult's spouse or civil partner is legally entitled, whether or not under a court order.

**17.** Any amount which would be disregarded under paragraph 16 of Schedule 9 to the Income Support Regulations (specified pensions)(7) save for paragraph 16(cc), but as if the reference in paragraph 16 of that Schedule to paragraphs 36 and 37 of Schedule 9 to the Income Support Regulations were a reference to paragraph 46 of this Schedule and as if the reference in paragraph 16(a) of Schedule 9 to the Income Support Regulations to paragraph 8 or 9 of Schedule 9 to the Income Support Regulations were a reference to paragraph 10 or 11 of this Schedule.

**18.** Any guaranteed income payment referred to in article 15(1)(c) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011(8).

**19.** Subject to paragraph 46, £10 of any survivor's guaranteed income payment referred to in article 29(1)(a) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011 and, if the amount of that payment has been abated to less than £10 by a pension falling within article 39(1)(a) of that Order, so much of that pension as would not, in aggregate with the amount of any survivor's guaranteed income payment disregarded, exceed £10.

**20.** Any payment which would be disregarded under paragraphs 17 to 20 of Schedule 9 to the Income Support Regulations (annuities, payments by third parties towards living costs, contractual payments in respect of occupation of a dwelling and payments by lodgers)(9).

**21.** Any income in kind.

**22.—(1)** Any income derived from capital to which the adult is or is treated under regulation 24 (capital jointly held) as beneficially entitled but, subject to sub-paragraph (2), not income derived from capital disregarded under paragraph 1, 4, 9, 15 or 22 of Schedule 2.

(2) Any income derived from capital disregarded under paragraph 4, 22 or 24 of Schedule 2 but only to the extent of any mortgage repayments and payments of council tax or water charges which the adult is liable to make in respect of the dwelling or premises in the period during which that income accrued.

**23.** Any income which would be disregarded under paragraph 23 of Schedule 9 to the Income Support Regulations (income outside the United Kingdom).

**24.** Any amount which would be disregarded under paragraph 24 of Schedule 9 to the Income Support Regulations (charge or commission for converting income into sterling).

**25.—(1)** Any payment made to the adult in respect of a child or young person who is a member of the adult's family—

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(7) Paragraph 16 was substituted by [S.I. 1995/2792](#) and amended by [S.I. 2000/2239](#), [2002/841](#), [2005/574](#), [2005/2877](#), [2008/3157](#) and [2009/2655](#).

(8) [S.I. 2011/517](#).

(9) Paragraph 17 was amended by [S.I. 1994/2139](#). Paragraph 18 was substituted by [S.I. 1995/516](#). Paragraphs 19 and 20 were substituted by [S.I. 1994/527](#) and paragraph 19 amended by [S.I. 1995/516](#) and [2007/2618](#).

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- (a) pursuant to regulations made under section 2(6)(b) or 3 of the Adoption and Children Act 2002<sup>(10)</sup>;
  - (b) in accordance with an adoption allowance scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (adoption allowances schemes)<sup>(11)</sup>;
  - (c) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child's maintenance where a child is living with a person as a result of a child arrangements order)<sup>(12)</sup>.
- (2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the adult pursuant to regulations made under section 2(6)(b) of the Adoption and Children Act 2002.
- 26.** Any payment which would be disregarded under paragraph 26 or 28 of Schedule 9 to the Income Support Regulations (provision of accommodation and maintenance for children in care, and local authorities' duty to promote the welfare of children and powers to grant financial assistance to persons in or formerly in their care)<sup>(13)</sup>.
- 27.** Any payment received under an insurance policy, taken out to insure against the risk of being unable to maintain repayments on a loan to acquire or retain an interest in a dwelling occupied by the adult as their main or only home, or for repairs and improvements to that home, and used to meet such repayments, to the extent that it does not exceed the aggregate of—
- (a) the amount payable, calculated on a weekly basis, of any interest on the loan;
  - (b) the amount of any 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.
- 28.** Any payment which would be disregarded under paragraph 31 or 31A of Schedule 9 to the Income Support Regulations (social fund payments and local welfare provision)<sup>(14)</sup>.
- 29.** Any payment of income which under regulation 19 (income treated as capital) is to be treated as capital.
- 30.** Any payment which would be disregarded under paragraph 33 of Schedule 9 to the Income Support Regulations (pensioners' Christmas bonus)<sup>(15)</sup>.
- 31.** Any payment which would be disregarded under paragraph 39 of Schedule 9 to the Income Support Regulations (the Fund, the Macfarlane Trusts and other trusts and Funds and the Independent Living Fund)<sup>(16)</sup>.
- 32.** Any amount which would be disregarded under paragraphs 40, 43 and 48 to 51 of Schedule 9 to the Income Support Regulations (housing benefit compensation, juror and witness payments, travelling expenses and health service supplies, welfare food payments, prison visiting scheme payments and disabled persons' employment payments)<sup>(17)</sup>.

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<sup>(10)</sup> 2002 c.38.

<sup>(11)</sup> 2007 asp 4.

<sup>(12)</sup> 1989 c.41. Section 15(1) was amended by paragraph 10(1) of Schedule 16 to the Courts and Legal Services Act 1990 (c.41). Paragraph 15 of Schedule 1 was amended by section 78(3) of the Civil Partnership Act 2004 (c.33) and paragraph 40(4) of Schedule 2 to the Children and Families Act 2014 (c.6).

<sup>(13)</sup> Paragraph 26 was substituted by S.I. 2010/2429. Paragraph 28 was substituted by S.I. 2008/698 and amended by S.I. 2010/2429.

<sup>(14)</sup> Paragraph 31 was substituted by S.I. 1992/468 and amended by S.I. 2008/3157. Paragraph 31A was inserted by S.I. 2013/443.

<sup>(15)</sup> Paragraph 33 was amended by S.I. 2008/3157.

<sup>(16)</sup> Paragraph 39 was inserted by S.I. 1988/663, substituted by S.I. 1991/1175 and amended by S.I. 1992/1101, 1993/963, 1993/1249, 2000/1981, 2004/2308, 2005/2877, 2005/3391, 2008/2767, 2010/641 and 2011/2425.

<sup>(17)</sup> Paragraph 40 was inserted by S.I. 1988/1445. Paragraph 43 was inserted by S.I. 1988/2022. Paragraphs 48 to 50 were inserted by S.I. 1990/1776. Paragraphs 48 and 49 were substituted by S.I. 2008/3157. Paragraph 50 was amended by S.I. 2007/2128 and 2008/3157. Paragraph 51 was inserted by S.I. 1992/468 and amended by S.I. 2004/565.

**33.**—(1) Any child benefit, except in circumstances where the adult is accompanied by the child or qualifying young person in respect of whom the child benefit is payable, and accommodation is provided for that child or qualifying young person under the Act.

(2) In this paragraph, “child” and “qualifying young person” have the same meaning as in section 142 of the 1992 Act<sup>(18)</sup>.

**34.** Any payment which would be disregarded under paragraph 53 of Schedule 9 to the Income Support Regulations (increases in rates of benefits etc)<sup>(19)</sup>.

**35.** Any payment which would be disregarded under paragraphs 54 to 56 of Schedule 9 to the Income Support Regulations (supplementary pensions etc)<sup>(20)</sup>.

**36.** Any payment made by a local authority to or on behalf of the adult relating to the provision of a service, where—

- (a) that service is provided to develop or sustain the capacity of the adult to live independently in the community; and
- (b) any charge for that service would be a service charge of the kind specified in Schedule 1B to the Housing Benefit (General) Regulations 1987<sup>(21)</sup> as in force immediately before the 1st April 2003.

**37.** The amount of any payment made by the adult to the local authority in payment of a charge imposed on the adult by the authority under the Local Authorities (Charges for Specified Welfare Services) (England) Regulations 2003<sup>(22)</sup>.

**38.** Any guardian’s allowance.

**39.** Any child tax credit.

**40.**—(1) Where the adult is in receipt of savings credit as a person who has no partner and has qualifying income not exceeding the standard minimum guarantee—

- (a) the amount of that savings credit where the amount received is £5.75 or less; or
- (b) £5.75 of that savings credit where the amount received is greater than £5.75.

(2) Where the adult—

- (a) has no partner;
- (b) has attained the age of 65; and
- (c) has qualifying income in excess of the standard minimum guarantee,

a sum of £5.75.

(3) Where the adult is in receipt of savings credit as a person who has a partner and has qualifying income not exceeding the standard minimum guarantee—

- (a) the amount of that savings credit where the amount received is £8.60 or less; or
- (b) £8.60 of that savings credit where the amount received is greater than £8.60.

(4) Subject to sub-paragraph (5), where the adult—

- (a) has a partner;
- (b) has—

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<sup>(18)</sup> Section 142 was substituted by section 1(2) of the Child Benefit Act 2005 (c.6).

<sup>(19)</sup> Paragraph 53 was inserted by S.I. 1994/527 and substituted by S.I. 2008/3157.

<sup>(20)</sup> Paragraphs 54 to 56 were inserted by S.I. 1994/2139. Paragraphs 55 and 56 were amended by S.I. 2005/2877 and paragraph 56 amended by S.I. 2008/3157.

<sup>(21)</sup> S.I. 1987/1971. Schedule 1B was inserted by S.I. 1999/2734. The Regulations were revoked from 6th March 2006 by S.I. 2006/217.

<sup>(22)</sup> S.I. 2003/907.

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- (i) attained the age of 65; or
- (ii) has attained pension credit age and the adult's partner has attained the age of 65; and
- (c) has qualifying income in excess of the standard minimum guarantee,  
a sum of £8.60.

(5) Where—

- (a) the sum referred to in sub-paragraph (4) has been disregarded in the assessment of the adult's partner's income under these Regulations; or
- (b) the adult's partner is in receipt of savings credit,  
sub-paragraph (4) does not apply to the adult.

(6) For the purposes of this paragraph—

- (a) the adult has a partner if the adult would be considered to have a partner for the purposes of the Pension Credit Regulations;
- (b) “qualifying income” is to be construed in accordance with regulation 9 of the Pension Credit Regulations<sup>(23)</sup> and for the purposes of sub-paragraphs (3) and (4) the adult's qualifying income includes any qualifying income of the adult's partner;
- (c) “standard minimum guarantee” means, for the purposes of—
  - (i) sub-paragraphs (1) and (2), the amount prescribed by regulation 6(1)(b) of the Pension Credit Regulations<sup>(24)</sup>; and
  - (ii) sub-paragraphs (3) and (4), the amount prescribed by regulation 6(1)(a) of the Pension Credit Regulations.

**41.** Any payment made to a temporary resident in lieu of concessionary coal pursuant to section 19(1)(b) or (c) of the Coal Industry Act 1994<sup>(25)</sup>.

**42.** Any payment made to the adult under section 63(6)(b) of the Health Services and Public Health Act 1968<sup>(26)</sup> (“the 1968 Act”) (travelling and other allowances to persons availing themselves of instruction) for the purpose of meeting childcare costs where the instruction is provided pursuant to—

- (a) section 63(1)(a) of the 1968 Act; or
- (b) section 63(1)(b) of the 1968 Act and where the adult is employed, or has it in contemplation to be employed, in an activity involved in or connected with a service which must or may be provided or secured as part of the health service.

**43.** Any payment made in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardian support services)<sup>(27)</sup> to an adult who is a prospective special guardian or a special guardian.

**44.—(1)** Where the adult is a student, any grant or other award, student loan, income used to make repayments on a student loan or other payment received by that student for the purposes of their course of study at an educational establishment.

<sup>(23)</sup> Regulation 9 was amended by [S.I. 2008/1554](#) and [2013/630](#).

<sup>(24)</sup> The amounts in regulation 6 were up-rated by [S.I. 2014/516](#).

<sup>(25)</sup> [1994 c.21](#).

<sup>(26)</sup> [1968 c.46](#). Section 63(1)(a) was amended by paragraph 95(2)(a) of Schedule 1 to the Health Authorities Act [1995 \(c.17\)](#), paragraph 3(a) of Schedule 4 to the Health Act [1999 \(c.8\)](#), paragraph 2 of Schedule 5 to the National Health Service Reform and Health Care Professions Act [2002 \(c.17\)](#), paragraph 12(2) of Schedule 5 to the Health and Social Care Act [2012 \(c.7\)](#) and [S.I. 2007/961](#).

<sup>(27)</sup> Section 14F was inserted by section 115(1) of the Adoption and Children Act [2002 \(c.38\)](#).

(2) In this paragraph, “course of study”, student and “student loan” have the same meaning as in the Income Support Regulations.