

SCHEDULE 4

Regulation 24(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 to be taken into account under regulation 24 (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 26(4) (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. Where a claimant is on income support, the whole of his income.

5. Any disability living allowance.

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

- (a) any payment specified in paragraph 5 or 8;
- (b) income support;
- (c) mobility allowance in section 37A of the Social Security Act 1975⁽¹⁾.

7. Any mobility supplement under article 26A of the Naval, Military and Air Forces etc (Disablement and Death) Service Pensions Order 1983⁽²⁾ (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983⁽³⁾ or any payment intended to compensate for the non-payment of such a supplement.

8. Any attendance allowance.

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

10. 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⁽⁴⁾ (assistance by means of scholarships or otherwise), or by virtue of section 2(1) of the Education Act 1962⁽⁵⁾ (awards for courses of further education), or section 49 of the Education (Scotland) Act 1980⁽⁶⁾ (power to assist persons to take advantage of educational facilities).

11. In the case of a claimant participating in arrangements for training made under section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990⁽⁷⁾ or attending at an employment rehabilitation centre established under that section of the 1973 Act—

- (a) any travelling expenses reimbursed to the claimant;

⁽¹⁾ Section 37A was inserted in the 1975 Act by section 22(1) of the Social Security Pensions Act 1975 (c. 60).

⁽²⁾ S.I. 1983/883; article 26A was added by S.I. 1983/1116 and amended by S.I. 1983/1521, 1986/592 and 1989/156.

⁽³⁾ S.I. 1983/686; article 25A was added by S.I. 1983/1164 and amended by S.I. 1986/628 and 1989/415.

⁽⁴⁾ 1944 c. 31; amended by S.I. 1964/490.

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

⁽⁶⁾ 1980 c. 44.

⁽⁷⁾ 1990 c. 35.

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- (b) if he receives an allowance under section 2(2)(d) of the 1973 Act or section 2(4)(c) of the 1990 Act, such amount, if any, of that allowance expressed to be a living away from home allowance;
- (c) any training premium,

but this paragraph, except in so far as it relates to a payment under sub-paragraph (a), (b) or (c), does not apply to any part of any allowance under section 2(2)(d) of the 1973 Act or section 2(4)(c) of the 1990 Act.

12. Any Job Start Allowance payable under section 2(1) of the Employment and Training Act 1973.

13.—(1) Except where sub-paragraph (2) applies and subject to sub-paragraph (3) and paragraphs 34 and 35, £10 of any charitable payment or of any voluntary payment made or due to be made at regular intervals.

(2) Subject to sub-paragraph (3) and paragraph 35, any charitable payment or voluntary payment made or due to be made at regular intervals which is intended and used for an item other than food, ordinary clothing or footwear, household fuel, eligible rent, council tax or water charges of a single claimant or, as the case may be, of the claimant or any other member of his family or is used for any council tax or water charges for which that claimant or member is liable.

(3) Sub-paragraphs (1) and (2) shall not apply to a payment which is made or due to be made by—

- (a) a former partner of the claimant, or a former partner of any member of the claimant's family; or
- (b) the parent of a child or young person where that child or young person is a member of the claimant's family.

(4) For the purposes of sub-paragraph (1) where a number of charitable or voluntary payments fall to be taken into account in any one week they shall be treated as though they were one such payment.

(5) For the purposes of sub-paragraph (2) the expression "ordinary clothing or footwear" means clothing or footwear for normal daily use, but does not include school uniforms, or clothing or footwear used solely for sporting activities.

14. Subject to paragraph 34, £10 of any of the following, namely—

- (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 by the government of a country outside Great Britain which is either
 - (i) analogous to a war disablement pension; or
 - (ii) analogous to a war widow's pension;
- (c) a pension paid under any special provision made by the law of Germany or any part of it, or of the Republic of Austria, to victims of National Socialist persecution.

15.—(1) Any income derived from capital to which the claimant is or is treated under regulation 36 (capital jointly held) as beneficially entitled but, subject to sub-paragraph (2), not income derived from capital disregarded under paragraph 1, 2, 4, 7, 13 or 24 to 27 of Schedule 5.

(2) Income derived from capital disregarded under paragraph 2, 4 or 24 to 27 of Schedule 5 but only to the extent of—

- (a) any mortgage payments made in respect of the dwelling and premises; or
- (b) any—
 - (i) council tax, or

- (ii) charges for water or services to which Schedule 11 paragraph 1(a) or (b) of the 1992 Act refer, which the claimant is liable to pay in respect of the dwelling or premises, in the period during which that income accrued.

16. 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% 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 insofar as, section 369 of the Income and Corporation Taxes Act 1988⁽⁸⁾ (mortgage interest payable under deduction of tax) 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.

17. Where the claimant makes a parental contribution in respect of a student attending a course at an establishment in the United Kingdom or undergoing education in the United Kingdom, which contribution has been assessed for the purposes of calculating—

- (a) under regulations made in exercise of the powers conferred by section 1 of the Education Act 1962⁽⁹⁾, that student’s award under that section;
- (b) that student’s award under section 2 of that Act; or
- (c) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980⁽¹⁰⁾, that student’s bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section,

an amount equal to the weekly amount of that parental contribution, but only in respect of the period for which that contribution is assessed as being payable.

18.—(1) Where the claimant is the parent of a student aged under 25 in advanced education who either—

- (a) is not in receipt of an award or grant in respect of that education; or

⁽⁸⁾ 1988 c. 1.

⁽⁹⁾ 1962 c. 12; sections 1 and 2 were substituted by section 19 and Schedule 5 of the Education Act 1980 (c. 20) and section 1(3) was amended by section 4 of the Education (Grants and Awards) Act 1984 (c. 11) and *see* the Education (Mandatory Awards) Regulations 1988 (S.I. 1988/1360).

⁽¹⁰⁾ 1980 c. 44; and *see* the Education Authority Bursaries (Scotland) Regulations 1988 (S.I. 1988/1360).

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- (b) is in receipt of an award under section 2 of the Education Act 1962 (discretionary awards) or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,

and the claimant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 17, an amount specified in subparagraph (2) in respect of each week during the student's term.

(2) For the purposes of sub-paragraph (1), the amount shall be equal to—

- (a) the weekly amount of the payments; or
- (b) the amount by way of a personal allowance for a single claimant under 25 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in subparagraph (1)(b),

whichever is less.

19. Any payment made to the claimant by a child or young person or a non-dependant.

20. Where the claimant occupies a dwelling as his home which is also occupied by a person other than one to whom paragraph 19 refers 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 £8.60 where the payment is inclusive of an amount for heating.

21. Where the claimant occupies a dwelling as his home which is also occupied by a boarder and payments are made by the boarder in respect of his occupation—

- (a) £20.00 of any payment made by that boarder; and
- (b) where any payment exceeds £20.00, 50% of the excess.

22. Any income in kind.

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

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

- (a) in accordance with regulations made pursuant to section 57A of the Adoption Act 1976⁽¹¹⁾ (permitted allowances) or with a scheme approved by the Secretary of State under section 51 of the Adoption (Scotland) Act 1978⁽¹²⁾ (schemes for payments of allowances to adopters);
- (b) 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⁽¹³⁾ (local authority contribution to a child's maintenance where the child is living with a person as a result of a residence order) or as the case may be, section 50 of the Children Act 1975⁽¹⁴⁾ (payment towards maintenance of children),

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

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

- (a) to whom regulation 27(2) applies (capital in excess of £3,000), the whole payment;

⁽¹¹⁾ 1976 c. 36; section 57A was inserted by paragraph 25 of Schedule 10 to the Children Act 1989 (c. 41).

⁽¹²⁾ 1978 c. 28.

⁽¹³⁾ 1989 c. 41.

⁽¹⁴⁾ 1975 c. 72.

- (b) to whom that regulation does not apply, so much of the weekly amount of the payment as exceeds the amount included under Schedule 1 in the calculation of the claimant's applicable amount for that child or young person by way of the personal allowance and disabled child premium, if any.

25. Any payment made by a local authority to the claimant with whom a person is accommodated by virtue of arrangements made under section 23(2)(a) of the Children Act 1989 or, as the case may be, section 21 of the Social Work (Scotland) Act 1968⁽¹⁵⁾ or by a voluntary organisation under section 59(1)(a) of the 1989 Act or by a care authority under regulation 9 of the Boarding Out and Fostering of Children (Scotland) Regulations 1985⁽¹⁶⁾ (provision of accommodation and maintenance for children by local authorities and voluntary organisations).

26. 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.

27. Any payment made by a local authority in accordance with section 17 or 24 of the Children Act 1989 or, as the case may be, section 12, 24 or 26 of the Social Work (Scotland) Act 1968 (provision of services for children and their families and advice and assistance to certain children).

28. An amount equal to any maintenance payment made by the claimant to his former partner or in respect of his children other than children who are members of his household.

29. Any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments on a loan for the purchase of the dwelling which the claimant occupies as his home and secured on that dwelling to the extent that it does not exceed the amount calculated, on a weekly basis, of that repayment.

30. Any payment of income which by virtue of regulation 31 (income treated as capital) is to be treated as capital.

31. Any social fund payments made pursuant to Part VIII of the Contributions and Benefits Act 1992.

32. Any payment under section 148 of the Contributions and Benefits Act 1992 (pensioners' Christmas bonus).

33. 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.

34. The total of 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 11(3) (calculation of income and capital of members of claimant's family and of a polygamous marriage) to be disregarded under regulation 43(2)(b) and regulation 44(1)(e) (calculation of covenant income where a contribution is assessed, covenant income where no grant income or no contribution is assessed), regulation 47(2) (treatment of student loans) and paragraphs 13 and 14 shall in no case exceed £10 per week.

35.—(1) Any payment made under the Trusts, the Fund or the Independent Living Fund.

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—

- (a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced;

(15) 1968 c. 49.

(16) S.I. 1985/1799.

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- (b) any child who is a member of that person's family or who was such a member and who is a member of the claimant's family; or
 - (c) any young person who is a member of that person's family or who was such a member and who is a member of the claimant's family.
- (3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced, which derives from a payment made under any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of—
- (a) the person who is suffering from haemophilia or who is a qualifying person;
 - (b) any child who is a member of that person's family or who was such a member and who is a member of the claimant's family; or
 - (c) any young person who is a member of that person's family or who was such a member and who is a member of the claimant's family.
- (4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under any of the Trusts to which sub-paragraph (1) refers, where—
- (a) that person has no partner or former partner from whom he is not estranged or divorced, nor any child or young person who is or had been a member of that person's family; and
 - (b) the payment is made either—
 - (i) to that person's parent or step-parent, or
 - (ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,but only for a period from the date of the payment until the end of two years from that person's death.
- (5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under any of the Trusts to which sub-paragraph (1) refers, where—
- (a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced, nor any child or young person who was or had been a member of his family; and
 - (b) the payment is made either—
 - (i) to that person's parent or step-parent, or
 - (ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,but only for a period of two years from the relevant date.
- (6) In the case of a person to whom or for whose benefit a payment referred to in this paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.
- (7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts shall be construed as including a reference to the Fund.

36. Any housing benefit.

37. Any payment made by the Secretary of State to compensate for the loss (in whole or in part) of entitlement to housing benefit.

38. Any payment by the Secretary of State to compensate for the loss of housing benefit supplement under regulation 19 of the Supplementary Benefit (Requirements) Regulations 1983**(17)**.

39. Any resettlement benefit which is paid to the claimant by virtue of regulation 3 of the Social Security (Hospital In-Patients) Amendment (No. 2) Regulations 1987**(18)**.

40. Any payment to a juror or witness in respect of attendance at a court other than compensation for loss of earnings or for the loss of a benefit payable under the Contributions and Benefits Act 1992.

41. Any payment in consequence of a reduction of a personal community charge pursuant to regulations under section 13A of the Local Government Finance Act 1988**(19)** or section 9A of the Abolition of Domestic Rates Etc (Scotland) Act 1987**(20)** (reduction of liability for personal community charges) or reduction of council tax either under section 13 or, as the case may be, section 80 of the 1992 Act.

42. Any special war widows payment made under—

- (a) the Naval and Marine Pay and Pensions (Special War Widows Payment) Order 1990 made under section 3 of the Naval and Marine Pay and Pensions Act 1865**(21)**;
- (b) the Royal Warrant dated 19th February 1990 amending the Schedule to the Army Pensions Warrant 1977**(22)**;
- (c) the Queen's Order dated 26th February 1990 made under section 2 of the Air Force (Constitution) Act 1917**(23)**;
- (d) the Home Guard War Widows Special Payments Regulations 1990 made under section 151 of the Reserve Forces Act 1980**(24)**;
- (e) the Orders dated 19th February 1990 amending orders made on 12th December 1980 concerning the Ulster Defence Regiment made in each case under Section 140 of the Reserve Forces Act 1980**(25)**,

and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under the provisions mentioned in sub-paragraphs (a) to (e) of this paragraph.

43.—(1) Any payment or repayment made—

- (a) as respects England and Wales, under regulation 3, 5 or 8 of the National Health Service (Travelling Expenses and Remission of Charges) Regulations 1988**(26)** (travelling expenses and health service supplies);
- (b) as respects Scotland, under regulation 3, 5 or 8 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) Regulations 1988**(27)** (travelling expenses and health services supplies).

(2) Any payment or repayment made by the Secretary of State for Health, the Secretary of State for Scotland or the Secretary of State for Wales which is analogous to a payment or repayment mentioned in sub-paragraph (1).

(17) S.I. 1983/1399, relevant amending instruments are S.I. 1984/282 and 1986/1293.

(18) S.I. 1987/1683.

(19) 1988 c. 41; section 13A was inserted in the 1988 Act by the Local Government and Housing Act 1989 (c. 42) Schedule 5 paragraph 5.

(20) 1987 c. 47; section 13A was inserted in the 1987 Act by section 143 of the Local Government and Housing Act 1989.

(21) 1865 c. 73. Copies of the Order are available from Ministry of Defence NPC2 Archway Block South, Old Admiralty Building, Spring Gardens, London SW1A 2BE.

(22) Army code No 13045 published by HMSO.

(23) 1917 c. 51. RAF Queen's Orders are available from HMSO.

(24) 1980 c. 9. Copies of the Regulations are available from Ministry of Defence NPC2, Archway Block South, Old Admiralty Building, Spring Gardens, London, SW1A 2BE.

(25) Army code No 60589 published by HMSO.

(26) S.I. 1988/551.

(27) S.I. 1988/546.

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44. Any payment made under regulation 9 to 11 or regulation 13 of the Welfare Food Regulations 1988⁽²⁸⁾ (payments made in place of milk tokens or the supply of vitamins).

45. Any payment made by either the Secretary of State for the Home Department or by the Secretary of State for Scotland under a scheme established to assist relatives and other persons to visit persons in custody.

46.—(1) Where a claimant's applicable amount includes an amount by way of the family premium, £15 of any payment of maintenance, whether under a court order or not, which is made or due to be made by—

- (a) the claimant's former partner, or the claimant's partner's former partner; or
- (b) the parent of a child or young person where that child or young person is a member of the claimant's family except where that parent is the claimant or the claimant's partner.

(2) For the purposes of sub-paragraph (1), where more than one maintenance payment falls to be taken into account in any week, all such payments shall be aggregated and treated as if they were a single payment.

47. Any payment made by the Secretary of State to compensate a person who was entitled to supplementary benefit in respect of a period ending immediately before 11th April 1988 but who did not become entitled to income support in respect of a period beginning with that day.

48. Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons Employment Act 1944⁽²⁹⁾ or in accordance with arrangements made under section 2 of the Employment and Training Act 1973 to assist disabled persons to obtain or retain employment despite their disability.

⁽²⁸⁾ S.I. 1988/536; relevant amending instrument is S.I. 1990/3.

⁽²⁹⁾ 1944 c. 10.