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STATUTORY INSTRUMENTS

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**1987 No. 1967**

**The Income Support (General) Regulations 1987**

**PART V**

**INCOME AND CAPITAL**

**Modifications etc. (not altering text)**

- C1** Pt. V applied (with modifications) (S.) (6.10.2003) by [The National Health Service \(Travelling Expenses and Remission of Charges\) \(Scotland\) \(No. 2\) Regulations 2003 \(S.S.I. 2003/460\)](#), reg. 1, [sch. Pt. I](#) Table A (with reg. 13)

**CHAPTER I**

general

**Calculation of income and capital of members of claimant's family and of a polygamous marriage**

**23.**—(1) [<sup>F1</sup>Subject to paragraphs (2) and (4) and to regulation 44 (modifications in respect of children and young persons), the income and capital of a claimant's partner and] the income of a child or young person which by virtue of section 22(5) of the Act[<sup>F2</sup>Subject to paragraph (4), the income and capital of a claimant's partner which by virtue of section 136(1) of the Contributions and Benefits Act] is to be treated as income and capital of the claimant, shall be calculated in accordance with the following provisions of this Part in like manner as for the claimant; and any reference to the "claimant" shall, except where the context otherwise requires, be construed, for the purposes of this Part, as if it were a reference to his partner [<sup>F3</sup>or that child or young person].

[<sup>F4</sup>Subject to the following provisions of this Part, the income paid to, or in respect of, and capital of, a child or young person who is a member of the claimant's family shall not be treated as the income or capital of the claimant.]

(3) [<sup>F5</sup>Subject to paragraph (5)] where a claimant or the partner of a claimant is married polygamously to two or more members of his household—

- (a) the claimant shall be treated as possessing capital and income belonging to each such member [<sup>F6</sup>and the income of any child or young person who is one of that member's family]; and
- (b) the income and capital of that member [<sup>F7</sup>or, as the case may be, the income of that child or young person] shall be calculated in accordance with the following provisions of this Part in like manner as for the claimant [<sup>F7</sup>or, as the case may be, as for any child or young person who is a member of his family].

[<sup>F8</sup>(4) Where at least one member of a couple is aged less than 18 and the applicable amount of the couple falls to be determined under [<sup>F9</sup>paragraphs 1(3)(b), (c), (f) or (g)] of Schedule 2 (applicable

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amounts), the income of the claimant's partner shall not be treated as the income of the claimant to the extent that—

- (a) in the case of a couple where both members are aged less than 18, the amount specified in paragraph 1(3)(a) of that Schedule exceeds the amount specified in [<sup>F10</sup>paragraph 1(3)(c)] of that Schedule; and
- (b) in the case of a couple where only one member is aged less than 18, the amount specified in paragraph 1(3)(d) of that Schedule exceeds the amount which applies in that case which is specified in [<sup>F11</sup>paragraph 1(3)(f) or (g)] of that Schedule.]

[<sup>F8</sup>(5) Where a member of a polygamous marriage is a partner aged less than 18 and the amount which applies in respect of him under regulation 18(2) (polygamous marriages) is nil, the claimant shall not be treated as possessing the income of that partner to the extent that an amount in respect of him would have been included in the applicable amount if he had fallen within the circumstances set out in regulation 18(2)(a) or (b).]

#### Textual Amendments

- F1** Words in reg. 23(1) substituted (12.9.1988) by [The Income Support \(General\) Amendment No. 3 Regulations 1988 \(S.I. 1988/1228\)](#), regs. 1(1)(b), **6(1)(a)**
- F2** Words in [reg. 23\(1\)](#) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by [The Social Security \(Working Tax Credit and Child Tax Credit\) \(Consequential Amendments\) Regulations 2003 \(S.I. 2003/455\)](#), **Sch. 1 para. 6(a)(i)**
- F3** Words in [reg. 23\(1\)](#) omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of [The Social Security \(Working Tax Credit and Child Tax Credit\) \(Consequential Amendments\) Regulations 2003 \(S.I. 2003/455\)](#), **Sch. 1 para. 6(a)(ii)**
- F4** [Reg. 23\(2\)](#) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by [The Social Security \(Working Tax Credit and Child Tax Credit\) \(Consequential Amendments\) Regulations 2003 \(S.I. 2003/455\)](#), **Sch. 1 para. 6(b)**
- F5** Words in [reg. 23\(3\)](#) inserted (12.9.1988) by [The Income Support \(General\) Amendment No. 3 Regulations 1988 \(S.I. 1988/1228\)](#), regs. 1(1)(b), **6(1)(b)**
- F6** Words in [reg. 23\(3\)\(a\)](#) omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of [The Social Security \(Working Tax Credit and Child Tax Credit\) \(Consequential Amendments\) Regulations 2003 \(S.I. 2003/455\)](#), **Sch. 1 para. 6(c)**
- F7** Words in [reg. 23\(3\)\(b\)](#) omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of [The Social Security \(Working Tax Credit and Child Tax Credit\) \(Consequential Amendments\) Regulations 2003 \(S.I. 2003/455\)](#), **Sch. 1 para. 6(d)**
- F8** [Reg. 23\(4\)\(5\)](#) inserted (12.9.1988) by [The Income Support \(General\) Amendment No. 3 Regulations 1988 \(S.I. 1988/1228\)](#), regs. 1(1)(b), **6(1)(c)**
- F9** Words in [reg. 23\(4\)](#) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Income Support \(General\) \(Jobseeker's Allowance Consequential Amendments\) Regulations 1996 \(S.I. 1996/206\)](#), **regs. 1(1), 14(2)**
- F10** Words in [reg. 23\(4\)\(a\)](#) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Income Support \(General\) \(Jobseeker's Allowance Consequential Amendments\) Regulations 1996 \(S.I. 1996/206\)](#), regs. 1(1), **14(3)**
- F11** Words in [reg. 23\(4\)\(b\)](#) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Income Support \(General\) \(Jobseeker's Allowance Consequential Amendments\) Regulations 1996 \(S.I. 1996/206\)](#), regs. 1(1), **14(4)**

#### Commencement Information

- I1** [Reg. 23](#) in force at 11.4.1988, see [reg. 1](#)

**[<sup>F12</sup>Income of participants in the self-employment route<sup>F13</sup> ...**

**23A.** Chapters II, III, IV, V, VII and VIIA of this Part and regulations 62 to 66A, 68 and 69 shall not apply to any income which is to be calculated in accordance with Chapter IVA of this Part (participants in the self-employment route<sup>F14</sup> ...).]

**Textual Amendments**

- F12** Reg. 23A inserted (1.6.1998) by The Social Security (Miscellaneous Amendments) (No. 4) Regulations 1998 (S.I. 1998/1174), regs. 1(1), **6(2)**
- F13** Words in reg. 23A heading omitted (27.11.2000) by virtue of The Social Security Amendment (Employment Zones) (No. 2) Regulations 2000 (S.I. 2000/2910), regs. 1(1), **5(1)(a)**
- F14** Words in reg. 23A omitted (27.11.2000) by virtue of The Social Security Amendment (Employment Zones) (No. 2) Regulations 2000 (S.I. 2000/2910), regs. 1(1), **5(1)(a)**

**Treatment of charitable or voluntary payments**

<sup>F15</sup>**24.** .....

**Textual Amendments**

- F15** Reg. 24 omitted (12.12.1988) by virtue of The Income Support (General) Amendment No. 5 Regulations 1988 (S.I. 1988/2022), regs. 1(1)(a), **5**

**Commencement Information**

- I2** Reg. 24 in force at 11.4.1988, see reg. 1

<sup>F16</sup>**... liable relative payments**

**25.** Regulations 29 to [<sup>F17</sup>44][<sup>F17</sup>42], 46 to 52 and Chapter VIII of this Part shall not apply to any payment which is to be calculated in accordance with Chapter VII thereof ([<sup>F18</sup><sup>F19</sup>... liable relative payments]).

**Textual Amendments**

- F16** Words in reg. 25 heading omitted (for specified purposes and with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of The Social Security (Miscellaneous Amendments) (No. 4) Regulations 2009 (S.I. 2009/2655), regs. 1(6)(a), **2(5)**
- F17** Word in reg. 25 substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 7**
- F18** Words in reg. 25 substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Child Maintenance Amendments) Regulations 2008 (S.I. 2008/2111), regs. 1(1), **2(3)**
- F19** Words in reg. 25 omitted (for specified purposes and with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of The Social Security (Miscellaneous Amendments) (No. 4) Regulations 2009 (S.I. 2009/2655), regs. 1(6)(a), **2(6)**

**Commencement Information**

- I3** Reg. 25 in force at 11.4.1988, see reg. 1

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## Child support

<sup>F20</sup>25A. ....

### Textual Amendments

**F20** Reg. 25A omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Social Security \(Child Maintenance Amendments\) Regulations 2008 \(S.I. 2008/2111\)](#), regs. 1(1), **2(4)(a)**

## Calculation of income and capital of students

26. The provisions of Chapters II to VI of this Part (income and capital) shall [<sup>F21</sup>have effect in relation to students and their partners subject to the modifications set out in Chapter VIII thereof (students)].

### Textual Amendments

**F21** Words in [reg. 26](#) substituted (29.3.2001) by [The Income Support \(General\) Amendment Regulations 2001 \(S.I. 2001/721\)](#), regs. 1, **2(a)**

### Commencement Information

**I4** Reg. 26 in force at 11.4.1988, see [reg. 1](#)

## [<sup>F22</sup>Rounding of fractions

27. Where any calculation under this Part results in a fraction of a penny that fraction shall, if it would be to the claimant's advantage, be treated as a penny, otherwise it shall be disregarded.]

### Textual Amendments

**F22** Reg. 27 substituted (11.4.1988) by [The Income Support \(General\) Amendment Regulations 1988 \(S.I. 1988/663\)](#), regs. 1(1), **13**

### Commencement Information

**I5** Reg. 27 in force at 11.4.1988, see [reg. 1](#)

## CHAPTER II

### income

## Calculation of income

28.—(1) For the purposes of section 20(3) of the Act (conditions of entitlement to income support) the income of a claimant shall be calculated on a weekly basis—

- (a) by determining in accordance with this Part, other than Chapter VI, the weekly amount of his income; and
- (b) by adding to that amount the weekly income calculated under regulation 53 (calculation of tariff income from capital).

[<sup>F23</sup>(2) For the purposes of paragraph (1) “income” includes capital treated as income under regulation 41 (capital treated as income) and income which a claimant is treated as possessing under regulation 42 (notional income).]

**Textual Amendments**

**F23** Reg. 28(2) substituted (7.10.1991) by [The Income Support \(General\) Amendment No. 4 Regulations 1991 \(S.I. 1991/1559\)](#), regs. 1(1)(c), 7 (with reg. 1(2))

**Commencement Information**

**I6** Reg. 28 in force at 11.4.1988, see [reg. 1](#)

**Calculation of earnings derived from employed earner's employment and income other than earnings**

**29.**—(1) <sup>F24</sup>... Earnings derived from employment as an employed earner and income which does not consist of earnings shall be taken into account over a period determined in accordance with the following paragraphs and at a weekly amount determined in accordance with regulation 32 (calculation of weekly amount of income).

(2) Subject to [<sup>F25</sup>the following provisions of this regulation], the period over which a payment is to be taken into account shall be—

- [<sup>F26</sup>(a) where the payment is monthly, a period equal to the number of weeks from the date on which the payment is treated as paid to the date immediately before the date on which the next monthly payment would have been so treated as paid whether or not the next monthly payment is actually paid;
- (aa) where the payment is in respect of a period which is not monthly, a period equal to the length of the period for which payment is made;]
- (b) in any other case, a period equal to such number of weeks as is equal to the number obtained (and any fraction shall be treated as a corresponding fraction of a week) by dividing the net earnings, or in the case of income which does not consist of earnings, the amount of that income [<sup>F27</sup>less any amount paid by way of tax on that income which is disregarded under paragraph 1 of Schedule 9 (income other than earnings to be disregarded)] by the amount of income support which would be payable had the payment not been made plus an amount equal to the total of the sums which would fall to be disregarded from that payment under Schedule 8 [<sup>F28</sup>(earnings to be disregarded) or, as the case maybe, any paragraph of Schedule 9 other than paragraph 1 of that Schedule,] as is appropriate in the claimant's case,

and that period shall begin on the date on which the payment is treated as paid under regulation 31 (date on which income is treated as paid).

[<sup>F29</sup>(2A) The period over which a Career Development Loan, which is paid pursuant to section 2 of the Employment and Training Act 1973, shall be taken into account shall be the period of education and training intended to be supported by that loan.

(2B) Where grant income as defined in Chapter VIII of this Part has been paid to a person who ceases to be a [<sup>F30</sup>full-time student] before the end of the period in respect of which that income is payable and, as a consequence, the whole or part of that income falls to be repaid by that person, that income shall be taken into account over the period beginning on the date on which that income is treated as paid under regulation 31 and ending—

- (a) on the date on which repayment is made in full; or

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- [ where the grant is paid in instalments, on the day before the next instalment would have  
<sup>F31</sup>(aa) been paid had the claimant remained a [<sup>F30</sup>full-time student]; or]
- (b) on the last date of the academic term or vacation during which that person ceased to be a [<sup>F30</sup>full-time student],

whichever shall first occur.]

- (a) [<sup>F32</sup>(2C) (a) This paragraph applies where earnings are derived by a claimant as a member of a reserve force prescribed in Part 1 of Schedule 6 to the Contributions Regulations—
- (i) in respect of a period of annual continuous training for a maximum of 15 days in any calendar year; or
- (ii) in respect of training in the claimant’s first year of training as a member of a reserve force for a maximum of 43 days in that year.
- (b) Earnings, whether paid to the claimant alone or together with other earnings derived from the same source, are to be taken into account—
- (i) in the case of a period of training which lasts for the number of days listed in column 1 of the table in sub-paragraph (c), over a period of time which is equal to the number of days set out in the corresponding row in column 2 of that table; or
- (ii) in any other case, over a period of time which is equal to the number of days of the training period.
- (c) This is the table referred to in sub-paragraph (b)(i)—

<i>Column 1</i>	<i>Column 2</i>
<i>Period of training in days</i>	<i>Period of time over which earnings are to be taken into account in days</i>
8 to 10	7
15 to 17	14
22 to 24	21
29 to 31	28
36 to 38	35
43	42]

[<sup>F33</sup>(2D) The period over which earnings to which paragraph (2C) applies are to be taken into account shall begin on the date on which the payment is treated as paid under regulation 31.]

(3) Where earnings not of the same kind are derived from the same source and the periods in respect of which those earnings would, but for this paragraph, fall to be taken into account—

- (a) overlap, wholly or partly, those earnings shall be taken into account over a period equal to the aggregate length of those periods;
- (b) and that period shall begin with the earliest date on which any part of those earnings would otherwise be treated as paid under regulation 31 (date on which income is treated as paid).

[<sup>F34</sup>(4) In a case to which paragraph (3) applies, earnings under regulation 35 (earnings of employed earners) shall be taken into account in the following order of priority—

- (a) earnings normally derived from the employment;
- (b) any payment to which paragraph (1)(b) or (c) of that regulation applies;

(c) any payment to which paragraph (1)(i) of that regulation applies;

(d) any payment to which paragraph (1)(d) of that regulation applies.]

[<sup>F35</sup>(4A) Where earnings to which regulation 35(1)(b) to (d) (earnings of employed earners) applies are paid in respect of part of a day, those earnings shall be taken into account over a period equal to a day.]

<sup>F36</sup>(4B) .....

[<sup>F37</sup>(4C) Any earnings to which regulation 35(1)(i)(ii) applies which are paid in respect of or on the termination of part-time employment, shall be taken into account over a period equal to one week.]

[<sup>F37</sup>(4D) In this regulation—

(a) “part-time employment” means employment in which a person is not to be treated as engaged in remunerative work under regulation 5 or [<sup>F38</sup>6(1)][<sup>F39</sup>and (4)] (persons treated, or not treated, as engaged in remunerative work);]

<sup>F40</sup>(b) .....

(5) For the purposes of this regulation the claimant's earnings and income which does not consist of earnings shall be calculated in accordance with Chapters III and V respectively of this Part.

**Textual Amendments**

- F24** Words in reg. 29(1) omitted (12.12.1988) by virtue of [The Income Support \(General\) Amendment No. 5 Regulations 1988 \(S.I. 1988/2022\)](#), regs. 1(1)(a), **7(a)**
- F25** Words in [reg. 29\(2\)](#) substituted (for specified purposes and with effect in accordance with reg. 1(2) of the amending S.I.) by [The Income-related Benefits and Jobseeker’s Allowance \(Miscellaneous Amendments\) Regulations 1997 \(S.I. 1997/65\)](#), regs. 1(1)(2), **5(1)(a)**
- F26** [Reg. 29\(2\)\(a\)\(aa\)](#) substituted for [reg. 29\(2\)\(a\)](#) (14.4.2008) by [The Social Security \(Miscellaneous Amendments\) Regulations 2008 \(S.I. 2008/698\)](#), regs. 1(1), **2(5)(a)**
- F27** Words in [reg. 29\(2\)\(b\)](#) inserted (with effect in accordance with reg. 1(2)(3) of the amending S.I.) by [The Income Support \(General\) Amendment Regulations 1990 \(S.I. 1990/547\)](#), regs. 1(1)(b), **10(a)**
- F28** Words in [reg. 29\(2\)\(b\)](#) substituted (with effect in accordance with reg. 1(2)(3) of the amending S.I.) by [The Income Support \(General\) Amendment Regulations 1990 \(S.I. 1990/547\)](#), regs. 1(1)(b), **10(b)**
- F29** [Reg. 29\(2A\)\(2B\)](#) inserted (for specified purposes and with effect in accordance with reg. 1(2) of the amending S.I.) by [The Income-related Benefits and Jobseeker’s Allowance \(Miscellaneous Amendments\) Regulations 1997 \(S.I. 1997/65\)](#), regs. 1(1)(2), **5(1)(b)**
- F30** Words in [reg. 29\(2B\)](#) substituted (31.7.2000) by [The Social Security Amendment \(Students\) Regulations 2000 \(S.I. 2000/1981\)](#), regs. 1(1), 5(5), **Sch.**
- F31** [Reg. 29\(2B\)\(aa\)](#) inserted (coming into force in accordance with reg. 1(2)(3) of the amending S.I.) by [The Social Security \(Miscellaneous Amendments\) Regulations 1998 \(S.I. 1998/563\)](#), regs. 1(2), **12**
- F32** [Reg. 29\(2C\)](#) substituted (6.4.2015) by [The Social Security \(Members of the Reserve Forces\) \(Amendment\) Regulations 2015 \(S.I. 2015/389\)](#), regs. 1, **2(3)**
- F33** [Reg. 29\(2D\)](#) inserted (5.11.2012) by [The Social Security \(Miscellaneous Amendments\) \(No. 2\) Regulations 2012 \(S.I. 2012/2575\)](#), regs. 1(2), **2(3)**
- F34** [Reg. 29\(4\)](#) substituted (9.10.1989) by [The Income Support \(General\) Amendment No. 2 Regulations 1989 \(S.I. 1989/1323\)](#), regs. 1(1)(b), **9(b)**
- F35** [Reg. 29\(4A\)](#) inserted (12.12.1988) by [The Income Support \(General\) Amendment No. 5 Regulations 1988 \(S.I. 1988/2022\)](#), regs. 1(1)(a), **7(c)**
- F36** [Reg. 29\(4B\)](#) omitted (14.4.2008) by virtue of [The Social Security \(Miscellaneous Amendments\) Regulations 2008 \(S.I. 2008/698\)](#), regs. 1(1), **2(5)(b)**
- F37** [Reg. 29\(4B\)-\(4D\)](#) inserted (9.10.1989) by [The Income Support \(General\) Amendment No. 2 Regulations 1989 \(S.I. 1989/1323\)](#), regs. 1(1)(b), **9(c)**

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- F38** Word in reg. 29(4D)(a) substituted (4.10.1999) by *The Social Security (Miscellaneous Amendments) (No. 2) Regulations 1999 (S.I. 1999/2556)*, regs. 1, **2(4)**
- F39** Words in reg. 29(4D)(a) inserted (3.4.2000) by *The Social Security (Miscellaneous Amendments) Regulations 2000 (S.I. 2000/681)*, regs. 1(1)(c), **2(c)**
- F40** Reg. 29(4D)(b) omitted (14.4.2008) by virtue of *The Social Security (Miscellaneous Amendments) Regulations 2008 (S.I. 2008/698)*, regs. 1(1), **2(5)(b)**

#### Commencement Information

- I7** Reg. 29 in force at 11.4.1988, see [reg. 1](#)

### Calculation of earnings of self-employed earners

**30.**—(1) Except where paragraph (2) applies, where a claimant's income consists of earnings from employment as a self-employed earner the weekly amount of his earnings shall be determined by reference to his average weekly earnings from that employment—

- (a) over a period of [<sup>F41</sup>one year]; or
- (b) where the claimant has recently become engaged in that employment or there has been a change which is likely to affect the normal pattern of business, over such other period <sup>F42</sup>... as may, in any particular case, enable the weekly amount of his earnings to be determined more accurately.

(2) Where the claimant's earnings consist of [<sup>F43</sup>any items to which paragraph (2A) applies] those earnings shall be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction shall be treated as a corresponding fraction of a week) by dividing the earnings by the amount of income support which would be payable had the payment not been made plus an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 8 (earnings to be disregarded) as is appropriate in the claimant's case.

[<sup>F44</sup>(2A) This paragraph applies to—

- (a) royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark; or
- (b) any payment in respect of any—
  - (i) book registered under the Public Lending Right Scheme 1982; or
  - (ii) work made under any international public lending right scheme that is analogous to the Public Lending Right Scheme 1982,

where the claimant is the first owner of the copyright, design, patent or trade mark, or an original contributor to the book or work concerned.]

(3) For the purposes of this regulation the claimant's earnings shall be calculated in accordance with Chapter IV of this Part.

#### Textual Amendments

- F41** Words in [reg. 30\(1\)\(a\)](#) substituted (with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by *The Income-related Benefits Schemes (Miscellaneous Amendments) (No. 4) Regulations 1993 (S.I. 1993/2119)*, regs. 1(1)(a), **11(a)**
- F42** Words in [reg. 30\(1\)\(b\)](#) omitted (with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by virtue of *The Income-related Benefits Schemes (Miscellaneous Amendments) (No. 4) Regulations 1993 (S.I. 1993/2119)*, regs. 1(1)(a), **11(b)**



- F43** Words in [reg. 30\(2\)](#) substituted (for specified purposes and with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by [The Social Security \(Miscellaneous Amendments\) Regulations 2008 \(S.I. 2008/698\)](#), [reg. 2\(6\)\(a\)](#)
- F44** [Reg. 30\(2A\)](#) substituted (for specified purposes and with effect in accordance with [reg. 1\(4\)](#) of the amending S.I.) by [The Social Security \(Miscellaneous Amendments\) Regulations 2009 \(S.I. 2009/583\)](#), [reg. 2\(6\)](#)

**Commencement Information**

- I8** [Reg. 30](#) in force at 11.4.1988, see [reg. 1](#)

**Date on which income is treated as paid**

**31.**—(1) Except where paragraph <sup>F45</sup>(2) [<sup>F46</sup>applies]], a payment of income to which regulation 29 (calculation of earnings derived from employed earner's employment and income other than earnings) applies shall be treated as paid—

- (a) in the case of a payment which is due to be paid before the first benefit week pursuant to the claim, on the date on which it is due to be paid;
- (b) in any other case, on the first day of the benefit week in which it is due to be paid or the first succeeding benefit week in which it is practicable to take it into account.

(2) Income support, [<sup>F47</sup>jobseeker's allowance], [<sup>F48</sup>maternity allowance],[<sup>F49</sup>short-term or long-term incapacity benefit], [<sup>F50</sup>severe disablement allowance [<sup>F51</sup>, employment and support allowance or universal credit]]<sup>F52</sup>... shall be treated as paid [<sup>F53</sup>on any day] in respect of which [<sup>F54</sup>it is payable].

- <sup>F55</sup>(3) .....
- <sup>F55</sup>(4) .....

**Textual Amendments**

- F45** Words in [reg. 31\(1\)](#) substituted (17.11.2008) by [The Social Security \(Miscellaneous Amendments\) \(No.6\) Regulations 2008 \(S.I. 2008/2767\)](#), [regs. 1\(2\)](#), [2\(4\)\(a\)](#)
- F46** Word in [reg. 31\(1\)](#) substituted (11.4.2011) by [The Social Security \(Miscellaneous Amendments\) Regulations 2011 \(S.I. 2011/674\)](#), [regs. 1\(4\)](#), [3\(2\)\(a\)](#)
- F47** Words in [reg. 31\(2\)](#) substituted (with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by [The Income Support \(General\) \(Jobseeker's Allowance Consequential Amendments\) Regulations 1996 \(S.I. 1996/206\)](#), [regs. 1\(1\)](#), [15](#)
- F48** Words in [reg. 31\(2\)](#) inserted (12.9.1988) by [The Income Support \(General\) Amendment No. 4 Regulations 1988 \(S.I. 1988/1445\)](#), [regs. 1\(1\)\(b\)](#), [8](#)
- F49** Words in [reg. 31\(2\)](#) substituted (13.4.1995) by [The Disability Working Allowance and Income Support \(General\) Amendment Regulations 1995 \(S.I. 1995/482\)](#), [regs. 1\(1\)](#), [10](#) (with [reg. 1\(4\)](#))
- F50** Words in [reg. 31\(2\)](#) substituted (27.10.2008) by [The Employment and Support Allowance \(Consequential Provisions\) \(No. 2\) Regulations 2008 \(S.I. 2008/1554\)](#), [regs. 1\(2\)\(b\)](#), [2\(5\)](#)
- F51** Words in [reg. 31\(2\)](#) substituted (29.4.2013) by [The Universal Credit \(Consequential, Supplementary, Incidental and Miscellaneous Provisions\) Regulations 2013 \(S.I. 2013/630\)](#), [regs. 1\(2\)](#), [28\(4\)\(a\)](#)
- F52** Words in [reg. 31\(2\)](#) omitted (13.4.1995) by [The Disability Working Allowance and Income Support \(General\) Amendment Regulations 1995 \(S.I. 1995/482\)](#), [regs. 1\(1\)](#), [10](#) (with [reg. 1\(4\)](#))
- F53** Words in [reg. 31\(2\)](#) substituted (29.4.2013) by [The Universal Credit \(Consequential, Supplementary, Incidental and Miscellaneous Provisions\) Regulations 2013 \(S.I. 2013/630\)](#), [regs. 1\(2\)](#), [28\(4\)\(b\)](#)
- F54** Words in [reg. 31\(2\)](#) substituted (11.4.1988) by [The Income Support \(General\) Amendment Regulations 1988 \(S.I. 1988/663\)](#), [regs. 1\(1\)](#), [14](#)
- F55** [Reg. 31\(3\)\(4\)](#) omitted (11.4.2011) by virtue of [The Social Security \(Miscellaneous Amendments\) Regulations 2011 \(S.I. 2011/674\)](#), [regs. 1\(4\)](#), [3\(2\)\(b\)](#)

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

### Commencement Information

**I9** Reg. 31 in force at 11.4.1988, see [reg. 1](#)

### Calculation of weekly amount of income

**32.**—(1) For the purposes of regulation 29 (calculation of earnings derived from employed earner's employment and income other than earnings)<sup>F56</sup> ..., subject to [<sup>F57</sup> paragraphs (2) to (7)]<sup>F58</sup> ..., where the period in respect of which a payment [<sup>F59</sup> of income or tax credit] is made—

- (a) does not exceed a week, the weekly amount shall be the amount of that payment;
- (b) exceeds a week, the weekly amount shall be determined—
  - (i) in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;
  - (ii) in a case where that period is three months, by multiplying the amount of the payment by 4 and dividing the product by 52;
  - [<sup>F60</sup>(iii) in a case where that period is a year and the payment is an award of working tax credit, by dividing the payment by the number of days in the year and multiplying the result by 7;
  - (iiia) in a case where that period is a year and the payment is income other than an award of working tax credit, by dividing the amount of the payment by 52;]
  - (iv) in any other case by multiplying the amount of the payment by 7 and dividing the product by the number equal to the number of days in the period in respect of which it is made.

(2) Where a payment for a period not exceeding a week is treated under regulation 31(1)(a) (date on which income is treated as paid) as paid before the first benefit week and a part is to be taken into account for some days only in that week (the relevant days), the amount to be taken into account for the relevant days shall be calculated by multiplying the amount of the payment by the number equal to the number of relevant days and dividing the product by the number of days in the period in respect of which it is made.

(3) Where a payment is in respect of a period equal to or in excess of a week and a part thereof is to be taken into account for some days only in a benefit week (the relevant days), the amount to be taken into account for the relevant days shall, except where paragraph (4) applies, be calculated by multiplying the amount of the payment by the number equal to the number of relevant days and dividing the product by the number of days in the period in respect of which it is made.

(4) In the case of a payment of—

- (a) <sup>F61</sup> ..., [<sup>F62</sup> maternity allowance,]<sup>F63</sup> [short-term or long-term incapacity benefit], or severe disablement allowance<sup>F63</sup> ..., the amount to be taken into account for the relevant days shall be the amount of benefit [<sup>F64</sup> payable] in respect of those days;
- (b) income support [<sup>F65</sup>, jobseeker's allowance or employment and support allowance], the amount to be taken into account for the relevant days shall be calculated by multiplying the weekly amount of the benefit by the number of relevant days and dividing the product by seven.

(5) Except in the case of a payment which it has not been practicable to treat under regulation 31(1)(b) as paid on the first day of the benefit week in which it is due to be paid, where a payment of income from a particular source is or has been paid regularly and that payment falls to be taken into account in the same benefit week as a payment of the same kind and from the same source, the amount of that income to be taken into account in any one benefit week shall not exceed

the weekly amount determined under paragraph (1)(a) or (b), as the case may be, of the payment which under regulation 31(1)(b) (date on which income is treated as paid) is treated as paid first.

(6) Where the amount of the claimant's income fluctuates and has changed more than once, or a claimant's regular pattern of work is such that he does not work every week, the foregoing paragraphs may be modified so that the weekly amount of his income is determined by reference to his average weekly income—

- (a) if there is a recognisable cycle of work, over the period of one complete cycle (including, where the cycle involves periods in which the claimant does no work, those periods but disregarding any other absences);
- (b) in any other case, over a period of five weeks or such other period as may, in the particular case, enable the claimant's average weekly income to be determined more accurately.

[<sup>F66</sup>(6A) Where income is taken into account under paragraph (2B) of regulation 29 over the period specified in that paragraph, the amount of that income to be taken into account in respect of any week in that period shall be an amount equal to the amount of that income which would have been taken into account under regulation 62 had the person to whom that income was paid not ceased to be a [<sup>F67</sup>full-time student].]

[<sup>F68</sup>(7) Where any payment of earnings is taken into account under paragraph (4C) of regulation 29 (calculation of earnings derived from employed earner's employment and income other than earnings), over the period specified in that paragraph, the amount to be taken into account shall be equal to the amount of the payment.]

#### Textual Amendments

- F56** Words in [reg. 32\(1\)](#) omitted (11.4.2011) by virtue of [The Social Security \(Miscellaneous Amendments\) Regulations 2011 \(S.I. 2011/674\)](#), [regs. 1\(4\)](#), **3(3)**
- F57** Words in [reg. 32\(1\)](#) substituted (9.10.1989) by [The Income Support \(General\) Amendment No. 2 Regulations 1989 \(S.I. 1989/1323\)](#), [regs. 1\(1\)\(b\)](#), **10(a)**
- F58** Words in [reg. 32\(1\)](#) omitted (11.4.1988) by virtue of [The Income Support \(General\) Amendment Regulations 1988 \(S.I. 1988/663\)](#), [regs. 1\(1\)](#), **15(a)**
- F59** Words in [reg. 32\(1\)](#) inserted (17.11.2008) by [The Social Security \(Miscellaneous Amendments\) \(No.6\) Regulations 2008 \(S.I. 2008/2767\)](#), [regs. 1\(2\)](#), **2(5)(a)**
- F60** [Reg. 32\(1\)\(b\)\(iii\)\(iiia\)](#) substituted for [reg. 32\(1\)\(b\)\(iii\)](#) (17.11.2008) by [The Social Security \(Miscellaneous Amendments\) \(No.6\) Regulations 2008 \(S.I. 2008/2767\)](#), [regs. 1\(2\)](#), **2(5)(b)**
- F61** Words in [reg. 32\(4\)\(a\)](#) omitted (with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by virtue of [The Income Support \(General\) \(Jobseeker's Allowance Consequential Amendments\) Regulations 1996 \(S.I. 1996/206\)](#), [regs. 1\(1\)](#), **16(a)**
- F62** Words in [reg. 32\(4\)\(a\)](#) inserted (12.9.1988) by [The Income Support \(General\) Amendment No. 4 Regulations 1988 \(S.I. 1988/1445\)](#), [regs. 1\(1\)\(b\)](#), **8**
- F63** Words in [reg. 32\(4\)\(a\)](#) substituted (13.4.1995) by [The Disability Working Allowance and Income Support \(General\) Amendment Regulations 1995 \(S.I. 1995/482\)](#), [regs. 1\(1\)](#), **11** (with [reg. 1\(4\)](#))
- F64** Word in [reg. 32\(4\)\(a\)](#) substituted (11.4.1988) by [The Income Support \(General\) Amendment Regulations 1988 \(S.I. 1988/663\)](#), [regs. 1\(1\)](#), **15(b)**
- F65** Words in [reg. 32\(4\)\(b\)](#) substituted (27.10.2008) by [The Employment and Support Allowance \(Consequential Provisions\) \(No. 2\) Regulations 2008 \(S.I. 2008/1554\)](#), [regs. 1\(2\)\(b\)](#), **2(6)**
- F66** [Reg. 32\(6A\)](#) added (for specified purposes and with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by [The Income-related Benefits and Jobseeker's Allowance \(Miscellaneous Amendments\) Regulations 1997 \(S.I. 1997/65\)](#), [regs. 1\(1\)\(2\)](#), **6(1)**
- F67** Words in [reg. 32\(6A\)](#) substituted (31.7.2000) by [The Social Security Amendment \(Students\) Regulations 2000 \(S.I. 2000/1981\)](#), [regs. 1\(1\)](#), [5\(5\)](#), **Sch.**

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**F68** Reg. 32(7) added (9.10.1989) by [The Income Support \(General\) Amendment No. 2 Regulations 1989 \(S.I. 1989/1323\)](#), regs. 1(1)(b), **10(b)**

**Commencement Information**

**I10** Reg. 32 in force at 11.4.1988, see [reg. 1](#)

**Weekly amount of charitable or voluntary payment**

<sup>F69</sup>**33.** .....

**Textual Amendments**

**F69** Reg. 33 omitted (12.12.1988) by virtue of [The Income Support \(General\) Amendment No. 5 Regulations 1988 \(S.I. 1988/2022\)](#), regs. 1(1)(a), **8**

**Commencement Information**

**I11** Reg. 33 in force at 11.4.1988, see [reg. 1](#)

**Incomplete weeks of benefit**

<sup>F70</sup>**34.** .....

**Textual Amendments**

**F70** Reg. 34 omitted (11.4.1988) by virtue of [The Income Support \(General\) Amendment Regulations 1988 \(S.I. 1988/663\)](#), regs. 1(1), **16**

**Commencement Information**

**I12** Reg. 34 in force at 11.4.1988, see [reg. 1](#)

CHAPTER III

employed earners

**Earnings of employed earners**

**35.**—(1) [<sup>F71</sup>Subject to paragraphs (2) and (3),] “earnings” means in the case of employment as an employed earner, any remuneration or profit derived from that employment and includes—

- (a) any bonus or commission;
- (b) any payment in lieu of remuneration except any periodic sum paid to a claimant on account of the termination of his employment by reason of redundancy;
- (c) any payment in lieu of notice <sup>F72</sup>...;
- (d) any holiday pay except any payable more than four weeks after the termination or interruption of employment but this exception shall not apply to a claimant to whom [<sup>F73</sup>section 23 of the Act (trade disputes) applies or in respect of whom section 20(3) of the Act (conditions of entitlement to income support) has effect as modified by section 23A(b) of the Act (effect of return to work).]
- (e) any payment by way of a retainer;

- (f) any payment made by the claimant's employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the claimant's employer in respect of—
  - (i) travelling expenses incurred by the claimant between his home and place of employment;
  - (ii) expenses incurred by the claimant under arrangements made for the care of a member of his family owing to the claimant's absence from home;
- (g) any award of compensation made under section [F74 112(4) or 117(3)(a) of the Employment Rights Act 1996 (the remedies: orders and compensation, enforcement of order and compensation)];
- [F75 (gg) any payment or remuneration made under section 28, 34, 64, 68 or 70 of the Employment Rights Act 1996 (right to guarantee payments, remuneration on suspension on medical or maternity grounds, complaints to employment tribunals);]
- (h) any such sum as is referred to in section [F76 112(3) of the Contributions and Benefits Act] (certain sums to be earnings for social security purposes).
- [F77 (i) where—
  - [F78 (i) .....
  - (ii) a payment of compensation is made in respect of employment which is part-time employment, the amount of the compensation.]
- [F79 (j) the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with [F80 Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001].]
- [F81 (1A) .....
- (2) "Earnings" shall not include—
  - (a) [F82 subject to paragraph (2A),] any payment in kind;
  - (b) any remuneration paid by or on behalf of an employer to the claimant [F83 in respect of a period throughout which the claimant is on maternity leave [F84, paternity leave [F85, adoption leave or shared parental leave]] or is absent from work because he is ill];
  - (c) any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment;
  - (d) any occupational pension.
  - [F86 (e) any lump sum payment made under the Iron and Steel Re-adaptation Benefits Scheme]
  - [F87 (f) any payment in respect of expenses arising out of the [F88 claimant participating as a service user].]
  - [F89 (2A) Paragraph (2)(a) shall not apply in respect of any non-cash voucher referred to in paragraph (1)(j).]
  - [F90 (3) In this regulation—
    - (a) "compensation" means any payment made in respect of or on the termination of employment in a case where a person has not received or received only part of a payment in lieu of notice due or which would have been due to him had he not waived his right to receive it, other than—
      - (i) any payment specified in paragraph (1)(a) to (h);
      - (ii) any payment specified in paragraph (2)(a) to [F91 (e)];

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- (iii) any redundancy payment within the meaning of section [<sup>F92</sup>135(1) of the Employment Rights Act 1996], and
  - (iv) any refund of contributions to which that person was entitled under an occupational pension scheme within the meaning of section 66(1) of the Social Security Pensions Act 1975;
- [ any compensation payable by virtue of section 173 or section 178(3) or (4) of the <sup>F93</sup>(v) Education Reform Act 1988.]

<sup>F94</sup>(b) .....

- (c) “part-time employment” means employment in which a person is not to be treated as engaged in remunerative work under regulation 5 or [<sup>F95</sup>6(1)] [<sup>F96</sup>and (4)] (persons treated, or not treated, as engaged in remunerative work).]

### Textual Amendments

- F71** Words in reg. 35(1) substituted (9.10.1989) by [The Income Support \(General\) Amendment No. 2 Regulations 1989 \(S.I. 1989/1323\)](#), regs. 1(1)(b), **11(a)(i)**
- F72** Words in reg. 35(1)(c) omitted (9.10.1989) by virtue of [The Income Support \(General\) Amendment No. 2 Regulations 1989 \(S.I. 1989/1323\)](#), regs. 1(1)(b), **11(a)(ii)**
- F73** Words in reg. 35(1)(d) substituted (11.4.1988) by [The Income Support \(General\) Amendment Regulations 1988 \(S.I. 1988/663\)](#), regs. 1(1), **17**
- F74** Words in reg. 35(1)(g) substituted (1.10.2007) by [The Social Security \(Miscellaneous Amendments\) \(No. 5\) Regulations 2007 \(S.I. 2007/2618\)](#), regs. 1(1), **5(6)(a)(i)**
- F75** Reg. 35(1)(gg) inserted (1.10.2007) by [The Social Security \(Miscellaneous Amendments\) \(No. 5\) Regulations 2007 \(S.I. 2007/2618\)](#), regs. 1(1), **5(6)(a)(ii)**
- F76** Words in reg. 35(1)(h) substituted (1.10.2007) by [The Social Security \(Miscellaneous Amendments\) \(No. 5\) Regulations 2007 \(S.I. 2007/2618\)](#), regs. 1(1), **5(6)(a)(iii)**
- F77** Reg. 35(1)(i) added (9.10.1989) by [The Income Support \(General\) Amendment No. 2 Regulations 1989 \(S.I. 1989/1323\)](#), regs. 1(1)(b), **11(a)(iii)**
- F78** Reg. 35(1)(i)(i) omitted (14.4.2008) by virtue of [The Social Security \(Miscellaneous Amendments\) Regulations 2008 \(S.I. 2008/698\)](#), regs. 1(1), **2(7)**
- F79** Reg. 35(1)(j) added (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Social Security Amendment \(Non-Cash Vouchers\) Regulations 1999 \(S.I. 1999/1509\)](#), regs. 1(1), **2(5)(a)**
- F80** Words in reg. 35(1)(j) substituted (2.10.2006) by [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 2006 \(S.I. 2006/2378\)](#), regs. 1(3), **5(3)**
- F81** Reg. 35(1A) omitted (14.4.2008) by virtue of [The Social Security \(Miscellaneous Amendments\) Regulations 2008 \(S.I. 2008/698\)](#), regs. 1(1), **2(7)**
- F82** Words in reg. 35(2)(a) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Social Security Amendment \(Non-Cash Vouchers\) Regulations 1999 \(S.I. 1999/1509\)](#), regs. 1(1), **2(5)(b)**
- F83** Words in reg. 35(2)(b) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No. 4\) Regulations 1993 \(S.I. 1993/2119\)](#), regs. 1(1)(a), **12**
- F84** Words in reg. 35(2)(b) inserted (8.12.2002) by [The Social Security \(Paternity and Adoption\) Amendment Regulations 2002 \(S.I. 2002/2689\)](#), regs. 1(1)(b), **2(4)**
- F85** Words in reg. 35(2)(b) substituted (31.12.2014) by [The Shared Parental Leave and Statutory Shared Parental Pay \(Consequential Amendments to Subordinate Legislation\) Order 2014 \(S.I. 2014/3255\)](#), arts. 1(2), **5(4)**
- F86** Reg. 35(2)(e) added (7.4.1997) by [The Social Security \(Miscellaneous Amendments\) Regulations 1997 \(S.I. 1997/454\)](#), regs. 1(c), **7(a)**

- F87** Reg. 35(2)(f) added (for specified purposes and with effect in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Miscellaneous Amendments) (No. 4) Regulations 2009 (S.I. 2009/2655), regs. 1(2)(a), **2(7)**
- F88** Words in reg. 35(2)(f) substituted (28.4.2014) by The Social Security (Miscellaneous Amendments) Regulations 2014 (S.I. 2014/591), regs. 1, **2(3)**
- F89** Reg. 35(2A) added (with effect in accordance with reg. 1(2) of the amending S.I.) by The Social Security Amendment (Non-Cash Vouchers) Regulations 1999 (S.I. 1999/1509), regs. 1(1), **2(5)(c)**
- F90** Reg. 35(3) added (9.10.1989) by The Income Support (General) Amendment No. 2 Regulations 1989 (S.I. 1989/1323), regs. 1(1)(b), **11(b)**
- F91** Word in reg. 35(3)(a)(ii) substituted (7.4.1997) by The Social Security (Miscellaneous Amendments) Regulations 1997 (S.I. 1997/454), regs. 1(c), **7(b)**
- F92** Words in reg. 35(3)(a)(iii) substituted (1.10.2007) by The Social Security (Miscellaneous Amendments) (No. 5) Regulations 2007 (S.I. 2007/2618), regs. 1(1), **5(6)(b)**
- F93** Words in reg. 35(3)(a) inserted (1.4.1990) by The Education (Inner London Education Authority) (Transitional and Supplementary Provisions) (No. 2) Order 1990 (S.I. 1990/774), arts. 1, **2**
- F94** Reg. 35(3)(b) omitted (14.4.2008) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2008 (S.I. 2008/698), regs. 1(1), **2(7)**
- F95** Word in reg. 35(3)(c) substituted (4.10.1999) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 1999 (S.I. 1999/2556), regs. 1, **2(4)**
- F96** Words in reg. 35(3)(c) inserted (3.4.2000) by The Social Security (Miscellaneous Amendments) Regulations 2000 (S.I. 2000/681), regs. 1(1)(c), **2(c)**

#### Modifications etc. (not altering text)

- C2** Reg. 35 applied (S.) (29.3.2004) by The Individual Learning Account (Scotland) Regulations 2004 (S.S.I. 2004/83), regs. 1(1), **3(9)**

#### Commencement Information

- I13** Reg. 35 in force at 11.4.1988, see reg. 1

### Calculation of net earnings of employed earners

**36.—(1)** For the purposes of regulation 29 (calculation of earnings of employed earners) the earnings of a claimant derived from employment as an employed earner to be taken into account shall, subject to paragraph (2), be his net earnings.

(2) There shall be disregarded from a claimant's net earnings, any sum, where applicable, specified in paragraphs 1 to 13 [<sup>F97</sup>or 15A] of Schedule 8.

(3) For the purposes of paragraph (1) net earnings shall be calculated by taking into account the gross earnings of the claimant from that employment less—

- (a) any amount deducted from those earnings by way of—
- (i) income tax;
  - (ii) primary Class 1 contributions under the Social Security Act<sup>F98</sup>; and
- (b) one-half of any sum paid by the claimant [<sup>F99</sup>in respect of a pay period] by way of a contribution towards an occupational or personal pension scheme.

#### Textual Amendments

- F97** Words in reg. 36(2) substituted (25.10.2004) by The Social Security (Back to Work Bonus and Lone Parent Run-on) (Amendment and Revocation) Regulations 2003 (S.I. 2003/1589), regs. 1(1), **2(b)**
- F98** See sections 1(2) and 4 of the Social Security Act 1975 (c. 14); section 1 was amended by the Employment Protection Act 1975 (c. 71), **section 40**, the Social Security (Miscellaneous Provisions)

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Act 1977 (c. 5), **section 24** and Schedule 2, the Social Security (Contributions) Act 1982 (c. 2) section 2, the Social Security Act 1985 (c. 53) section 29 and Schedule 5, paragraph 5, the Social Security Act 1986 (c. 50), **section 86** and Schedule 11 and S.I. 1987/48; section 4 was amended by the Social Security Pensions Act 1975 (c. 60), **Schedule 4**, paragraph 36, the Education (School-Leaving Dates) Act 1976 (c. 5), **section 2(4)**, the Social Security Act 1979 (c. 18), **section 14(1)**, the Social Security and Housing Benefits Act 1982 (c. 24), **Schedule 5**, the Social Security Act 1985 (c. 53) sections 7(1) and (2) and 8(1) the Social Security Act 1986 (c. 50) sections 74(1)(a) and (2) and 86 and Schedule 10, paragraph 104, article 2 of S.I. 1986/25 and article 2 of S.I. 1987/46.

**F99** Words in reg. 36(3)(b) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Income-related Benefits Schemes (Miscellaneous Amendments) (No.5) Regulations 1994 (S.I. 1994/2139), regs. 1(1)(a), **26**

#### Commencement Information

**I14** Reg. 36 in force at 11.4.1988, see [reg. 1](#)

## CHAPTER IV

### self-employed earners

#### Earnings of self-employed earners

**37.**—(1) Subject to paragraph (2), “earnings”, in the case of employment as a self-employed earner, means the gross receipts of the employment and shall include any allowance paid under section 2 of the Employment and Training Act 1973 <sup>F100</sup>[<sup>F101</sup>or section 2 of the Enterprise and New Towns (Scotland) Act 1990] to the claimant for the purpose of assisting him in carrying on his business.

[<sup>F102</sup>(2) “Earnings” shall not include—

(a) where a claimant is involved in providing board and lodging accommodation for which a charge is payable, any payment by way of such a charge;]

[<sup>F103</sup>(b) any payment to which paragraph 26 or 27 of Schedule 9 refers (payments in respect of a person accommodated with the claimant under an arrangement made by a local authority or voluntary organisation and payments made to the claimant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the claimant’s care).]

[<sup>F104</sup>(c) any sports award.]

#### Textual Amendments

**F100** 1973 c. 50; section 2 was amended by sections 9 and 11 and Schedule 2 Part II paragraph 9 and Schedule 3 of the [Employment and Training Act 1981](#) (c. 57).

**F101** Words in reg. 37(1) inserted (1.4.1991) by [The Enterprise \(Scotland\) Consequential Amendments Order 1991](#) (S.I. 1991/387), arts. 1, 2, **Sch.**

**F102** Reg. 37(2) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No. 3\) Regulations 1992](#) (S.I. 1992/2155), regs. 1(1), **16**

**F103** Reg. 37(2)(b) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No.5\) Regulations 1994](#) (S.I. 1994/2139), regs. 1(1)(a), **27**

**F104** Reg. 37(2)(c) added (23.8.1999) by [The Social Security Amendment \(Sports Awards\) Regulations 1999](#) (S.I. 1999/2165), regs. 1(1), **6(3)**



**Modifications etc. (not altering text)**

- C3** Reg. 37 applied (S.) (29.3.2004) by [The Individual Learning Account \(Scotland\) Regulations 2004 \(S.S.I. 2004/83\)](#), regs. 1(1), **3(9)**

**Commencement Information**

- I15** Reg. 37 in force at 11.4.1988, see [reg. 1](#)

**Calculation of net profit of self-employed earners**

**38.**—(1) For the purposes of regulation 30 (calculation of earnings of self-employed earners), the earnings of a claimant to be taken into account shall be—

- (a) in the case of a self-employed earner who is engaged in employment on his own account, the net profit derived from that employment;
- (b) in the case of a self-employed earner whose employment is carried on in partnership or is that of a share fisherman within the meaning of the Social Security (Mariners' Benefits) Regulations 1975<sup>F105</sup>, his share of the net profit derived from that employment less—
  - (i) an amount in respect of income tax and of social security contributions payable under the Social Security Act calculated in accordance with regulation 39 (deduction of tax and contributions for self-employed earners); and
  - (ii) [<sup>F106</sup>one half of any premium paid [<sup>F107</sup>in the period that is relevant under regulation 30] in respect of <sup>F108</sup>... a personal pension scheme].

(2) There shall be disregarded from a claimant's net profit any sum, where applicable, specified in paragraphs 1 to 13 <sup>F109</sup>... of Schedule 8.

(3) For the purposes of paragraph (1) (a) the net profit of the employment shall, except where paragraph (9) applies, be calculated by taking into account the earnings of the employment over the period determined under regulation 30 (calculation of earnings of self-employed earners) less—

- (a) subject to paragraphs (5) to (7), any expenses wholly and exclusively defrayed in that period for the purposes of that employment;
- (b) an amount in respect of—
  - (i) income tax; and
  - (ii) social security contributions payable under the Social Security Act, calculated in accordance with regulation 39 (deduction of tax and contributions for self-employed earners); and
- (c) [<sup>F106</sup>one half of any premium paid [<sup>F110</sup>in the period that is relevant under regulation 30] in respect of <sup>F111</sup>... a personal pension scheme].

(4) For the purposes of paragraph (1) (b), the net profit of the employment shall be calculated by taking into account the earnings of the employment over the period determined under regulation 30 less, subject to paragraphs (5) to (7), any expenses wholly and exclusively defrayed in that period for the purposes of that employment.

(5) Subject to paragraph (6), no deduction shall be made under paragraph (3) (a) or (4) in respect of—

- (a) any capital expenditure;
- (b) the depreciation of any capital asset;
- (c) any sum employed or intended to be employed in the setting up or expansion of the employment;

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- (d) any loss incurred before the beginning of the period determined under regulation 30 (calculation of earnings of self-employed earners);
  - (e) the repayment of capital on any loan taken out for the purposes of the employment;
  - (f) any expenses incurred in providing business entertainment.
- (6) A deduction shall be made under paragraph (3) (a) or (4) in respect of the repayment of capital on any loan used for—
- (a) the replacement in the course of business of equipment or machinery; and
  - (b) the repair of an existing business asset except to the extent that any sum is payable under an insurance policy for its repair.
- (7) [<sup>F112</sup>The Secretary of State] shall refuse to make a deduction in respect of any expenses under paragraph (3) (a) or (4) where he is not satisfied that the expense has been defrayed or, having regard to the nature of the expense and its amount, that it has been reasonably incurred.
- (8) For the avoidance of doubt—
- (a) a deduction shall not be made under paragraph (3) (a) or (4) in respect of any sum unless it has been expended for the purposes of the business;
  - (b) a deduction shall be made thereunder in respect of—
    - (i) the excess of any VAT paid over VAT received in the period determined under regulation 30 (calculation of earnings of self-employed earners);
    - (ii) any income expended in the repair of an existing asset except to the extent that any sum is payable under an insurance policy for its repair;
    - (iii) any payment of interest on a loan taken out for the purposes of the employment.
- (9) Where a claimant is engaged in employment as a child minder the net profit of the employment shall be one-third of the earnings of that employment, less—
- (a) an amount in respect of—
    - (i) income tax; and
    - (ii) social security contributions payable under the Social Security Act, calculated in accordance with regulation 39 (deduction of tax and contributions for self-employed earners); and
  - (b) [<sup>F106</sup>one half of any premium paid in respect of <sup>F113</sup>... a personal pension scheme].
- (10) Notwithstanding regulation 30 (calculation of earnings of self-employed earners) and the foregoing paragraphs, [<sup>F114</sup>the Secretary of State] may assess any item of a claimant's income or expenditure over a period other than that determined under regulation 30 as may, in the particular case, enable the weekly amount of that item of income or expenditure to be determined more accurately.
- (11) For the avoidance of doubt where a claimant is engaged in employment as a self-employed earner and he is also engaged in one or more other employments as a self-employed or employed earner any loss incurred in any one of his employments shall not be offset against his earnings in any other of his employments.

<sup>F115</sup>(12) .....

**Textual Amendments**  
**F105** [S.I. 1975/529](#).

- F106** Words in reg. 38 substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Income-related Benefits Schemes (Miscellaneous Amendments) (No. 4) Regulations 1993 (S.I. 1993/2119), regs. 1(1)(a), **13(2)**
- F107** Words in reg. 38(1)(b)(ii) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Income-related Benefits Schemes (Miscellaneous Amendments) (No.5) Regulations 1994 (S.I. 1994/2139), regs. 1(1)(a), **28**
- F108** Words in reg. 38(1)(b)(ii) omitted (16.7.2007) by virtue of The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2007 (S.I. 2007/1749), regs. 1, **2(3)**
- F109** Words in reg. 38(2) omitted (25.10.2004) by virtue of The Social Security (Back to Work Bonus and Lone Parent Run-on) (Amendment and Revocation) Regulations 2003 (S.I. 2003/1589), regs. 1(1), **2(c)**
- F110** Words in reg. 38(3)(c) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Income-related Benefits Schemes (Miscellaneous Amendments) (No.5) Regulations 1994 (S.I. 1994/2139), regs. 1(1)(a), **28**
- F111** Words in reg. 38(3)(c) omitted (16.7.2007) by virtue of The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2007 (S.I. 2007/1749), regs. 1, **2(3)**
- F112** Words in reg. 38(7) substituted (29.11.1999) by The Social Security Act 1998 (Commencement No. 12 and Consequential and Transitional Provisions) Order 1999 (S.I. 1999/3178), reg. 3(1)(a), **Sch. 5 para. 2(a)** (with reg. 3(1)(b), Schs. 21-23)
- F113** Words in reg. 38(9)(b) omitted (16.7.2007) by virtue of The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2007 (S.I. 2007/1749), regs. 1, **2(3)**
- F114** Words in reg. 38(10) substituted (29.11.1999) by The Social Security Act 1998 (Commencement No. 12 and Consequential and Transitional Provisions) Order 1999 (S.I. 1999/3178), reg. 3(1)(a), **Sch. 5 para. 2(b)** (with reg. 3(1)(b), Schs. 21-23)
- F115** Reg. 38(12) omitted (with effect in accordance with reg. 1(4) of the amending S.I.) by virtue of The Income-related Benefits Schemes and Social Security (Claims and Payments) (Miscellaneous Amendments) Regulations 1995 (S.I. 1995/2303), regs. 1(1)(a), **6(3)** (with reg. 8)

#### Commencement Information

- I16** Reg. 38 in force at 11.4.1988, see reg. 1

### Deduction of tax and contributions for self-employed earners

**39.**—(1) The amount to be deducted in respect of income tax under regulation 38 (1) (b) (i), (3) (b) (i) or (9) (a) (i) (calculation of net profit of self-employed earners) shall be calculated on the basis of the amount of chargeable income and as if that income were assessable to income tax at <sup>F116</sup>... [<sup>F117</sup>the basic rate [<sup>F118</sup>, or in the case of a Scottish taxpayer, the Scottish basic rate,] of tax] less only the [<sup>F119</sup>personal reliefs to which the claimant is entitled under Chapters 2, 3 and 3A of Part 3 of the Income Tax Act 2007 as are] appropriate to his circumstances; but, if the period determined under regulation 30 (calculation of earnings of self-employed earners) is less than a year, [<sup>F120</sup>the earnings to which the [<sup>F121</sup>[<sup>F122</sup>basic] rate][<sup>F123</sup>, or the Scottish basic rate,]<sup>F124</sup>... of tax is to be applied and] the amount of the [<sup>F125</sup>personal reliefs] deductible under this paragraph shall be calculated on a pro rata basis.

(2) The amount to be deducted in respect of social security contributions under regulation 38(1) (b)(i), (3)(b)(ii) or (9)(a)(ii) shall be the total of—

- [<sup>F126</sup>(a) the amount of Class 2 contributions payable under section [<sup>F127</sup>11(2)] or, as the case may be, [<sup>F128</sup>11(8)] of the Contributions and Benefits Act at the rate applicable at the date of claim except where the claimant's chargeable income is less than the amount specified in section 11(4) of that Act ([<sup>F129</sup>small profits threshold]) for the tax year in which the date of claim falls; but if the assessment period is less than a year, the amount specified for that tax year shall be reduced pro rata; and]

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[<sup>F126</sup>(b) the amount of Class 4 contributions (if any) which would be payable under section 15 of that Act (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable at the date of claim on so much of the chargeable income as exceeds the lower limit but does not exceed the upper limit of profits and gains applicable for the tax year in which the date of claim falls; but if the assessment period is less than a year, those limits shall be reduced pro rata.]

(3) In this regulation “chargeable income” means—

- (a) except where sub-paragraph (b) applies, the earnings derived from the employment less any expenses deducted under paragraph (3) (a) or, as the case may be, (4) of regulation 38;
- (b) in the case of employment as a child minder, one-third of the earnings of that employment.

#### Textual Amendments

- F116** Words in [reg. 39\(1\)](#) omitted (6.4.2009) by virtue of [The Social Security \(Miscellaneous Amendments\) Regulations 2009 \(S.I. 2009/583\)](#), [regs. 1\(2\)](#), [2\(7\)\(a\)](#)
- F117** Words in [reg. 39\(1\)](#) substituted (with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No. 3\) Regulations 1992 \(S.I. 1992/2155\)](#), [regs. 1\(1\)](#), [17\(a\)](#)
- F118** Words in [reg. 39\(1\)](#) inserted (6.4.2016) by [The Social Security \(Scottish Rate of Income Tax etc.\) \(Amendment\) Regulations 2016 \(S.I. 2016/233\)](#), [regs. 1](#), [2\(3\)\(a\)](#)
- F119** Words in [reg. 39\(1\)](#) substituted (6.4.2016) by [The Social Security \(Scottish Rate of Income Tax etc.\) \(Amendment\) Regulations 2016 \(S.I. 2016/233\)](#), [regs. 1](#), [2\(3\)\(b\)](#)
- F120** Words in [reg. 39\(1\)](#) inserted (with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No. 3\) Regulations 1992 \(S.I. 1992/2155\)](#), [regs. 1\(1\)](#), [17\(b\)](#)
- F121** Words in [reg. 39\(1\)](#) substituted (1.10.2007) by [The Social Security \(Miscellaneous Amendments\) \(No. 5\) Regulations 2007 \(S.I. 2007/2618\)](#), [regs. 1\(1\)](#), [5\(7\)](#)
- F122** Word in [reg. 39\(1\)](#) substituted (6.4.2009) by [The Social Security \(Miscellaneous Amendments\) Regulations 2009 \(S.I. 2009/583\)](#), [regs. 1\(2\)](#), [2\(7\)\(b\)](#)
- F123** Words in [reg. 39\(1\)](#) inserted (6.4.2016) by [The Social Security \(Scottish Rate of Income Tax etc.\) \(Amendment\) Regulations 2016 \(S.I. 2016/233\)](#), [regs. 1](#), [2\(3\)\(c\)](#)
- F124** Words in [reg. 39\(1\)](#) omitted (with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by virtue of [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No.5\) Regulations 1994 \(S.I. 1994/2139\)](#), [regs. 1\(1\)\(a\)](#), [29](#)
- F125** Words in [reg. 39\(1\)](#) substituted (6.4.2016) by [The Social Security \(Scottish Rate of Income Tax etc.\) \(Amendment\) Regulations 2016 \(S.I. 2016/233\)](#), [regs. 1](#), [2\(3\)\(d\)](#)
- F126** [Reg. 39\(2\)\(a\)\(b\)](#) substituted (with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No. 4\) Regulations 1993 \(S.I. 1993/2119\)](#), [regs. 1\(1\)\(a\)](#), [14](#)
- F127** Word in [reg. 39\(2\)\(a\)](#) substituted (6.4.2015) by [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), [regs. 1\(4\)](#), [27\(a\)](#)
- F128** Word in [reg. 39\(2\)\(a\)](#) substituted (6.4.2015) by [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), [regs. 1\(4\)](#), [27\(b\)](#)
- F129** Words in [reg. 39\(2\)\(a\)](#) substituted (6.4.2015) by [The Social Security \(Miscellaneous Amendments No. 2\) Regulations 2015 \(S.I. 2015/478\)](#), [regs. 1\(4\)](#), [27\(c\)](#)

#### Commencement Information

- I17** [Reg. 39](#) in force at 11.4.1988, see [reg. 1](#)

## [<sup>F130</sup>CHAPTER IVA

### PARTICIPANTS IN THE SELF-EMPLOYMENT ROUTE<sup>F131</sup> ...

#### Textual Amendments

- F130** Pt. V Ch. IVA added (1.6.1998) by [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 1998 \(S.I. 1998/1174\)](#), regs. 1(1), **6(3)**
- F131** Words in Pt. V Ch. IVA heading omitted (27.11.2000) by virtue of [The Social Security Amendment \(Employment Zones\) \(No. 2\) Regulations 2000 \(S.I. 2000/2910\)](#), regs. 1(1), **5(1)(c)**

#### Interpretation

##### 39A. In this Chapter—

<sup>F132</sup>  
...

“special account” means, where a person was carrying on a commercial activity in respect of which assistance is received under the self-employment route, the account into which the gross receipts from that activity were payable during the period in respect of which such assistance was received.

#### Textual Amendments

- F132** Words in [reg. 39A](#) omitted (27.11.2000) by virtue of [The Social Security Amendment \(Employment Zones\) \(No. 2\) Regulations 2000 \(S.I. 2000/2910\)](#), regs. 1(1), **5(1)(b)**

#### Modifications etc. (not altering text)

- C4** [Reg. 39A](#) modified (temp. until 27.11.2001) (28.11.2000) by [The Social Security \(New Deal Pilot\) Regulations 2000 \(S.I. 2000/3134\)](#), regs. 1(1)(b), **18(1)(c)** (with regs. 1(2), 11, 19)
- C5** [Reg. 39A](#) modified (temp. until 27.11.2001) (28.11.2000) by [The Social Security \(New Deal Pilot\) Regulations 2000 \(S.I. 2000/3134\)](#), regs. 1(1)(b), **18(1)(b)** (with regs. 1(2), 11, 19)
- C6** [Reg. 39A](#) modified (temp. until 27.11.2001) (28.11.2000) by [The Social Security \(New Deal Pilot\) Regulations 2000 \(S.I. 2000/3134\)](#), regs. 1(1)(b), **18(1)(a)** (with regs. 1(2), 11, 19)

### Treatment of gross receipts of participants in the self-employment route<sup>F133</sup> ...

**39B.** The gross receipts of a commercial activity carried on by a person in respect of which assistance is received under the self-employment route, shall be taken into account in accordance with the following provisions of this Chapter.

#### Textual Amendments

- F133** Words in [reg. 39B](#) heading omitted (27.11.2000) by virtue of [The Social Security Amendment \(Employment Zones\) \(No. 2\) Regulations 2000 \(S.I. 2000/2910\)](#), regs. 1(1), **5(1)(c)**

### Calculation of income of participants in the self-employment route<sup>F134</sup> ...

**39C.—(1)** The income of a person who has received assistance under the self-employment route shall be calculated by taking into account the whole of the monies in the special account at the end of the last day upon which such assistance was received and deducting from those monies—

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- (a) an amount in respect of income tax calculated in accordance with regulation 39D (deduction in respect of tax for participants in the self-employment route<sup>F135</sup>...); and
- (b) any sum to which paragraph (4) refers.
- (2) Income calculated pursuant to paragraph (1) shall be apportioned equally over a period which starts on the date the income is treated as paid under paragraph (3) and is equal in length to the period beginning with the day upon which assistance was first received under the self-employment route and ending on the last day upon which such assistance was received.
- (3) Income calculated pursuant to paragraph (1) shall be treated as paid—
- (a) in the case where it is due to be paid before the first benefit week in respect of which the participant or his partner first claims income support following the last day upon which assistance was received under the self-employment route, on the day in the week in which it is due to be paid which corresponds to the first day of the benefit week;
- (b) in any other case, on the first day of the benefit week in which it is due to be paid.
- (4) This paragraph refers, where applicable in each benefit week in respect of which income calculated pursuant to paragraph (1) is taken into account pursuant to paragraphs (2) and (3), to the sums which would have been disregarded under paragraphs 4 to 6B and 9 of Schedule 8 had the income been earnings.

#### Textual Amendments

**F134** Words in reg. 39C heading omitted (27.11.2000) by virtue of [The Social Security Amendment \(Employment Zones\) \(No. 2\) Regulations 2000 \(S.I. 2000/2910\)](#), regs. 1(1), **5(1)(c)**

**F135** Words in reg. 39C(1)(a) omitted (27.11.2000) by virtue of [The Social Security Amendment \(Employment Zones\) \(No. 2\) Regulations 2000 \(S.I. 2000/2910\)](#), regs. 1(1), **5(1)(c)**

#### Deduction in respect of tax for participants in the self-employment route<sup>F136</sup>...

**39D.**—(1) The amount to be deducted in respect of income tax under regulation 39C(1)(a) (calculation of income of participants in the self-employment route<sup>F137</sup>...) in respect of the period determined under regulation 39C(2) shall be calculated as if—

- (a) the chargeable income is the only income chargeable to tax;
- <sup>F138</sup>(b) the personal reliefs applicable to the person receiving assistance under the self-employment route under Chapters 2, 3 and 3A of Part 3 of the Income Tax Act 2007 are allowable against that income;]
- (c) the rate at which the chargeable income less the personal [<sup>F139</sup>reliefs] is assessable to income tax is <sup>F140</sup>... the basic rate [<sup>F141</sup>, or in the case of a Scottish taxpayer, the Scottish basic rate.] of tax.

(2) For the purpose of paragraph (1), the [<sup>F142</sup>[<sup>F143</sup>basic] rate][<sup>F144</sup>, or the Scottish basic rate.] of tax to be applied and the amount of the [<sup>F145</sup>personal reliefs] deductible shall, where the period determined under regulation 39C(2) is less than a year, be calculated on a pro rata basis.

(3) In this regulation, “chargeable income” means the monies in the special account at the end of the last day upon which assistance was received under the self-employment route.]

#### Textual Amendments

**F136** Words in reg. 39D heading omitted (27.11.2000) by virtue of [The Social Security Amendment \(Employment Zones\) \(No. 2\) Regulations 2000 \(S.I. 2000/2910\)](#), regs. 1(1), **5(1)(c)**

- F137** Words in reg. 39D(1) omitted (27.11.2000) by virtue of The Social Security Amendment (Employment Zones) (No. 2) Regulations 2000 (S.I. 2000/2910), regs. 1(1), **5(1)(c)**
- F138** Reg. 39D(1)(b) substituted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(4)(a)**
- F139** Word in reg. 39D(1)(c) substituted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(4)(b)(i)**
- F140** Words in reg. 39D(1)(c) omitted (6.4.2009) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2009 (S.I. 2009/583), regs. 1(2), **2(8)(a)**
- F141** Words in reg. 39D(1)(c) inserted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(4)(b)(ii)**
- F142** Words in reg. 39D(2) substituted (1.10.2007) by The Social Security (Miscellaneous Amendments) (No. 5) Regulations 2007 (S.I. 2007/2618), regs. 1(1), **5(8)**
- F143** Word in reg. 39D(2) substituted (6.4.2009) by The Social Security (Miscellaneous Amendments) Regulations 2009 (S.I. 2009/583), regs. 1(2), **2(8)(b)**
- F144** Words in reg. 39D(2) inserted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(4)(c)(i)**
- F145** Words in reg. 39D(2) substituted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(4)(c)(ii)**

## CHAPTER V

### other income

#### Calculation of income other than earnings

**40.**—(1) For the purposes of regulation 29 (calculation of income other than earnings) <sup>F146</sup> ... the income of a claimant which does not consist of earnings to be taken into account shall, subject to [<sup>F147</sup>paragraphs (2) to (3B)], be his gross income and any capital treated as income under [<sup>F148</sup>regulations <sup>F149</sup> ... 41 and 44 (<sup>F149</sup> ... capital treated as income and modifications in respect of children and young persons)] [<sup>F148</sup>regulation 41 (capital treated as income)].

(2) There shall be disregarded from the calculation of a claimant's gross income under paragraph (1), any sum, where applicable, specified in Schedule 9.

(3) Where the payment of any benefit under the benefit Acts <sup>F150</sup> is subject to any deduction by way of recovery the amount to be taken into account under paragraph (1) shall be the gross amount payable.

[<sup>F151</sup>(3A) [<sup>F152</sup>Paragraphs (3AA) and (3AAA) apply] where—

- (a) a relevant payment has been made to a person in an academic year; and
- (b) that person abandons, or is dismissed from, his course of study before the payment to him of the final instalment of the relevant payment.

(3AA) [<sup>F153</sup>Where a relevant payment is made quarterly, the] amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph (1) in respect of a person to whom paragraph (3A) applies, shall be calculated by applying the formula—

$A(B \times C)D$

where—

A = the total amount of the relevant payment which that person would have received had he remained a student until the last day of the academic term in which he abandoned, or was dismissed from, his course, less any deduction under regulation 66A(5);

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B = the number of benefit weeks from the benefit week immediately following that which includes the first day of that academic year to the benefit week immediately before that which includes the day on which the person abandoned, or was dismissed from, his course;

C = the weekly amount of the relevant payment, before the application of the £10 disregard, which would have been taken into account as income under regulation 66A(2) had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to income support immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to income support;

D = the number of benefit weeks in the assessment period.

[<sup>F154</sup>(3AAA) Where a relevant payment is made by two or more instalments in a quarter, the amount of a relevant payment to be taken into account for the assessment period for the purposes of paragraph (1) in respect of a person to whom paragraph (3A) applies, shall be calculated by applying the formula in paragraph (3AA) but as if—

A = the total amount of relevant payments which that person received, or would have received, from the first day of the academic year to the day the person abandoned the course, or was dismissed from it, less any deduction under regulation 66A(5).]

(3AB) [<sup>F155</sup>In this regulation]—

“academic year” and “student loan” shall have the same meanings as for the purposes of Chapter VIII of this Part;

[<sup>F156</sup>“assessment period” means—

- (a) in a case where a relevant payment is made quarterly, the period beginning with the benefit week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the benefit week which includes the last day of the last quarter for which an instalment of the relevant payment was payable to that person;
- (b) in a case where the relevant payment is made by two or more instalments in a quarter, the period beginning with the benefit week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the benefit week which includes—
  - (i) the day immediately before the day on which the next instalment of the relevant payment would have been due had the payments continued; or
  - (ii) the last day of the last quarter for which an instalment of the relevant payment was payable to that person,

whichever of those dates is earlier;]

[<sup>F157</sup>“quarter” in relation to an assessment period means a period in that year beginning on—

- (a) 1st January and ending on 31st March;
- (b) 1st April and ending on 30th June;
- (c) 1st July and ending on 31st August; or
- (d) 1st September and ending on 31st December;]

“relevant payment” means either a student loan or an amount intended for the maintenance of dependants referred to in regulation 62(3B) or both.]

[<sup>F158</sup>(3B) In the case of income to which regulation 29(2B) applies (calculation of income of former students), the amount of income to be taken into account for the purposes of paragraph (1) shall be the amount of that income calculated in accordance with regulation 32(6A) and on the basis that none of that income has been repaid.]



(4) <sup>F159</sup>Subject to paragraph (5)] for the avoidance of doubt there shall be included as income to be taken into account under paragraph (1)<sup>F160</sup>—

- (a) any payment to which regulation 35(2) or 37(2) (payments not earnings) applies; or
- (b) in the case of a claimant who is receiving support provided under section 95 or 98 of the Immigration and Asylum Act including support provided by virtue of regulations made under Schedule 9 to that Act, the amount of such support provided in respect of essential living needs of the claimant and his <sup>F161</sup>dependants]<sup>F161</sup>partner] (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act;]

<sup>F162</sup>(5) In the case of a claimant who is the partner of a person subject to immigration control and whose partner is receiving support provided under section 95 or 98 of the Immigration and Asylum Act including support provided by virtue of regulations made under Schedule 9 to that Act, there shall not be included as income to be taken into account under paragraph (1) the amount of support provided in respect of essential living needs of the partner of the claimant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act.]

<sup>F163</sup>(6) Where the claimant—

- (a) is a member of a couple;
- (b) his partner is receiving a contributory employment and support allowance; and
- (c) that benefit has been reduced under regulation 63 of the Employment and Support Allowance Regulations <sup>F164</sup>or section 11J of the Welfare Reform Act as the case may be],

the amount of that benefit to be taken into account is the amount as if it had not been so reduced.]

#### Textual Amendments

- F146** Words in [reg. 40\(1\)](#) omitted (11.4.2011) by virtue of [The Social Security \(Miscellaneous Amendments\) Regulations 2011 \(S.I. 2011/674\)](#), [regs. 1\(4\)](#), [3\(4\)](#)
- F147** Words in [reg. 40\(1\)](#) substituted (coming into force in accordance with [reg. 1\(2\)\(3\)](#) of the amending S.I.) by [The Social Security \(Miscellaneous Amendments\) Regulations 1998 \(S.I. 1998/563\)](#), [regs. 1\(2\)](#), [13\(1\)\(a\)](#)
- F148** Words in [reg. 40\(1\)](#) substituted (for specified purposes and with effect in accordance with [reg. 1\(2\)-\(5\)](#) of the amending S.I.) by [The Social Security \(Working Tax Credit and Child Tax Credit\) \(Consequential Amendments\) Regulations 2003 \(S.I. 2003/455\)](#), [Sch. 1 para. 8\(a\)](#)
- F149** Words in [reg. 40\(1\)](#) omitted (12.12.1988) by virtue of [The Income Support \(General\) Amendment No. 5 Regulations 1988 \(S.I. 1988/2022\)](#), [regs. 1\(1\)\(a\)](#), [9](#)
- F150** The benefit Acts are specified in section 84(1) of the [Social Security Act 1986 \(c. 50\)](#).
- F151** [Reg. 40\(3A\)\(3AA\)\(3AB\)](#) substituted for [reg. 40\(3A\)](#) (1.8.2001) by [The Social Security Amendment \(Students and Income-related Benefits\) Regulations 2001 \(S.I. 2001/2319\)](#), [regs. 1\(1\)\(a\)](#), [5\(1\)](#)
- F152** Words in [reg. 40\(3A\)](#) substituted (for specified purposes and with effect in accordance with [reg. 1\(3\)\(a\)\(b\)](#) of the amending S.I.) by [The Social Security \(Students and Miscellaneous Amendments\) Regulations 2008 \(S.I. 2008/1599\)](#), [reg. 2\(2\)\(a\)](#)
- F153** Words in [reg. 40\(3AA\)](#) substituted (for specified purposes and with effect in accordance with [reg. 1\(3\)\(a\)\(b\)](#) of the amending S.I.) by [The Social Security \(Students and Miscellaneous Amendments\) Regulations 2008 \(S.I. 2008/1599\)](#), [reg. 2\(2\)\(b\)](#)
- F154** [Reg. 40\(3AAA\)](#) inserted (for specified purposes and with effect in accordance with [reg. 1\(3\)\(a\)\(b\)](#) of the amending S.I.) by [The Social Security \(Students and Miscellaneous Amendments\) Regulations 2008 \(S.I. 2008/1599\)](#), [reg. 2\(2\)\(c\)](#)
- F155** Words in [reg. 40\(3AB\)](#) substituted (for specified purposes and with effect in accordance with [reg. 1\(3\)\(a\)\(b\)](#) of the amending S.I.) by [The Social Security \(Students and Miscellaneous Amendments\) Regulations 2008 \(S.I. 2008/1599\)](#), [reg. 2\(2\)\(d\)\(i\)](#)

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- F156** Words in [reg. 40\(3AB\)](#) substituted (for specified purposes and with effect in accordance with [reg. 1\(3\)\(a\)\(b\)](#) of the amending S.I.) by [The Social Security \(Students and Miscellaneous Amendments\) Regulations 2008 \(S.I. 2008/1599\)](#), [reg. 2\(2\)\(d\)\(ii\)](#)
- F157** Words in [reg. 40\(3AB\)](#) inserted (for specified purposes and with effect in accordance with [reg. 1\(3\)\(a\)\(b\)](#) of the amending S.I.) by [The Social Security \(Students and Miscellaneous Amendments\) Regulations 2008 \(S.I. 2008/1599\)](#), [reg. 2\(2\)\(d\)\(iii\)](#)
- F158** [Reg. 40\(3B\)](#) inserted (for specified purposes and with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by [The Income-related Benefits and Jobseeker's Allowance \(Miscellaneous Amendments\) Regulations 1997 \(S.I. 1997/65\)](#), [regs. 1\(1\)\(2\)](#), [7\(1\)](#)
- F159** Words in [reg. 40\(4\)](#) inserted (3.4.2000) by [The Social Security \(Immigration and Asylum\) Consequential Amendments Regulations 2000 \(S.I. 2000/636\)](#), [regs. 1\(1\)](#), [3\(6\)\(a\)](#)
- F160** [Reg. 40\(4\)\(a\)\(b\)](#) substituted for words (3.4.2000) by [The Social Security \(Immigration and Asylum\) Consequential Amendments Regulations 2000 \(S.I. 2000/636\)](#), [regs. 1\(1\)](#), [3\(6\)\(b\)](#)
- F161** Word in [reg. 40\(4\)\(b\)](#) substituted (for specified purposes and with effect in accordance with [reg. 1\(2\)-\(5\)](#) of the amending S.I.) by [The Social Security \(Working Tax Credit and Child Tax Credit\) \(Consequential Amendments\) Regulations 2003 \(S.I. 2003/455\)](#), [Sch. 1 para. 8\(b\)](#)
- F162** [Reg. 40\(5\)](#) added (3.4.2000) by [The Social Security \(Immigration and Asylum\) Consequential Amendments Regulations 2000 \(S.I. 2000/636\)](#), [regs. 1\(1\)](#), [3\(6\)\(c\)](#)
- F163** [Reg. 40\(6\)](#) added (27.10.2008) by [The Employment and Support Allowance \(Consequential Provisions\) \(No. 2\) Regulations 2008 \(S.I. 2008/1554\)](#), [regs. 1\(2\)\(b\)](#), [2\(7\)](#)
- F164** Words in [reg. 40\(6\)\(c\)](#) inserted (29.4.2013) by [The Universal Credit \(Consequential, Supplementary, Incidental and Miscellaneous Provisions\) Regulations 2013 \(S.I. 2013/630\)](#), [regs. 1\(2\)](#), [28\(5\)](#)

#### Commencement Information

- I18** [Reg. 40](#) in force at 11.4.1988, see [reg. 1](#)

### Capital treated as income

- 41.**—<sup>F165</sup>(1) Capital which is payable by instalments which are outstanding on—
- the first day in respect of which income support is payable or the date of the determination of the claim, whichever is earlier; or
  - in the case of a supersession, the date of that supersession,

shall be treated as income if the aggregate of the instalments outstanding and the amount of the claimant's capital otherwise calculated in accordance with Chapter VI of this Part exceeds<sup>F166</sup> ... £16,000.]

- (2) Any payment received under an annuity shall be treated as income.

(3) <sup>F167</sup>In the case of a person to whom section 23 of the Act (trade disputes) applies <sup>F168</sup>or in respect of whom section 20(3) of the Act (conditions of entitlement to income support) has effect as modified by section 23A(b) of the Act (effect of return to work)], any payment under <sup>F169</sup><sup>F170</sup>section 17, 23B, 23C or 24A of the Children Act 1989] or, as the case may be, <sup>F171</sup>section 12 of the Social Work (Scotland) Act 1968 or sections 29 or 30 of the Children (Scotland) Act 1995] (local authorities' duty to promote welfare of children and powers to grant financial assistance to persons in, or formerly in, their care) shall be treated as income.]

<sup>F172</sup>(4) In the case of a person to whom section 20(3) of the Act (conditions of entitlement to income support) has effect as modified by section 23A(b) of that Act (effect of return to work), any amount by way of repayment of income tax deducted from his emoluments in pursuance of section 203 of the Income and Corporation Taxes Act 1988, shall be treated as income.]

<sup>F173</sup>(5) Any earnings to the extent that they are not a payment of income shall be treated as income.]

[<sup>F174</sup>(6) Any Career Development Loan paid pursuant to section 2 of the Employment and Training Act 1973 shall be treated as income.]

[<sup>F175</sup>(7) Where an agreement or court order provides that payments shall be made to the claimant in consequence of any personal injury to the claimant and that such payments are to be made, wholly or partly, by way of periodical payments, any such periodical payments received by the claimant (but not a payment which is treated as capital by virtue of this Part), shall be treated as income.]

### Textual Amendments

- F165** Reg. 41(1) substituted (29.11.1999) by The Social Security Act 1998 (Commencement No. 12 and Consequential and Transitional Provisions) Order 1999 (S.I. 1999/3178), reg. 3(1)(a), **Sch. 5 para. 3** (with reg. 3(1)(b), Schs. 21-23)
- F166** Words in reg. 41(1) omitted (with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(6)(a), **2(2)**
- F167** Reg. 41(3) omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 9**
- F168** Words in reg. 41(3) substituted (11.4.1988) by The Income Support (General) Amendment Regulations 1988 (S.I. 1988/663), regs. 1(1), **18**
- F169** Words in reg. 41(3) substituted (10.7.1989) by The Family Credit and Income Support (General) Amendment Regulations 1989 (S.I. 1989/1034), regs. 1(1)(a), **7**
- F170** Words in reg. 41(3) substituted (1.10.2001) by The Children (Leaving Care) Act 2000 (Commencement No. 2 and Consequential Provisions) Order 2001 (S.I. 2001/3070), art. 3(1), **Sch. 1** (c)(i)
- F171** Words in reg. 41(3) substituted (12.5.2004) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2004 (S.I. 2004/1141), regs. 1(1), **5**
- F172** Reg. 41(4) added (12.9.1988) by The Income Support (General) Amendment No. 4 Regulations 1988 (S.I. 1988/1445), regs. 1(1)(b), **9**
- F173** Reg. 41(5) added (9.10.1989) by The Income Support (General) Amendment No. 2 Regulations 1989 (S.I. 1989/1323), regs. 1(1)(b), **13**
- F174** Reg. 41(6) added (for specified purposes and with effect in accordance with reg. 1(2) of the amending S.I.) by The Income-related Benefits and Jobseeker's Allowance (Miscellaneous Amendments) Regulations 1997 (S.I. 1997/65), regs. 1(1)(2), **3(3)(e)**
- F175** Reg. 41(7) added (28.10.2002) by The Social Security Amendment (Personal Injury Payments) Regulations 2002 (S.I. 2002/2442), regs. 1(1), **2(e)**

### Commencement Information

- I19** Reg. 41 in force at 11.4.1988, see reg. 1

### Notional income

**42.**—[<sup>F176</sup>(1) A claimant is to be treated as possessing income of which the claimant has deprived themselves for the purpose of securing entitlement to income support or increasing the amount of that benefit, or for the purpose of securing entitlement to, or increasing the amount of a jobseeker's allowance or an employment and support allowance.]

(2) Except in the case of—

- (a) a discretionary trust;
- (b) a trust derived from a payment made in consequence of a personal injury;

[<sup>F177</sup>(c) jobseeker's allowance;]

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- [<sup>F178</sup>(d) [<sup>F179</sup>child benefit to which paragraph (2D) refers;]]
- (e) [<sup>F180</sup>working tax credit];
- (f) [<sup>F181</sup>child tax credit],
- [<sup>F182</sup>(g) a personal pension scheme [<sup>F183</sup>, occupational pension scheme][<sup>F184</sup>, <sup>F185</sup> ... or a payment made by the Board of the Pension Protection Fund] where the claimant [<sup>F186</sup>has not attained the qualifying age for state pension credit].]
- [<sup>F187</sup>(ga) any sum to which paragraph (8ZA) applies;]
- [<sup>F188</sup>(h) .....
- [<sup>F189</sup>(i) any sum to which paragraph 44(2)(a) of Schedule 10 (capital to be disregarded) applies which is administered in the way referred to in paragraph 44(1)(a);
- (ia) any sum to which paragraph 45(a) of Schedule 10 refers; or]
- [<sup>F190</sup>(j) rehabilitation allowance made under section 2 of the Employment and Training Act 1973.]

income which would become available to the claimant upon application being made but which has not been acquired by him shall be treated as possessed by him but only from the date on which [<sup>F191</sup>it could be expected to be acquired were an application made].

[<sup>F192</sup>(2ZA) A claimant who has attained the [<sup>F193</sup>qualifying age for state pension credit] shall be treated as possessing—

- (a) the amount of any income from an occupational pension scheme, [<sup>F194</sup>a personal pension scheme<sup>F195</sup> ... or the Board of the Pension Protection Fund]—
  - (i) for which no claim has been made, and
  - (ii) to which he might expect to be entitled if a claim for it were made;
- (b) income from an occupational pension scheme which the claimant elected to defer,

but only from the date on which it could be expected to be acquired were an application for it to be made.]

[<sup>F196</sup>(2A) This paragraph applies where a person [<sup>F197</sup>who has attained the qualifying age for state pension credit]—

- (a) is entitled to money purchase benefits under an occupational pension scheme or a personal pension scheme;
- (b) fails to purchase an annuity with the funds available in that scheme; and
- (c) either—
  - (i) defers in whole or in part the payment of any income which would have been payable to him by his pension fund holder, or
  - (ii) fails to take any necessary action to secure that the whole of any income which would be payable to him by his pension fund holder upon his applying for it, is so paid, or
  - (iii) income withdrawal is not available to him under that scheme.

(2AA) Where paragraph (2A) applies, the amount of any income foregone shall be treated as possessed by that person, but only from the date on which it could be expected to be acquired were an application for it to be made.]

[<sup>F198</sup>(2B) The amount of any income foregone in a case [<sup>F199</sup>where paragraph (2A)(c)(i) or (ii)] applies shall be the maximum amount of income which may be withdrawn from the fund and shall be determined by the [<sup>F200</sup>Secretary of State] who shall take account of information provided by the pension fund holder in accordance with regulation 7(5) of the Social Security (Claims and Payments) Regulations 1987.

(2C) The amount of any income foregone in a case [F201 where paragraph (2A)(c)(iii)] applies shall be the income that the [F202 person] could have received without purchasing an annuity had the funds held under the [F203 relevant occupational or personal pension scheme] [F204 ... been held [F205 under a scheme] where income withdrawal was available and shall be determined in the manner specified in paragraph (2B).]

[F206(2CA) In paragraph (2A), “money purchase benefits” has the meaning it has in the Pension Schemes Act 1993.]

[F207(2D) [F208 This paragraph refers to child benefit payable in accordance with regulation 2(1)(a)(ii) of the Child Benefit and Social Security (Fixing and Adjustment of Rates) Regulations 1976 (weekly rate for only, elder or eldest child of a lone parent) but only to the extent that it exceeds the amount specified in regulation 2(1)(a)(i) of those Regulations.]]

(3) Except in the case of a discretionary trust, or a trust derived from a payment made in consequence of a personal injury, any income which is due to be paid to the claimant but—

- (a) has not been paid to him;
- (b) is not a payment prescribed in regulation [F209 8 or 9] of the Social Security (Payments on Account, Overpayment and Recovery) Regulations [F209 1988] (duplication and prescribed payments or maintenance payments) and not made on or before the date prescribed in relation to it,

shall [F210 except for any amount to which paragraph (3A) [F211, (3B) or (3C)] applies] be treated as possessed by the claimant.

[F212(3A) This paragraph applies to an amount which is due to be paid to the claimant under an occupational pension scheme but which is not paid because the trustees or managers of the scheme have suspended or ceased payments [F213 ... due to an insufficiency of resources.]

[F212(3B) This paragraph applies to any amount by which a payment made to the claimant from an occupational pension scheme falls short of the payment to which he was due under the scheme where the shortfall arises because the trustees or managers of the scheme have insufficient resources available to them to meet in full the scheme’s liabilities [F214 ....]

[F215(3C) This paragraph applies to any earnings which are due to an employed earner on the termination of his employment by reason of redundancy but which have not been paid to him.]

[F216(4) [F217 Any payment of income, other than a payment of income specified in paragraph (4ZA)], made—

- (a) to a third party in respect of a single claimant or [F218 in respect of a member of the family] [F218 his partner] (but not a member of the third party’s family) shall be treated—
  - (i) in a case where that payment is derived from a payment of any benefit under the benefit Acts, [F219 a payment from the Armed Forces and Reserve Forces Compensation Scheme,] a war disablement pension [F220, war widow’s pension [F221 or war widower’s pension] or a pension payable to a person as a [F222 widow, widower or surviving civil partner] under [F223 ... any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or have died in consequence of service as members of the armed forces of the Crown,] as possessed by that single claimant, if it is paid to him, [F224 or by that member, if it is paid to any member of that family] [F224 or by his partner, if it is paid to his partner];

- [F225 (ia) in a case where that payment is a payment of an occupational pension [F226, a pension or other periodical payment made under a personal pension scheme or a payment

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made by the Board of the Pension Protection Fund], as possessed by that single claimant or, as the case may be, by [<sup>F227</sup>that member][<sup>F227</sup>the claimant's partner];]

(ii) in any other case, as possessed by that single claimant [<sup>F228</sup>or by that member][<sup>F228</sup>or his partner] to the extent that it is used for the food, ordinary clothing or footwear, household fuel, rent <sup>F229</sup> ... for which housing benefit is payable, [<sup>F230</sup>or]<sup>F231</sup> ... any housing costs to the extent that they are met under regulations 17(1)(e) or 18(1)(f) (housing costs) <sup>F232</sup> ... <sup>F233</sup> ... <sup>F234</sup> ...), of that single claimant or, as the case may be, [<sup>F228</sup>of any member of that family][<sup>F228</sup>of his partner][<sup>F235</sup>, or is used for any [<sup>F236</sup>council tax] or water charges for which that claimant or [<sup>F228</sup>member is liable][<sup>F228</sup>partner is liable];]

(b) [<sup>F237</sup>to a single claimant or his partner in respect of a third party (but not in respect of another member of his family) shall be treated as possessed by that single claimant or, as the case may be, his partner, to the extent that it is kept or used by him or used by or on behalf of his partner;]

but, except where sub-paragraph (a)(i) applies and in the case of a person to whom section 23 of the Act (trade disputes) applies, this paragraph shall not apply to any payment in kind [<sup>F238</sup>to the third party].]

[<sup>F239</sup>(4ZA) Paragraph (4) shall not apply in respect of a payment of income made—

(a) under [<sup>F240</sup>or by] the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No.2) Trust, the Fund, the Eileen Trust [<sup>F241</sup>, MFET Limited][<sup>F242</sup>, the Skipton Fund, the Caxton Foundation] or the Independent Living [<sup>F243</sup>Fund (2006)];

(b) pursuant to section 19(1)(a) of the Coal Industry Act 1994 (concessionary coal); or

(c) pursuant to section 2 of the Employment and Training Act 1973 in respect of a person's participation—

(i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996;

(ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations; or

[ in the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those <sup>F244</sup>(ia) Regulations<sup>F245</sup> ...; or]

(iii) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations.]

[<sup>F246</sup>(ca) in respect of a person's participation in [<sup>F247</sup>a scheme prescribed in regulation 3 of the Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013] or the Mandatory Work Activity Scheme; or]

[<sup>F248</sup>(d) under an occupational pension scheme [<sup>F249</sup>, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund] where—

(i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person's estate under section 41 of the Solicitors (Scotland) Act 1980;

(ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and

- (iii) the person referred to in (i) and [<sup>F250</sup>any member of his family][<sup>F250</sup>his partner (if any)] does not possess, or is not treated as possessing, any other income apart from that payment.]

[<sup>F251</sup>(4A) Where the claimant [<sup>F252</sup>resides in a care home, an Abbeyfield Home or an independent hospital, or is temporarily absent from such a home or hospital], any payment made by a person other than the claimant or a member of his family in respect of some or all of the cost of maintaining the claimant [<sup>F253</sup>or a member of his family in that home shall be treated as possessed by the claimant or by that member of his family][<sup>F253</sup>or his partner in that home [<sup>F254</sup>or hospital] shall be treated as possessed by the claimant or his partner].]

(5) Where a claimant's earnings are not ascertainable at the time of the determination of the claim or of any [<sup>F255</sup>revision or supersession the Secretary of State] shall treat the claimant as possessing such earnings as is reasonable in the circumstances of the case having regard to the number of hours worked and the earnings paid for comparable employment in the area.

[<sup>F256</sup>(5A) Where the amount of a subsistence allowance paid to a claimant in a benefit week is less than the amount of income-based jobseeker's allowance that person would have received in that benefit week had it been payable to him, less 50p, he shall be treated as possessing the amount which is equal to the amount of income-based jobseeker's allowance which he would have received in that week, less 50p.]

(6) [<sup>F257</sup>Subject to paragraph (6A),] where—

- (a) a claimant performs a service for another person; and
- (b) that person makes no payment of earnings or pays less than that paid for a comparable employment in the area,

the [<sup>F258</sup>Secretary of State] shall treat the claimant as possessing such earnings (if any) as is reasonable for that employment unless the claimant satisfies him that the means of that person are insufficient for him to pay or to pay more for the service<sup>F259</sup>... .

[<sup>F260</sup>(6A) Paragraph (6) shall not apply—

- (a) to a claimant who is engaged by a charitable or voluntary organisation or who is a volunteer if the [<sup>F261</sup>Secretary of State] is satisfied in any of those cases that it is reasonable for him to provide the service free of charge;

[<sup>F262</sup>(b) in a case where the service is performed in connection with—

- (i) the claimant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations 1996 [<sup>F263</sup>, other than where the service is performed in connection with the claimant's participation in the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those Regulations<sup>F264</sup>...]; or
- (ii) the claimant's or the claimant's partner's participation in an employment or training programme as defined in regulation 19(3) of those Regulations for which a training allowance is not payable or, where such an allowance is payable, it is payable for the sole purpose of reimbursement of travelling or meal expenses to the person participating in that programme; or]

(c) to a claimant who is engaged in work experience whilst participating in—

- (i) the New Deal for Lone Parents; or
- (ii) a scheme which has been approved by the Secretary of State as supporting the objectives of the New Deal for Lone Parents<sup>F265</sup>... [<sup>F266</sup>, or

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- (d) to a claimant who is participating in a work placement approved by the Secretary of State (or a person providing services to the Secretary of State) before the placement starts.]

[<sup>F266</sup>(6AA) In paragraph (6A)(d) “work placement” means practical work experience which is not undertaken in expectation of payment.]

<sup>F267</sup>(6B) .....

<sup>F267</sup>(6C) .....]

(7) Where a claimant is treated as possessing any income under any of [<sup>F268</sup>paragraphs (1) to (4A)] the foregoing provisions of this Part shall apply for the purposes of calculating the amount of that income as if a payment had actually been made and as if it were actual income which he does possess.

(8) Where a claimant is treated as possessing any earnings under paragraph (5) or (6) the foregoing provisions of this Part shall apply for the purposes of calculating the amount of those earnings as if a payment had actually been made and as if they were actual earnings which he does possess except that paragraph (3) of regulation 36 (calculation of net earnings of employed earners) shall not apply and his net earnings shall be calculated by taking into account the earnings which he is treated as possessing, less—

- (a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings [<sup>F269</sup>, <sup>F270</sup> ... the basic rate [<sup>F271</sup>, or in the case of a Scottish taxpayer, the Scottish basic rate,] of tax] in the year of assessment less only the [<sup>F272</sup>personal reliefs to which the claimant is entitled under Chapters 2, 3 and 3A of Part 3 of the Income Tax Act 2007 as are] appropriate to his circumstances; but, if the period over which those earnings are to be taken into account is less than a year, [<sup>F273</sup>the earnings to which the [<sup>F274</sup> [<sup>F275</sup>basic] rate][<sup>F276</sup>, or the Scottish basic rate,]<sup>F277</sup> ... of tax is to be applied and] the amount of the [<sup>F278</sup>personal reliefs] deductible under this paragraph shall be calculated on a pro rata basis;

[<sup>F279</sup>(b) where the weekly amount of those earnings equals or exceeds the lower earnings limit, an amount representing primary Class 1 contributions under the Contributions and Benefits Act, calculated by applying to those earnings the initial and main primary percentages in accordance with section 8(1) (a) and (b) of that Act; and]

- (c) one-half of any sum payable by the claimant [<sup>F280</sup>:in respect of a pay period] by way of a contribution towards an occupational or personal pension scheme.

[<sup>F281</sup>(8ZA) Paragraphs (1), (2), (3), (4), (5) and (6) shall not apply in respect of any amount of income other than earnings, or earnings derived from employment as an employed earner, arising out of the [<sup>F282</sup>claimant participating as a service user].]

[<sup>F283</sup>(8A) In paragraphs (3A) and (3B) the expression “resources” has the same meaning as in the Social Security Pensions Act 1975 by virtue of section 66(1) of that Act.]

[<sup>F284</sup>(9) In paragraph (4) 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.]

#### Textual Amendments

**F176** Reg. 42(1) substituted (31.10.2011) by [The Social Security \(Miscellaneous Amendments\) \(No. 3\) Regulations 2011 \(S.I. 2011/2425\)](#), regs. 1(2), 7(4)

**F177** Reg. 42(2)(c) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Income Support \(General\) \(Jobseeker’s Allowance Consequential Amendments\) Regulations 1996 \(S.I. 1996/206\)](#), regs. 1(1), 17



- F178** Reg. 42(2)(d) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Child Benefit, Child Support and Social Security (Miscellaneous Amendments) Regulations 1996 (S.I. 1996/1803), regs. 1(1)(b), **37(a)**
- F179** Reg. 42(2)(d) omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 10(a)**
- F180** Words in reg. 42(2)(e) substituted (for specified purposes and with effect in accordance with reg. 1(5)(a) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 10(b)**
- F181** Words in reg. 42(2)(f) substituted (for specified purposes and with effect in accordance with reg. 1(5)(a) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 10(c)**
- F182** Reg. 42(2)(g) inserted (with effect in accordance with reg. 1(4) of the amending S.I.) by The Income-related Benefits Schemes and Social Security (Claims and Payments) (Miscellaneous Amendments) Regulations 1995 (S.I. 1995/2303), regs. 1(1)(a), **6(4)(a)** (with reg. 8)
- F183** Words in reg. 42(2)(g) inserted (6.4.2006) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(5)(a), **2(3)(a)**
- F184** Words in reg. 42(2)(g) substituted (6.4.2006) by The Social Security (Miscellaneous Amendments) Regulations 2006 (S.I. 2006/588), regs. 1(9), **2(2)(a)**
- F185** Words in reg. 42(2)(g) omitted (16.7.2007) by virtue of The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2007 (S.I. 2007/1749), regs. 1, **2(6)(a)**
- F186** Words in reg. 42(2)(g) substituted (6.4.2010) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2010 (S.I. 2010/641), regs. 1(1), **2(6)(a)**
- F187** Reg. 42(2)(ga) inserted (for specified purposes and with effect in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Miscellaneous Amendments) (No. 4) Regulations 2009 (S.I. 2009/2655), regs. 1(2)(a), **2(9)(a)**
- F188** Reg. 42(2)(h) omitted (4.4.2005) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2005 (S.I. 2005/574), regs. 1(1), **3(3)(a)**
- F189** Reg. 42(2)(i)(ia) substituted for reg. 42(2)(i) (2.4.2007) by The Social Security (Miscellaneous Amendments) Regulations 2007 (S.I. 2007/719), regs. 1(2), **2(3)**
- F190** Reg. 42(2)(j) and word inserted (coming into force in accordance with reg. 1(2)(3) of the amending S.I.) by The Social Security (Miscellaneous Amendments) Regulations 1998 (S.I. 1998/563), regs. 1(2), **6(1)(2)(e)**
- F191** Words in reg. 42(2) substituted (11.4.1988) by The Income Support (General) Amendment Regulations 1988 (S.I. 1988/663), regs. 1(1), **19(a)**
- F192** Reg. 42(2ZA)(2A) substituted for reg. 42(2A) (6.4.2006) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(5)(a), **2(3)(b)**
- F193** Words in reg. 42(2ZA) substituted (6.4.2010) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2010 (S.I. 2010/641), regs. 1(1), **2(6)(b)**
- F194** Words in reg. 42(2ZA)(a) substituted (6.4.2006) by The Social Security (Miscellaneous Amendments) Regulations 2006 (S.I. 2006/588), regs. 1(9), **2(2)(b)**
- F195** Words in reg. 42(2ZA)(a) omitted (16.7.2007) by virtue of The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2007 (S.I. 2007/1749), regs. 1, **2(6)(b)**
- F196** Reg. 42(2A)(2AA) substituted for reg. 42(2A) (16.7.2007) by The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2007 (S.I. 2007/1749), regs. 1, **2(6)(c)**
- F197** Words in reg. 42(2A) substituted (6.4.2010) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2010 (S.I. 2010/641), regs. 1(1), **2(6)(c)**
- F198** Reg. 42(2A)-(2C) inserted (with effect in accordance with reg. 1(5) of the amending S.I.) by The Income-related Benefits Schemes and Social Security (Claims and Payments) (Miscellaneous Amendments) Regulations 1995 (S.I. 1995/2303), regs. 1(1)(a), **6(4)(b)** (with reg. 8)
- F199** Words in reg. 42(2B) substituted (16.7.2007) by The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2007 (S.I. 2007/1749), regs. 1, **2(6)(d)**

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

- F200** Words in reg. 42(2B) substituted (29.11.1999) by The Social Security Act 1998 (Commencement No. 12 and Consequential and Transitional Provisions) Order 1999 (S.I. 1999/3178), reg. 3(1)(a), **Sch. 5 para. 4(a)** (with reg. 3(1)(b), Schs. 21-23)
- F201** Words in reg. 42(2C) substituted (16.7.2007) by The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2007 (S.I. 2007/1749), regs. 1, **2(6)(e)(i)**
- F202** Word in reg. 42(2C) substituted (6.10.2003) by The State Pension Credit (Consequential, Transitional and Miscellaneous Provisions) Regulations 2002 (S.I. 2002/3019), regs. 1(2)(b), **29(2)**
- F203** Words in reg. 42(2C) substituted (6.4.2006) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(5)(a), **2(3)(c)(i)**
- F204** Words in reg. 42(2C) omitted (16.7.2007) by virtue of The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2007 (S.I. 2007/1749), regs. 1, **2(6)(e)(ii)**
- F205** Words in reg. 42(2C) substituted (6.4.2006) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(5)(a), **2(3)(c)(ii)**
- F206** Reg. 42(2CA) inserted (6.4.2006) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(5)(a), **2(3)(d)**
- F207** Reg. 42(2D) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Child Benefit, Child Support and Social Security (Miscellaneous Amendments) Regulations 1996 (S.I. 1996/1803), regs. 1(1)(b), **37(b)**
- F208** Reg. 42(2D) omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 10(d)**
- F209** Words in reg. 42(3)(b) substituted (coming into force in accordance with reg. 1(3) of the amending S.I.) by The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2001 (S.I. 2001/859), regs. 1(3), **3(2)**
- F210** Words in reg. 42(3) inserted (22.5.1992) by The Income Support (General) Amendment (No.2) Regulations 1992 (S.I. 1992/1198), regs. 1, **2(a)**
- F211** Words in reg. 42(3) substituted (7.1.2000) by The Income Support (General) and Jobseeker's Allowance Amendment (No. 2) Regulations 1999 (S.I. 1999/3324), regs. 1, **2(a)**
- F212** Reg. 42(3A)(3B) inserted (22.5.1992) by The Income Support (General) Amendment (No.2) Regulations 1992 (S.I. 1992/1198), regs. 1, **2(b)**
- F213** Words in reg. 42(3A) omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of The Income-related Benefits Schemes (Miscellaneous Amendments) Regulations 1993 (S.I. 1993/315), regs. 1(1)(c), **6(a)**
- F214** Words in reg. 42(3B) omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of The Income-related Benefits Schemes (Miscellaneous Amendments) Regulations 1993 (S.I. 1993/315), regs. 1(1)(c), **6(b)**
- F215** Reg. 42(3C) inserted (7.1.2000) by The Income Support (General) and Jobseeker's Allowance Amendment (No. 2) Regulations 1999 (S.I. 1999/3324), regs. 1, **2(b)**
- F216** Reg. 42(4) substituted (12.9.1988) by The Income Support (General) Amendment No. 4 Regulations 1988 (S.I. 1988/1445), regs. 1(1)(b), **10(a)**
- F217** Words in reg. 42(4) substituted (24.9.1998) by The Social Security Amendment (New Deal) (No.2) Regulations 1998 (S.I. 1998/2117), **regs. 1(1), 2(2)(a)**
- F218** Words in reg. 42(4)(a) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 10(e)(i)**
- F219** Words in reg. 42(4)(a)(i) inserted (4.4.2005) by The Social Security (Miscellaneous Amendments) Regulations 2005 (S.I. 2005/574), regs. 1(1), **2(5)**
- F220** Words in reg. 42(4) substituted (28.10.1995) by The Income-related Benefits Schemes Amendment (No. 2) Regulations 1995 (S.I. 1995/2792), regs. 1, **6(2)**
- F221** Words in reg. 42(4)(a)(i) inserted (8.4.2002) by The Social Security (Miscellaneous Amendments) Regulations 2002 (S.I. 2002/841), regs. 1(1), **2(2)**
- F222** Words in reg. 42(4)(a)(i) substituted (5.12.2005) by The Social Security (Civil Partnership) (Consequential Amendments) Regulations 2005 (S.I. 2005/2878), regs. 1, **4(2)**

- F223** Words in reg. 42(4)(a)(i) omitted (5.1.2009) by virtue of The Social Security (Miscellaneous Amendments) (No. 7) Regulations 2008 (S.I. 2008/3157), regs. 1(1), **2(4)**
- F224** Words in reg. 42(4)(a)(i) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 10(e)(ii)**
- F225** Reg. 42(4)(a)(ia) inserted (15.11.1999) by The Social Security Amendment (Notional Income and Capital) Regulations 1999 (S.I. 1999/2640), regs. 1(1), **2(1)(a)**
- F226** Words in reg. 42(4)(a)(ia) substituted (6.4.2006) by The Social Security (Miscellaneous Amendments) Regulations 2006 (S.I. 2006/588), regs. 1(2), **2(2)(c)**
- F227** Words in reg. 42(4)(a)(ia) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 10(e)(iii)**
- F228** Words in reg. 42(4)(a)(ii) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 10(e)(iv)**
- F229** Words in reg. 42(4)(a)(ii) omitted (4.4.2005) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2005 (S.I. 2005/574), regs. 1(1), **3(3)(b)**
- F230** Word in reg. 42(4)(a)(ii) inserted (with effect in accordance with reg. 1(3) of the amending S.I.) by The Income-related Benefits Schemes (Miscellaneous Amendments) Regulations 1994 (S.I. 1994/527), regs. 1(1)(b), **4(2)(a)**
- F231** Words in reg. 42(4)(a)(ii) omitted (7.10.1991) by virtue of The Income Support (General) Amendment No. 4 Regulations 1991 (S.I. 1991/1559), regs. 1(1)(c), **8(a)** (with reg. 1(2))
- F232** Words in reg. 42(4)(a)(ii) omitted (with effect in accordance with reg. 1(3) of the amending S.I.) by virtue of The Income-related Benefits Schemes (Miscellaneous Amendments) Regulations 1994 (S.I. 1994/527), regs. 1(1)(b), **4(2)(b)**
- F233** Words in reg. 42(4)(a)(ii) omitted (10.4.1989) by virtue of The Income Support (General) Amendment No. 4 Regulations 1988 (S.I. 1988/1445), reg. 1(1)(c), **Sch. 1 para. 4** (with reg. 28)
- F234** Words in reg. 42(4)(a)(ii) omitted (with effect in accordance with reg. 1(1)(c) of the amending S.I.) by virtue of The Income Support (General) Amendment Regulations 1989 (S.I. 1989/534), reg. 1(1), **Sch. 1 para. 7**
- F235** Words in reg. 42(4)(a)(ii) added (7.10.1991) by The Income Support (General) Amendment No. 4 Regulations 1991 (S.I. 1991/1559), regs. 1(1)(c), **8(b)** (with reg. 1(2))
- F236** Words in reg. 42(4)(a)(ii) substituted (1.4.1993) by The Income-related Benefits Schemes (Miscellaneous Amendments) Regulations 1993 (S.I. 1993/315), reg. 1(1)(b), **Sch. para. 2**
- F237** Reg. 42(4)(b) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 10(f)**
- F238** Words in reg. 42(4) inserted (3.10.2005) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(2), **2(3)(e)**
- F239** Reg. 42(4ZA) inserted (24.9.1998) by The Social Security Amendment (New Deal) (No.2) Regulations 1998 (S.I. 1998/2117), regs. 1(1), **2(2)(b)**
- F240** Words in reg. 42(4Z)(a) inserted (6.4.2010) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2010 (S.I. 2010/641), regs. 1(1), **2(7)(a)**
- F241** Words in reg. 42(4Z)(a) inserted (6.4.2010) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2010 (S.I. 2010/641), regs. 1(1), **2(3)(b)**
- F242** Words in reg. 42(4ZA)(a) inserted (31.10.2011) by The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2011 (S.I. 2011/2425), regs. 1(2), **7(5)**
- F243** Words in reg. 42(4ZA)(a) substituted (17.11.2008) by The Social Security (Miscellaneous Amendments) (No.6) Regulations 2008 (S.I. 2008/2767), regs. 1(2), **2(6)(a)**
- F244** Reg. 42(4ZA)(c)(iia) inserted (9.4.2001) by The Social Security Amendment (New Deal) Regulations 2001 (S.I. 2001/1029), regs. 1(1), **15(4)(5)(c)**
- F245** Words in reg. 42(4ZA)(c)(iia) omitted (14.4.2008) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2008 (S.I. 2008/698), regs. 1(1), **2(8)(a)**

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

- F246** Reg. 42(4ZA)(ca) inserted (5.8.2011) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2011 (S.I. 2011/1707), regs. 1, **4(4)(5)**
- F247** Words in reg. 42(4ZA)(ca) substituted (12.2.2013 at 6.45 p.m.) by The Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013 (S.I. 2013/276), regs. 1, **13(b)**
- F248** Reg. 42(4ZA)(d) added (15.11.1999) by The Social Security Amendment (Notional Income and Capital) Regulations 1999 (S.I. 1999/2640), regs. 1(1), **2(3)(c)**
- F249** Words in reg. 42(4ZA)(d) substituted (6.4.2006) by The Social Security (Miscellaneous Amendments) Regulations 2006 (S.I. 2006/588), regs. 1(2), **2(2)(d)**
- F250** Words in reg. 42(4ZA)(d)(iii) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 10(g)**
- F251** Reg. 42(4A) inserted (with effect in accordance with reg. 1(3) of the amending S.I.) by The Income-related Benefits Schemes (Miscellaneous Amendments) Regulations 1994 (S.I. 1994/527), regs. 1(1)(b), **4(3)**
- F252** Words in reg. 42(4A) substituted (24.10.2005) by The Social Security (Care Homes and Independent Hospitals) Regulations 2005 (S.I. 2005/2687), reg. 1, **Sch. 1 para. 6**
- F253** Words in reg. 42(4A) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 10(h)**
- F254** Words in reg. 42(4A) inserted (17.11.2008) by The Social Security (Miscellaneous Amendments) (No.6) Regulations 2008 (S.I. 2008/2767), regs. 1(2), **2(7)**
- F255** Words in reg. 42(5) substituted (29.11.1999) by The Social Security Act 1998 (Commencement No. 12 and Consequential and Transitional Provisions) Order 1999 (S.I. 1999/3178), reg. 3(1)(a), **Sch. 5 para. 4(b)** (with reg. 3(1)(b), Schs. 21-23)
- F256** Reg. 42(5A) inserted (3.4.2000) by The Social Security Amendment (Employment Zones) Regulations 2000 (S.I. 2000/724), regs. 1(1), **3(1)(a)**
- F257** Words in reg. 42(6) inserted (4.10.1999) by Income Support (General) Amendment Regulations 1999 (S.I. 1999/2554), regs. 1(a), **2(2)(a)(i)**
- F258** Words in reg. 42(6) substituted (29.11.1999) by The Social Security Act 1998 (Commencement No. 12 and Consequential and Transitional Provisions) Order 1999 (S.I. 1999/3178), reg. 3(1)(a), **Sch. 5 para. 4(a)** (with reg. 3(1)(b), Schs. 21-23)
- F259** Words in reg. 42(6) omitted (4.10.1999) by virtue of Income Support (General) Amendment Regulations 1999 (S.I. 1999/2554), regs. 1(a), **2(2)(a)(ii)**
- F260** Reg. 42(6A)(6B)(6C) inserted (4.10.1999) by Income Support (General) Amendment Regulations 1999 (S.I. 1999/2554), regs. 1(a), **2(2)(b)**
- F261** Words in reg. 42(6A)(a) substituted (29.11.1999) by Income Support (General) Amendment Regulations 1999 (S.I. 1999/2554), regs. 1(b), **2(2)(c)**
- F262** Reg. 42(6A)(b) substituted (3.4.2000) by The Social Security (Approved Work) Regulations 2000 (S.I. 2000/678), regs. 1, **2(2)(a)**
- F263** Words in reg. 42(6A)(b)(i) added (9.4.2001) by The Social Security Amendment (New Deal) Regulations 2001 (S.I. 2001/1029), regs. 1(1), **15(6)(7)(c)**
- F264** Words in reg. 42(6A)(b)(i) omitted (14.4.2008) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2008 (S.I. 2008/698), regs. 1(1), **2(8)(a)**
- F265** Words in reg. 42(6A)(c) omitted (4.10.2004) by virtue of The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2004 (S.I. 2004/2308), regs. 1(1), **5(2)(a)**
- F266** Reg. 42(6A)(d)(6AA) and word added (1.10.2007) by The Social Security (Miscellaneous Amendments) (No. 5) Regulations 2007 (S.I. 2007/2618), regs. 1(1), **5(9)(a)**
- F267** Reg. 42(6B)(6C) omitted (4.10.2004) by virtue of The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2004 (S.I. 2004/2308), regs. 1(1), **5(2)(b)**
- F268** Words in reg. 42(7) substituted (coming into force in accordance with reg. 1(2)(3) of the amending S.I.) by The Social Security (Miscellaneous Amendments) Regulations 1998 (S.I. 1998/563), regs. 1(2), **13(1)(b)**

- F269** Words in reg. 42(8)(a) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Income-related Benefits Schemes (Miscellaneous Amendments) (No. 3) Regulations 1992 (S.I. 1992/2155), regs. 1(1), **18(a)**
- F270** Words in reg. 42(8)(a) omitted (6.4.2009) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2009 (S.I. 2009/583), regs. 1(2), **2(7)(a)**
- F271** Words in reg. 42(8)(a) inserted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(5)(a)**
- F272** Words in reg. 42(8)(a) substituted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(5)(b)**
- F273** Words in reg. 42(8)(a) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Income-related Benefits Schemes (Miscellaneous Amendments) (No. 3) Regulations 1992 (S.I. 1992/2155), regs. 1(1), **18(b)**
- F274** Words in reg. 42(8)(a) substituted (1.10.2007) by The Social Security (Miscellaneous Amendments) (No. 5) Regulations 2007 (S.I. 2007/2618), regs. 1(1), **5(9)(b)**
- F275** Word in reg. 42(8)(a) substituted (6.4.2009) by The Social Security (Miscellaneous Amendments) Regulations 2009 (S.I. 2009/583), regs. 1(2), **2(7)(b)**
- F276** Words in reg. 42(8)(a) inserted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(5)(c)**
- F277** Words in reg. 42(8)(a) omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of The Income-related Benefits Schemes (Miscellaneous Amendments) (No.5) Regulations 1994 (S.I. 1994/2139), regs. 1(1)(a), **29**
- F278** Words in reg. 42(8)(a) substituted (6.4.2016) by The Social Security (Scottish Rate of Income Tax etc.) (Amendment) Regulations 2016 (S.I. 2016/233), regs. 1, **2(5)(d)**
- F279** Reg. 42(8)(b) substituted (with effect in accordance with reg. 1(3) of the amending S.I.) by The Income-related Benefits Schemes (Miscellaneous Amendments) Regulations 1994 (S.I. 1994/527), regs. 1(1)(b), **4(4)**
- F280** Words in reg. 42(8)(c) inserted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Income-related Benefits Schemes (Miscellaneous Amendments) (No.5) Regulations 1994 (S.I. 1994/2139), regs. 1(1)(a), **26**
- F281** Reg. 42(8ZA) added (for specified purposes and with effect in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Miscellaneous Amendments) (No. 4) Regulations 2009 (S.I. 2009/2655), regs. 1(2)(a), **2(9)(b)**
- F282** Words in reg. 42(8ZA) substituted (28.4.2014) by The Social Security (Miscellaneous Amendments) Regulations 2014 (S.I. 2014/591), regs. 1, **2(4)**
- F283** Reg. 42(8A) inserted (22.5.1992) by The Income Support (General) Amendment (No.2) Regulations 1992 (S.I. 1992/1198), regs. 1, **2(c)**
- F284** Reg. 42(9) added (12.9.1988) by The Income Support (General) Amendment No. 4 Regulations 1988 (S.I. 1988/1445), regs. 1(1)(b), **10(b)**

**Modifications etc. (not altering text)**

- C7** Reg. 42(4) applied with modifications (1.4.1993) by The National Assistance (Assessment of Resources) Regulations 1992 (S.I. 1992/2977), regs. 1, **17(3)**

**Commencement Information**

- I20** Reg. 42 in force at 11.4.1988, see reg. 1

**Notional earnings of seasonal workers**

- <sup>F285</sup>**43.** . . . . .

*Status: Point in time view as at 01/04/2017.*

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### Textual Amendments

**F285** Reg. 43 revoked (9.10.1989) by [The Income Support \(General\) Amendment No. 2 Regulations 1989 \(S.I. 1989/1323\)](#), regs. 1(1)(b), **14**

### Commencement Information

**I21** Reg. 43 in force at 11.4.1988, see [reg. 1](#)

## Modifications in respect of children and young persons

**44.**—<sup>F286</sup><sup>F287</sup>(1) Any capital of a child or young person payable by instalments which are outstanding on—

- (a) the first day in respect of which income support is payable or at the date of the determination of the claim, whichever is the earlier; or
- (b) in the case of a supersession, the date of that supersession,

shall be treated as income if the aggregate of the instalments outstanding and the amount of that child's or young person's other capital calculated in accordance with Chapter VI of this Part in like manner as for the claimant would exceed £3,000.]

(2) In the case of a child or young person who is residing at an educational establishment at which he is receiving relevant education—

- (a) any payment made to the educational establishment, in respect of that child's or young person's maintenance, by or on behalf of a person who is not a member of the family or by a member of the family out of funds contributed for that purpose by a person who is not a member of the family, shall be treated as income of that child or young person but it shall only be taken into account over periods during which that child or young person is present at that educational establishment; and
  - (b) if a payment has been so made, for any period in a benefit week in term-time during which that child or young person returns home, he shall be treated as possessing an amount of income in that week calculated by multiplying the amount of <sup>F288</sup>personal allowance, any disabled child premium and any enhanced disability premium] applicable in respect of that child or young person by the number equal to the number of days in that week in which he was present at his educational establishment and dividing the product by seven; but this sub-paragraph shall not apply where the educational establishment is provided under section 8 of the Education Act 1944 <sup>F289</sup> (duty of local authority to secure primary and secondary schools) by a local education authority or where the payment is made under section 49 or 50 of the Education (Scotland) Act 1980 <sup>F290</sup> (power of education authority to assist persons).
- (3) Where a child or young person—
- (a) is resident at an educational establishment and he is wholly or partly maintained at that establishment by a local education authority under section 8 of the Education Act 1944; or
  - (b) is maintained at an educational establishment under section 49 or 50 of the Education (Scotland) Act 1980,

he shall for each day he is present at that establishment be treated as possessing an amount of income equal to the sum obtained by dividing the amount of <sup>F288</sup>personal allowance, any disabled child premium and any enhanced disability premium] applicable in respect of him by seven.

(4) Where the income of a child or young person who is a member of the claimant's family calculated in accordance with <sup>F291</sup>Chapters I to V] of this Part exceeds the amount of the <sup>F288</sup>personal

allowance, any disabled child premium and any enhanced disability premium] applicable in respect of that child or young person, the excess shall not be treated as income of the claimant.

(5) Where the capital of a child or young person if calculated in accordance with Chapter VI of this Part in like manner as for the claimant, [<sup>F292</sup>except as provided in paragraph (1)], would exceed £3,000, any income of that child or young person shall not be treated as income of the claimant.

(6) In calculating the net earnings or net profit of a child or young person there shall be disregarded, (in addition to any sum which falls to be disregarded under paragraphs 11 to 13), any sum specified in paragraphs 14 and 15 of Schedule 8 (earnings to be disregarded).

(7) Any income of a child or young person which is to be disregarded under Schedule 9 (income other than earnings to be disregarded) shall be disregarded in such manner as to produce the result most favourable to the claimant.

(8) Where a child or young person is treated as possessing any income under paragraphs (2) and (3) the foregoing provisions of this Part shall apply for the purposes of calculating that income as if a payment had actually been made and as if it were actual income which he does possess.

[<sup>F293</sup>(9) For the purposes of this regulation, a child or young person shall not be treated as present at his educational establishment on any day if on that day he spends the night with the claimant or a member of his household.]]

#### Textual Amendments

- F286** Reg. 44 omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of [The Social Security \(Working Tax Credit and Child Tax Credit\) \(Consequential Amendments\) Regulations 2003 \(S.I. 2003/455\)](#), **Sch. 1 para. 11**
- F287** Reg. 44(1) substituted (29.11.1999) by [The Social Security Act 1998 \(Commencement No. 12 and Consequential and Transitional Provisions\) Order 1999 \(S.I. 1999/3178\)](#), reg. 3(1)(a), **Sch. 5 para. 5** (with reg. 3(1)(b), Schs. 21-23)
- F288** Words in reg. 44 substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Social Security Amendment \(Enhanced Disability Premium\) Regulations 2000 \(S.I. 2000/2629\)](#), regs. 1(1)(c), **2(a)**
- F289** 1944 c. 31 section 8 was amended by the [Education \(Miscellaneous Provisions\) Act 1948 \(c. 40\)](#) section 3, the [Education Act 1980 \(c. 20\)](#) section 38 and Schedule 7 and by the [Education Act 1981 \(c. 60\)](#) section 2.
- F290** 1980 c. 44 section 50 was amended by the [Education \(Scotland\) Act 1981 \(c. 58\)](#) section 2.
- F291** Words in reg. 44(4) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No. 4\) Regulations 1993 \(S.I. 1993/2119\)](#), regs. 1(1)(a), **15(3)**
- F292** Words in reg. 44(5) substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) \(No. 4\) Regulations 1993 \(S.I. 1993/2119\)](#), regs. 1(1)(a), **15(4)**
- F293** Reg. 44(9) added (11.4.1988) by [The Income Support \(General\) Amendment Regulations 1988 \(S.I. 1988/663\)](#), regs. 1(1), **20**

#### Commencement Information

- I22** Reg. 44 in force at 11.4.1988, see [reg. 1](#)

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

## CHAPTER VI

### capital

#### Modifications etc. (not altering text)

- C8** Pt. V Ch. VI applied (with modifications) (S.) (6.10.2003) by [The National Health Service \(Travelling Expenses and Remission of Charges\) \(Scotland\) \(No. 2\) Regulations 2003 \(S.S.I. 2003/460\)](#), reg. 1, **sch. Pt. I** Table A (with reg. 13)

#### [<sup>F294</sup>Capital limit

**45.** For the purposes of section 134(1) of the Contributions and Benefits Act as it applies to income support (no entitlement to benefit if capital exceeds prescribed amount), the prescribed amount is £16,000.]

#### Textual Amendments

- F294** [Reg. 45](#) substituted (with effect in accordance with reg. 1(6) of the amending S.I.) by [The Social Security \(Miscellaneous Amendments\) \(No. 2\) Regulations 2005 \(S.I. 2005/2465\)](#), regs. 1(6)(a), **2(4)**

#### Modifications etc. (not altering text)

- C9** [Reg. 45](#) applied (with modifications) (1.5.2006) by [S.I. 2003/2382](#) (as amended (E.) by [The National Health Service \(Travel Expenses and Remission of Charges\) Amendment Regulations 2006 \(S.I. 2006/1065\)](#)), regs. 1(1), **2(2)(a)**
- C10** [Reg. 45](#) applied (with modifications) (1.5.2007) by [S.I. 2003/2382](#) (as amended (E.) by [The National Health Service \(Travel Expenses and Remission of Charges\) Amendment Regulations 2007 \(S.I. 2007/988\)](#)), regs. 1(1), **2(2)(a)**
- C11** [Reg. 45](#) applied (with modifications) (1.5.2008) by [S.I. 2003/2382](#) (as amended (E.) by [The National Health Service \(Travel Expenses and Remission of Charges\) Amendment Regulations 2008 \(S.I. 2008/843\)](#)), regs. 1(1), **2(2)(a)**
- C12** [Reg. 45](#) applied (with modifications) (1.7.2008) by [W.S.I. 2007/1104](#) (as amended (W.) by [The National Health Service \(Travelling Expenses and Remission of Charges\) \(Wales\) \(Amendment\) Regulations 2008 \(S.I. 2008/1480\)](#)), regs. 1(2), **2(2)**
- C13** [Reg. 45](#) applied (with modifications) (7.4.2010) by [S.I. 2003/2382](#) (as amended (E.) by [The National Health Service \(Travel Expenses and Remission of Charges\) Amendment Regulations 2010 \(S.I. 2010/620\)](#)), regs. 1, **2(2)(a)**

#### Commencement Information

- I23** [Reg. 45](#) in force at 11.4.1988, see [reg. 1](#)

#### Calculation of capital

**46.—(1)** For the purposes of Part II of the Act as it applies to income support, the capital of a claimant to be taken into account shall, subject to paragraph (2), be the whole of his capital calculated in accordance with this Part and any income treated as capital under [<sup>F295</sup>regulation 48 (income treated as capital).]

(2) There shall be disregarded from the calculation of a claimant's capital under paragraph (1) any capital, where applicable, specified in Schedule 10.



#### Textual Amendments

**F295** Words in reg. 46(1) substituted (12.12.1988) by [The Income Support \(General\) Amendment No. 5 Regulations 1988 \(S.I. 1988/2022\)](#), regs. 1(1)(a), **10**

#### Commencement Information

**I24** Reg. 46 in force at 11.4.1988, see [reg. 1](#)

### Disregard of capital of child or young person

**47.** [<sup>F296</sup>The capital of a child or young person who is a member of the claimant's family shall not be treated as capital of the claimant.]

#### Textual Amendments

**F296** [Reg. 47](#) omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of [The Social Security \(Working Tax Credit and Child Tax Credit\) \(Consequential Amendments\) Regulations 2003 \(S.I. 2003/455\)](#), **Sch. 1 para. 11**

#### Commencement Information

**I25** Reg. 47 in force at 11.4.1988, see [reg. 1](#)

### Income treated as capital

**48.**—(1) Any <sup>F297</sup>... bounty derived from employment to which paragraph 7 of Schedule 8 applies [<sup>F298</sup>and paid at intervals of at least one year] shall be treated as capital.

(2) Except in the case of an amount to which section 23(5) (a) (ii) of the Act (refund of tax in trade disputes cases) [<sup>F299</sup>or regulation 41(4) (capital treated as income)] applies, any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E shall be treated as capital.

(3) Any holiday pay which is not earnings under regulation 35(1) (d) (earnings of employed earners) shall be treated as capital.

(4) Except any income derived from capital disregarded under paragraph 1, 2, 4, 6, [<sup>F300</sup>12 [<sup>F301</sup>, 25 to 28, 44 or 45]] of Schedule 10, any income derived from capital shall be treated as capital but only from the date it is normally due to be credited to the claimant's account.

(5) Subject to paragraph (6), in the case of employment as an employed earner, any advance of earnings or any loan made by the claimant's employer shall be treated as capital.

[<sup>F302</sup>(6) Paragraph (5) shall not apply to a person to whom section 23 of the Act (trade disputes) applies or in respect of whom section 20(3) of the Act (conditions of entitlement to income support) has effect as modified by section 23A(b) (effect of return to work).]

(7) Any payment under section 30 of the Prison Act 1952 <sup>F303</sup> (payments for discharged prisoners) or allowance under section 17 of the Prisons (Scotland) Act 1952 <sup>F304</sup> (allowances to prisoners on discharge) shall be treated as capital.

[<sup>F305</sup>(8) [<sup>F306</sup>Any payment made by a local authority, which represents arrears of payments under—

(a) paragraph 15 of Schedule 1 to the Children Act 1989 (power of a local authority to make contributions to a person with whom a child lives as a result of a residence order); or

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

(b) section 34(6) or as the case may be, section 50 of the Children Act 1975 (payments towards maintenance for children), shall be treated as capital.]

(8A) [F307 Any payment made by an authority, as defined in Article 2 of the Children Order which represents arrears of payments under Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child’s maintenance), shall be treated as capital.]

[F308 (9) Any charitable or voluntary payment which is not made or not due to be made at regular intervals, other than one to which paragraph (10) applies, shall be treated as capital.]

[F308 (10) This paragraph applies to a payment—

- (a) which is made to a person to whom section 23 of the Act (trade disputes) applies or in respect of whom section 20(3) of the Act (conditions of entitlement to income support) has effect as modified by section 23A(b) of the Act (effect of return to work) [F309 or to a member of the family][F309 or to the partner] of such a person;
- (b) [F310 to which regulation 44(2) (modification in respect of children and young persons) applies; or]
- (c) which is made under [F311 or by] the Macfarlane Trust [F312, the Macfarlane (Special Payments) Trust][F313, the Macfarlane (Special Payments) (No. 2) Trust][F314, the Fund [F315, the Eileen Trust [F316, MFET Limited ][F317, the Skipton Fund, the Caxton Foundation]]] or [F318 the Independent Living [F319 Fund (2006)]]].

F320 (11) .....

[F321 (12) Any arrears of subsistence allowance which are paid to a claimant as a lump sum shall be treated as capital.]

**Textual Amendments**

- F297** Word in reg. 48(1) omitted (12.9.1988) by virtue of [The Income Support \(General\) Amendment No. 4 Regulations 1988 \(S.I. 1988/1445\)](#), regs. 1(1)(b), **11(a)**
- F298** Words in reg. 48(1) inserted (12.9.1988) by [The Income Support \(General\) Amendment No. 4 Regulations 1988 \(S.I. 1988/1445\)](#), regs. 1(1)(b), **11(a)**
- F299** Words in reg. 48(2) inserted (12.9.1988) by [The Income Support \(General\) Amendment No. 4 Regulations 1988 \(S.I. 1988/1445\)](#), regs. 1(1)(b), **11(b)**
- F300** Words in reg. 48(4) substituted (12.12.1988) by [The Income Support \(General\) Amendment No. 5 Regulations 1988 \(S.I. 1988/2022\)](#), regs. 1(1)(a), **11(a)**
- F301** Words in reg. 48(4) substituted (for specified purposes and with effect in accordance with reg. 1(4) of the amending S.I.) by [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 2006 \(S.I. 2006/2378\)](#), **reg. 5(4)**
- F302** Reg. 48(6) substituted (11.4.1988) by [The Income Support \(General\) Amendment Regulations 1988 \(S.I. 1988/663\)](#), regs. 1(1), **21**
- F303** 1952 c. 52; section 30 was substituted by section 66 (3) of the [Criminal Justice Act 1967 \(c. 80\)](#).
- F304** 1952 c. 61.
- F305** Reg. 48(8)(8A) substituted for reg. 48(8) (coming into force in accordance with reg. 1(2)(3) of the amending S.I.) by [The Social Security \(Miscellaneous Amendments\) Regulations 1998 \(S.I. 1998/563\)](#), regs. 1(2), **14(1)**
- F306** Reg. 48(8) omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of [The Social Security \(Working Tax Credit and Child Tax Credit\) \(Consequential Amendments\) Regulations 2003 \(S.I. 2003/455\)](#), **Sch. 1 para. 12(a)**

- F307** Reg. 48(8A) omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 12(a)**
- F308** Reg. 48(9)(10) added (12.12.1988) by The Income Support (General) Amendment No. 5 Regulations 1988 (S.I. 1988/2022), regs. 1(1)(a), **11(b)**
- F309** Words in reg. 48(10)(a) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 12(b)**
- F310** Reg. 48(10)(b) omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 12(a)**
- F311** Words in reg. 48(10)(c) inserted (6.4.2010) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2010 (S.I. 2010/641), regs. 1(1), **2(7)(b)**
- F312** Words in reg. 48(10)(c) inserted (31.1.1990) by The Income-related Benefits Schemes Amendment Regulations 1990 (S.I. 1990/127), regs. 1(1), **3(3)(b)**
- F313** Words in reg. 48(10)(c) inserted (11.5.1991) by The Income-related Benefits Schemes and Social Security (Recoupment) Amendment Regulations 1991 (S.I. 1991/1175), regs. 1(1), **5(4)**
- F314** Words in reg. 48(10)(c) inserted (7.5.1992) by The Income-related Benefits Schemes and Social Security (Recoupment) Amendment Regulations 1992 (S.I. 1992/1101), regs. 1(1), **6(4)**
- F315** Words in reg. 48(10)(c) inserted (14.5.1993) by The Income-related Benefits Schemes and Social Security (Recoupment) Amendment Regulations 1993 (S.I. 1993/1249), regs. 1(1)(a), **4(3)(b)**
- F316** Words in reg. 48(10)(c) inserted (6.4.2010) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2010 (S.I. 2010/641), regs. 1(1), **2(3)(c)**
- F317** Words in reg. 48(10)(c) inserted (31.10.2011) by The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2011 (S.I. 2011/2425), regs. 1(2), **7(5)**
- F318** Words in reg. 48(10)(c) substituted (22.4.1993) by The Social Security Benefits (Miscellaneous Amendments) (No. 2) Regulations 1993 (S.I. 1993/963), regs. 1, **2(3)(4)**
- F319** Words in reg. 48(10)(c) substituted (17.11.2008) by The Social Security (Miscellaneous Amendments) (No.6) Regulations 2008 (S.I. 2008/2767), regs. 1(2), **2(6)(b)**
- F320** Reg. 48(11) omitted (14.4.2008) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2008 (S.I. 2008/698), regs. 1(1), **2(9)**
- F321** Reg. 48(12) added (3.4.2000) by The Social Security Amendment (Employment Zones) Regulations 2000 (S.I. 2000/724), regs. 1(1), **3(2)(c)**

#### Commencement Information

- I26** Reg. 48 in force at 11.4.1988, see [reg. 1](#)

#### [<sup>F322</sup>Calculation of capital in the United Kingdom

**49.** Capital which a claimant possesses in the United Kingdom shall be calculated at its current market or surrender value less—

- (a) where there would be expenses attributable to sale, 10 per cent; and
- (b) the amount of any incumbrance secured on it.]

#### Textual Amendments

- F322** Reg. 49 substituted (1.10.2007) by The Social Security (Miscellaneous Amendments) (No. 5) Regulations 2007 (S.I. 2007/2618), regs. 1(1), **5(10)**

#### Commencement Information

- I27** Reg. 49 in force at 11.4.1988, see [reg. 1](#)

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

## Calculation of capital outside the United Kingdom

**50.** Capital which a claimant possesses in a country outside the United Kingdom shall be calculated—

- (a) in a case in which there is no prohibition in that country against the transfer to the United Kingdom of an amount equal to its current market or surrender value in that country, at that value;
- (b) in a case where there is such a prohibition, at the price which it would realise if sold in the United Kingdom to a willing buyer,

less, where there would be expenses attributable to sale, 10 per cent and the amount of any incumbrance secured on it.

### Commencement Information

**I28** Reg. 50 in force at 11.4.1988, see [reg. 1](#)

## Notional capital

**51.—(1)** A claimant shall be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to income support or increasing the amount of that benefit <sup>F323</sup>except—

- (a) where that capital is derived from a payment made in consequence of any personal injury and is placed on trust for the benefit of the claimant; or
- (b) to the extent that the capital which he is treated as possessing is reduced in accordance with regulation 51A (diminishing notional capital rule)] <sup>F324</sup>or]
- <sup>F325</sup>(c) any sum to which paragraph 44(2)(a) of Schedule 10 (capital to be disregarded) applies which is administered in the way referred to in paragraph 44(1)(a);
- (d) any sum to which paragraph 45(a) of Schedule 10 refers.]
- (2) Except in the case of—
  - (a) a discretionary trust;
  - (b) a trust derived from a payment made in consequence of a personal injury; or
  - (c) any loan which would be obtainable only if secured against capital disregarded under Schedule 10, <sup>F326</sup>or
  - (d) a personal pension scheme <sup>F327</sup>...]] <sup>F328</sup>or]
  - <sup>F329</sup>(da) an occupational pension scheme <sup>F330</sup>or a payment made by the Board of the Pension Protection Fund] where the claimant <sup>F331</sup>has not attained the qualifying age for state pension credit]; or]
  - <sup>F332</sup>(e) any sum to which paragraph 44(2)(a) of Schedule 10 (capital to be disregarded) applies which is administered in a way referred to in paragraph 44(1)(a); or
  - (f) any sum to which paragraph 45(a) of Schedule 10 refers.]

any capital which would become available to the claimant upon application being made but which has not been acquired by him shall be treated as possessed by him but only from the date on which <sup>F333</sup>it could be expected to be acquired were an application made]

<sup>F334</sup>(3) <sup>F335</sup>Any payment of capital, other than a payment of capital specified in paragraph (3A)], made—

- (a) to a third party in respect of a single claimant or [<sup>F336</sup>in respect of a member of the family][<sup>F336</sup>his partner] (but not a member of the third party's family) shall be treated—
- (i) in a case where that payment is derived from a payment of any benefit under the benefit Acts, [<sup>F337</sup>a payment from the Armed Forces and Reserve Forces Compensation Scheme,] a war disablement pension[<sup>F338</sup>, war widow's pension [<sup>F339</sup>or war widower's pension] or a pension payable to a person as a [<sup>F340</sup>widow, widower or surviving civil partner] under <sup>F341</sup>... any power of Her Majesty otherwise than under an enactment to make provision about pensions for or in respect of persons who have been disabled or who have died in consequence of service as members of the armed forces of the Crown,] as possessed by that single claimant, if it is paid to him, [<sup>F342</sup>or by that member if it is paid to any member of the family][<sup>F342</sup>or by his partner, if it is paid to his partner];
- [<sup>F343</sup>(ia) in a case where that payment is a payment of an occupational pension [<sup>F344</sup>, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund], as possessed by that single claimant or, as the case may be, by [<sup>F345</sup>that member][<sup>F345</sup>the claimant's partner];]
- (ii) in any other case, as possessed by that single claimant [<sup>F346</sup>or by that member][<sup>F346</sup>or his partner] to the extent that it is used for the food, ordinary clothing or footwear, household fuel, rent <sup>F347</sup>... for which housing benefit [<sup>F348</sup>is payable or] <sup>F349</sup>... any housing costs to the extent that they are met under regulation 17(1)(e) and 18(1)(f) (housing costs) <sup>F350</sup>..., of that single claimant or, as the case may be, [<sup>F346</sup>of any member of that family][<sup>F346</sup>of his partner][<sup>F351</sup>, or is used for any [<sup>F352</sup>council tax] or water charges for which that claimant or [<sup>F346</sup>member is liable][<sup>F346</sup>partner is liable];]
- (b) [<sup>F353</sup>to a single claimant or his partner in respect of a third party (but not in respect of another member of his family) shall be treated as possessed by that single claimant or, as the case may be, his partner, to the extent that it is kept or used by him or used by or on behalf of his partner.]
- [<sup>F354</sup>(3A) Paragraph (3) shall not apply in respect of a payment of capital made—
- (a) under [<sup>F355</sup>or by] the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No.2) Trust, the Fund, the Eileen Trust [<sup>F356</sup>, MFET Limited][<sup>F357</sup>, the Independent Living [<sup>F358</sup>Fund (2006)][<sup>F359</sup>, the Skipton Fund [<sup>F360</sup>, the Caxton Foundation] or the London Bombings Relief Charitable Fund];]
- (b) pursuant to section 2 of the Employment and Training Act 1973 in respect of a person's participation—
- (i) in an employment programme specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996;
- (ii) in a training scheme specified in regulation 75(1)(b)(ii) of those Regulations; or
- [ in the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those
- [<sup>F361</sup>(ia) Regulations<sup>F362</sup>...; or]
- (iii) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations.]
- [<sup>F363</sup>(ba) in respect of a person's participation in [<sup>F364</sup>a scheme prescribed in regulation 3 of the Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013] or the Mandatory Work Activity Scheme;]

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

[<sup>F365</sup>(c) under an occupational pension scheme [<sup>F366</sup>, in respect of a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund] where—

- (i) a bankruptcy order has been made in respect of the person in respect of whom the payment has been made or, in Scotland, the estate of that person is subject to sequestration or a judicial factor has been appointed on that person’s estate under section 41 of the Solicitors (Scotland) Act 1980;
- (ii) the payment is made to the trustee in bankruptcy or any other person acting on behalf of the creditors; and
- (iii) the person referred to in (i) and [<sup>F367</sup>any member of his family][<sup>F367</sup>his partner (if any)] does not possess, or is not treated as possessing, any other income apart from that payment.]

(4) Where a claimant stands in relation to a company in a position analogous to that of a sole owner or partner in the business of that company, he shall be treated as if he were such sole owner or partner and in such a case—

- (a) the value of his holding in that company shall, notwithstanding regulation 46 (calculation of capital), be disregarded; and
- (b) he shall, subject to paragraph (5), be treated as possessing an amount of capital equal to the value or, as the case may be, his share of the value of the capital of that company and the foregoing provisions of this Chapter shall apply for the purposes of calculating that amount as if it were actual capital which he does possess.

(5) For so long as the claimant undertakes activities in the course of the business of the company, the amount which he is treated as possessing under paragraph (4) shall be disregarded.

(6) Where a claimant is treated as possessing capital under any of paragraphs (1) to (4), the foregoing provisions of this Chapter shall apply for the purposes of calculating its amount as if it were actual capital which he does possess.

[<sup>F368</sup>(7) For the avoidance of doubt a claimant is to be treated as possessing capital under paragraph (1) only if the capital of which he has deprived himself is actual capital.]

[<sup>F369</sup>(8) In paragraph (3) 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.]

### Textual Amendments

- F323** Words in reg. 51(1) substituted (1.10.1990) by [The Income Support \(General\) Amendment No. 3 Regulations 1990 \(S.I. 1990/1776\)](#), regs. 1(1)(a), **5(a)** (with reg. 1(2))
- F324** Reg. 51(1)(c) and word added (with effect in accordance with reg. 1(2)(3) of the amending S.I.) by [The Income-related Benefits and Jobseeker’s Allowance \(Amendment\) \(No. 2\) Regulations 1997 \(S.I. 1997/2197\)](#), regs. 1(2), **5(4)**
- F325** Reg. 51(1)(c)(d) substituted for reg. 51(1)(c) (2.4.2007) by [The Social Security \(Miscellaneous Amendments\) Regulations 2007 \(S.I. 2007/719\)](#), regs. 1(2), **2(4)(a)**
- F326** Reg. 51(2)(d) added (with effect in accordance with reg. 1(4) of the amending S.I.) by [The Income-related Benefits Schemes and Social Security \(Claims and Payments\) \(Miscellaneous Amendments\) Regulations 1995 \(S.I. 1995/2303\)](#), regs. 1(1)(a), **6(5)** (with reg. 8)
- F327** Words in reg. 51(2)(d) omitted (16.7.2007) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No. 3\) Regulations 2007 \(S.I. 2007/1749\)](#), regs. 1, **2(7)**
- F328** Reg. 51(2)(e) and word added (with effect in accordance with reg. 1(2)(3) of the amending S.I.) by [The Income-related Benefits and Jobseeker’s Allowance \(Amendment\) \(No. 2\) Regulations 1997 \(S.I. 1997/2197\)](#), regs. 1(2), **5(4)**

- F329** Reg. 51(2)(da) inserted (6.4.2006) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(5)(a), **2(5)**
- F330** Words in reg. 51(2)(da) inserted (6.4.2006) by The Social Security (Miscellaneous Amendments) Regulations 2006 (S.I. 2006/588), regs. 1(9), **2(3)(a)**
- F331** Words in reg. 51(2)(da) substituted (6.4.2010) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2010 (S.I. 2010/641), regs. 1(1), **2(8)**
- F332** Reg. 51(2)(e)(f) substituted for reg. 51(2)(e) (2.4.2007) by The Social Security (Miscellaneous Amendments) Regulations 2007 (S.I. 2007/719), regs. 1(2), **2(4)(b)**
- F333** Words in reg. 51(2) substituted (11.4.1988) by The Income Support (General) Amendment Regulations 1988 (S.I. 1988/663), regs. 1(1), **22(a)**
- F334** Reg. 51(3) substituted (12.9.1988) by The Income Support (General) Amendment No. 4 Regulations 1988 (S.I. 1988/1445), regs. 1(1)(b), **12(a)**
- F335** Words in reg. 51(3) substituted (24.9.1998) by The Social Security Amendment (New Deal) (No.2) Regulations 1998 (S.I. 1998/2117), regs. 1(1), **3(2)(a)(3)(c)**
- F336** Words in reg. 51(3)(a) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 13(a)(i)**
- F337** Words in reg. 51(3)(a)(i) inserted (4.4.2005) by The Social Security (Miscellaneous Amendments) Regulations 2005 (S.I. 2005/574), regs. 1(1), **2(5)**
- F338** Words in reg. 51(3)(a)(i) substituted (for specified purposes and with effect in accordance with reg. 1(2) of the amending S.I.) by The Income-related Benefits and Jobseeker's Allowance (Miscellaneous Amendments) Regulations 1997 (S.I. 1997/65), regs. 1(1)(2), **9**
- F339** Words in reg. 51(3)(a)(i) inserted (8.4.2002) by The Social Security (Miscellaneous Amendments) Regulations 2002 (S.I. 2002/841), regs. 1(1), **2(3)**
- F340** Words in reg. 51(3)(a)(i) substituted (5.12.2005) by The Social Security (Civil Partnership) (Consequential Amendments) Regulations 2005 (S.I. 2005/2878), regs. 1, **4(3)**
- F341** Words in reg. 51(3)(a)(i) omitted (5.1.2009) by virtue of The Social Security (Miscellaneous Amendments) (No. 7) Regulations 2008 (S.I. 2008/3157), regs. 1(1), **2(4)**
- F342** Words in reg. 51(3)(a)(i) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 13(a)(ii)**
- F343** Reg. 51(3)(a)(ia) inserted (15.11.1999) by The Social Security Amendment (Notional Income and Capital) Regulations 1999 (S.I. 1999/2640), regs. 1(1), **2(1)(a)**
- F344** Words in reg. 51(3)(a)(ia) substituted (6.4.2006) by The Social Security (Miscellaneous Amendments) Regulations 2006 (S.I. 2006/588), regs. 1(2), **2(3)(b)**
- F345** Words in reg. 51(3)(a)(ia) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 13(a)(iii)**
- F346** Words in reg. 51(3)(a)(ii) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 13(a)(iv)**
- F347** Words in reg. 51(3)(a)(ii) omitted (4.4.2005) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2005 (S.I. 2005/574), regs. 1(1), **3(4)**
- F348** Words in reg. 51(3)(a)(ii) substituted (8.4.2002) by The Social Security Amendment (Residential Care and Nursing Homes) Regulations 2001 (S.I. 2001/3767), **Sch. Pt. 1 para. 8(a)(i)**
- F349** Words in reg. 51(3)(a)(ii) omitted (7.10.1991) by virtue of The Income Support (General) Amendment No. 4 Regulations 1991 (S.I. 1991/1559), regs. 1(1)(c), **9(a)** (with reg. 1(2))
- F350** Words in reg. 51(3)(a)(ii) omitted (8.4.2002) by virtue of The Social Security Amendment (Residential Care and Nursing Homes) Regulations 2001 (S.I. 2001/3767), **Sch. Pt. 1 para. 8(a)(ii)**
- F351** Words in reg. 51(3)(a)(ii) added (7.10.1991) by The Income Support (General) Amendment No. 4 Regulations 1991 (S.I. 1991/1559), regs. 1(1)(c), **9(b)** (with reg. 1(2))
- F352** Words in reg. 51(3)(a)(ii) substituted (1.4.1993) by The Income-related Benefits Schemes (Miscellaneous Amendments) Regulations 1993 (S.I. 1993/315), reg. 1(1)(b), **Sch. para. 3**

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- F353** Reg. 51(3)(b) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 13(b)**
- F354** Reg. 51(3A) inserted (24.9.1998) by The Social Security Amendment (New Deal) (No.2) Regulations 1998 (S.I. 1998/2117), regs. 1(1), **3(2)(b)(3)(c)**
- F355** Words in reg. 51(3A)(a) inserted (6.4.2010) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2010 (S.I. 2010/641), regs. 1(1), **2(7)(c)**
- F356** Words in reg. 51(3A)(a) inserted (6.4.2010) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2010 (S.I. 2010/641), regs. 1(1), **2(3)(d)**
- F357** Words in reg. 51(3A)(a) substituted (4.10.2004) by The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2004 (S.I. 2004/2308), regs. 1(1), **3(1)(2)(a)**
- F358** Words in reg. 51(3A)(a) substituted (17.11.2008) by The Social Security (Miscellaneous Amendments) (No.6) Regulations 2008 (S.I. 2008/2767), regs. 1(2), **2(6)(c)**
- F359** Words in reg. 51(3A)(a) substituted (12.12.2005) by The Income-related Benefits (Amendment) (No. 2) Regulations 2005 (S.I. 2005/3391), regs. 1, **2(3)**
- F360** Words in reg. 51(3A)(a) inserted (31.10.2011) by The Social Security (Miscellaneous Amendments) (No. 3) Regulations 2011 (S.I. 2011/2425), regs. 1(2), **7(6)**
- F361** Reg. 51(3A)(b)(ia) inserted (9.4.2001) by The Social Security Amendment (New Deal) Regulations 2001 (S.I. 2001/1029), regs. 1(1), **15(8)(9)(c)**
- F362** Words in reg. 51(3A)(b)(ia) omitted (14.4.2008) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2008 (S.I. 2008/698), regs. 1(1), **2(8)(b)**
- F363** Reg. 51(3A)(ba) inserted (5.8.2011) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2011 (S.I. 2011/1707), regs. 1, **4(6)(7)**
- F364** Words in reg. 51(3A)(ba) substituted (12.2.2013 at 6.45 p.m.) by The Jobseeker's Allowance (Schemes for Assisting Persons to Obtain Employment) Regulations 2013 (S.I. 2013/276), regs. 1, **13(b)**
- F365** Reg. 51(3A)(c) added (15.11.1999) by The Social Security Amendment (Notional Income and Capital) Regulations 1999 (S.I. 1999/2640), regs. 1(1), **2(3)(c)**
- F366** Words in reg. 51(3A)(c) substituted (6.4.2006) by The Social Security (Miscellaneous Amendments) Regulations 2006 (S.I. 2006/588), regs. 1(2), **2(3)(c)**
- F367** Words in reg. 51(3A)(c)(iii) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 13(c)**
- F368** Reg. 51(7) added (11.4.1988) by The Income Support (General) Amendment Regulations 1988 (S.I. 1988/663), regs. 1(1), **22(c)**
- F369** Reg. 51(8) added (12.9.1988) by The Income Support (General) Amendment No. 4 Regulations 1988 (S.I. 1988/1445), regs. 1(1)(b), **12(b)**

#### **Modifications etc. (not altering text)**

- C14** Reg. 51(2) applied with modifications (1.4.1993) by The National Assistance (Assessment of Resources) Regulations 1992 (S.I. 1992/2977), regs. 1, **25(3)(a)**
- C15** Reg. 51(2)(c) modified (E.W.) (1.4.2015) by The Care and Support (Charging and Assessment of Resources) Regulations 2014 (S.I. 2014/2672), regs. 1, **22(2)(3)**; S.I. 2014/2473, arts. 2(1)(d), 7; S.I. 2015/993, art. 2(b)(c)
- C16** Reg. 51(3)(a)(ii) applied with modifications (1.4.1993) by The National Assistance (Assessment of Resources) Regulations 1992 (S.I. 1992/2977), regs. 1, **25(3)(b)**

#### **Commencement Information**

- I29** Reg. 51 in force at 11.4.1988, see reg. 1



**[<sup>F370</sup>Diminishing notional capital rule**

**51A.**—(1) Where a claimant is treated as possessing capital under regulation 51(1) (notional capital), the amount which he is treated as possessing—

- (a) in the case of a week that is subsequent to—
  - (i) the relevant week in respect of which the conditions set out in paragraph (2) are satisfied, or
  - (ii) a week which follows that relevant week and which satisfies those conditions,

shall be reduced by an amount determined under paragraph (2);

- (b) in the case of a week in respect of which paragraph (1)(a) does not apply but where—
  - (i) that week is a week subsequent to the relevant week, and
  - (ii) that relevant week is a week in which the condition in paragraph (3) is satisfied,
 shall be reduced by the amount determined under paragraph (3).

(2) This paragraph applies to a benefit week or part week where the claimant satisfies the conditions that—

- (a) he is in receipt of income support; and
- (b) but for regulation 51(1), he would have received an additional amount of income support in that benefit week or, as the case may be, that part week;

and in such a case, the amount of the reduction for the purposes of paragraph (1)(a) shall be equal to that additional amount.

(3) Subject to paragraph (4), for the purposes of paragraph (1)(b) the condition is that the claimant would have been entitled to income support in the relevant week, but for regulation 51(1), and in such a case the amount of the reduction shall be equal to the aggregate of—

- (a) the amount of income support to which the claimant would have been entitled in the relevant week but for regulation 51(1); and for the purposes of this sub-paragraph if the relevant week is a part-week that amount shall be determined by dividing the amount of income support to which he would have been so entitled by the number equal to the number of days in the part-week and multiplying the quotient by 7;
- (b) the amount of housing benefit (if any) equal to the difference between his maximum housing benefit and the amount (if any) of housing benefit which he is awarded in respect of the benefit week, within the meaning of regulation 2(1) of [<sup>F371</sup>the Housing Benefit Regulations 2006] (interpretation), which includes the last day of the relevant week;

<sup>F372</sup>(c) .....

[ the amount of council tax benefit (if any) equal to the difference between his maximum council tax benefit and the amount (if any) of council tax benefit which he is awarded in respect of the benefit week which includes the last day of the relevant week, and for this purpose “benefit week” [<sup>F374</sup>means a period of 7 consecutive days beginning on a Monday and ending on a Sunday].]

(4) The amount determined under paragraph (3) shall be re-determined under that paragraph if the claimant makes a further claim for income support and the conditions in paragraph (5) are satisfied, and in such a case—

- (a) sub-paragraphs [<sup>F375</sup>(a) to (d)] of paragraph (3) shall apply as if for the words “relevant week” there were substituted the words “relevant subsequent week”; and
- (b) subject to paragraph (6), the amount as re-determined shall have effect from the first week following the relevant subsequent week in question.

(5) The conditions are that—

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- (a) a further claim is made 26 or more weeks after—
- (i) the date on which the claimant made a claim for income support in respect of which he was first treated as possessing the capital in question under regulation 51(1); or
  - (ii) in a case where there has been at least one re-determination in accordance with paragraph (4), the date on which he last made a claim for income support which resulted in the weekly amount being re-determined; or
  - (iii) the date on which he last ceased to be in receipt of income support; whichever last occurred; and
- (b) the claimant would have been entitled to income support but for regulation 51(1).
- (6) The amount as re-determined pursuant to paragraph (4) shall not have effect if it is less than the amount which applied in that case immediately before the re-determination and in such a case the higher amount shall continue to have effect.
- (7) For the purpose of this regulation—
- (a) “part-week” means a period to which sub-section (1A) of section 21 of the Act (amount etc. of income support) applies;
  - (b) “relevant week” means the benefit week or part-week in which the capital in question of which the claimant has deprived himself within the meaning of regulation 51(1)—
    - (i) was first taken into account for the purpose of determining his entitlement to income support; or
    - (ii) was taken into account on a subsequent occasion for the purpose of determining or re-determining his entitlement to income support on that subsequent occasion and that determination or re-determination resulted in his beginning to receive, or ceasing to receive, income support;
 and where more than one benefit week or part-week is identified by reference to heads (i) and (ii) of this sub-paragraph the later or latest such benefit week or, as the case may be, the later or latest such part-week;
  - (c) “relevant subsequent week” means the benefit week or part-week which includes the day on which the further claim or, if more than one further claim has been made, the last such claim was made.]

#### Textual Amendments

- F370** Reg. 51A inserted (1.10.1990) by [The Income Support \(General\) Amendment No. 3 Regulations 1990](#) (S.I. 1990/1776), regs. 1(1)(a), **6** (with reg. 1(2))
- F371** Words in reg. 51A(3)(b) substituted (6.3.2006) by [The Housing Benefit and Council Tax Benefit \(Consequential Provisions\) Regulations 2006](#) (S.I. 2006/217), reg. 1(1), **Sch. 2 para. 1(3)** (with regs. 2, 3, Sch. 3, Sch. 4)
- F372** Reg. 51A(3)(c) omitted (17.11.2008) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No.6\) Regulations 2008](#) (S.I. 2008/2767), regs. 1(2), **2(8)**
- F373** Reg. 51A(3)(d) added (1.4.1993) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) Regulations 1993](#) (S.I. 1993/315), reg. 1(1)(b), **Sch. para. 4**
- F374** Words in reg. 51A(3)(d) substituted (1.4.2013) by [The Council Tax Benefit Abolition \(Consequential Provision\) Regulations 2013](#) (S.I. 2013/458), reg. 1, **Sch. 2 para. 1**
- F375** Words in reg. 51A(4)(a) substituted (9.4.2001 in so far as not already in force) by [The Social Security \(Miscellaneous Amendments\) \(No. 3\) Regulations 2001](#) (S.I. 2001/859), regs. 1(1)(c), **6(2)**

## Capital jointly held

52. Except where a claimant possesses capital which is disregarded under regulation 51 (4) (notional capital), where a claimant and one or more persons are beneficially entitled in possession to any capital asset they shall be treated as if each of them were entitled in possession [<sup>F376</sup>to the whole beneficial interest therein in an equal share and the foregoing provisions of this Chapter shall apply for the purposes of calculating the amount of capital which the claimant is treated as possessing as if it were actual capital which the claimant does possess].

### Textual Amendments

**F376** Words in reg. 52 substituted (12.10.1998) by The Social Security Amendment (Capital) Regulations 1998 (S.I. 1998/2250), regs. 1, 2(1)(2)(e)

### Commencement Information

**I30** Reg. 52 in force at 11.4.1988, see reg. 1

## Calculation of tariff income from capital

53.—(1) [<sup>F377</sup>Except where the circumstances prescribed in paragraph <sup>F378</sup>... (1B) apply to the claimant,] where the claimant's capital calculated in accordance with this Part exceeds [<sup>F379</sup>£6,000] it shall be treated as equivalent to a weekly income of £1 for each complete £250 in excess of [<sup>F379</sup>£6,000] but not exceeding [<sup>F380</sup>£16,000].

<sup>F381</sup>(1ZA) .....

[<sup>F382</sup>(1A) Where the circumstances prescribed in paragraph (1B) apply to the claimant and that claimant's capital calculated in accordance with this Part exceeds £10,000, it shall be treated as equivalent to a weekly income of £1 for each complete £250 in excess of £10,000 but not exceeding £16,000.

(1B) For the purposes of paragraph (1A)<sup>F383</sup>..., the prescribed circumstances are that the claimant lives permanently in—

[<sup>F384</sup>(a) a care home or an independent hospital;]

[<sup>F384</sup>(b) an Abbeyfield Home;]

(c) accommodation provided under section 3 of, and Part II of the Schedule to, the Polish Resettlement Act 1947 (provision of accommodation in camps) where the claimant requires personal care [<sup>F385</sup>by reason of old age, disablement, past or present dependence on alcohol or drugs, past or present mental disorder or a terminal illness and the care is provided in the home].

<sup>F386</sup>(d) .....

(1C) For the purposes of paragraph (1B), a claimant shall be treated as living permanently in such home [<sup>F387</sup>, hospital] or accommodation where he is absent—

(a) from a home[<sup>F387</sup>, hospital] or accommodation referred to in sub-paragraph [<sup>F388</sup>(a) [<sup>F389</sup>or (b)]] of paragraph (1B)—

(i) <sup>F390</sup>... in the case of a person over pensionable age, for a period not exceeding 52 weeks, and

(ii) in any other case, for a period not exceeding 13 weeks;

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(b) from accommodation referred to in sub-paragraph (c) of paragraph (1B), where the claimant, with the agreement of the manager of the accommodation, intends to return to the accommodation in due course.]

(2) Notwithstanding [F391 paragraphs (1)F392 ... and (1A)], where any part of the excess is not a complete £250 that part shall be treated as equivalent to a weekly income of £1.

(3) For the purposes of [F391 paragraphs (1)F392 ... and (1A)], capital includes any income treated as capital under regulations F393 ... 48 and 60 (F393 ... income treated as capital and liable relative payments treated as capital).

F394(4) .....

### Textual Amendments

- F377** Words in reg. 53(1) inserted (8.4.1996) by The Income-related Benefits Schemes (Miscellaneous Amendments) Regulations 1996 (S.I. 1996/462), regs. 1(2), **12(1)(b)(i)**
- F378** Words in reg. 53(1) omitted (with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(6)(a), **2(6)(a)(i)**
- F379** Word in reg. 53(1) substituted (with effect in accordance with reg. 1(6) of the amending S.I.) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(6)(a), **2(6)(a)(ii)**
- F380** Word in reg. 53(1) substituted (with effect in accordance with reg. 1(6) of the amending S.I.) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(6)(a), **2(6)(a)(iii)**
- F381** Reg. 53(1ZA) omitted (with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(6)(a), **2(6)(b)**
- F382** Reg. 53(1A)-(1C) inserted (8.4.1996) by The Income-related Benefits Schemes (Miscellaneous Amendments) Regulations 1996 (S.I. 1996/462), regs. 1(2), **12(1)(b)(ii)**
- F383** Words in reg. 53(1B) omitted (with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(6)(a), **2(6)(c)**
- F384** Reg. 53(1B)(a)(b) substituted (24.10.2005) by The Social Security (Care Homes and Independent Hospitals) Regulations 2005 (S.I. 2005/2687), reg. 1, **Sch. 1 para. 7(a)(i)**
- F385** Words in reg. 53(1B)(c) substituted (with effect in accordance with reg. 1(2)(3) of the amending S.I.) by The Income-related Benefits and Jobseeker's Allowance (Amendment) (No. 2) Regulations 1997 (S.I. 1997/2197), regs. 1(2), **7(5)(6)(a)**
- F386** Reg. 53(1B)(d) omitted (24.10.2005) by virtue of The Social Security (Care Homes and Independent Hospitals) Regulations 2005 (S.I. 2005/2687), reg. 1, **Sch. 1 para. 7(a)(ii)**
- F387** Word in reg. 53(1C) inserted (24.10.2005) by The Social Security (Care Homes and Independent Hospitals) Regulations 2005 (S.I. 2005/2687), reg. 1, **Sch. 1 para. 7(b)(i)**
- F388** Words in reg. 53(1C)(a) substituted (for specified purposes and with effect in accordance with reg. 1(2) of the amending S.I.) by The Income-related Benefits and Jobseeker's Allowance (Miscellaneous Amendments) Regulations 1997 (S.I. 1997/65), regs. 1(1)(2), **8(b)**
- F389** Words in reg. 53(1C)(a) substituted (24.10.2005) by The Social Security (Care Homes and Independent Hospitals) Regulations 2005 (S.I. 2005/2687), reg. 1, **Sch. 1 para. 7(b)(ii)**
- F390** Words in reg. 53(1C)(a)(i) omitted (8.4.2002) by virtue of The Social Security Amendment (Residential Care and Nursing Homes) Regulations 2001 (S.I. 2001/3767), reg. 1, **Sch. Pt. I para. 9**
- F391** Words in reg. 53(2)(3) substituted (8.4.1996) by The Income-related Benefits Schemes (Miscellaneous Amendments) Regulations 1996 (S.I. 1996/462), regs. 1(2), **12(1)(b)(iii)**

- F392** Word in reg. 53(2)(3) omitted (with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2005 (S.I. 2005/2465), regs. 1(6)(a), **2(6)(d)**
- F393** Words in reg. 53(3) omitted (12.12.1988) by virtue of The Income Support (General) Amendment No. 5 Regulations 1988 (S.I. 1988/2022), regs. 1(1)(a), **13**
- F394** Reg. 53(4) omitted (24.10.2005) by virtue of The Social Security (Care Homes and Independent Hospitals) Regulations 2005 (S.I. 2005/2687), reg. 1, **Sch. 1 para. 7(c)**

#### Modifications etc. (not altering text)

- C17** Reg. 53 applied (with modifications) (11.4.2005) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Charges for Drugs and Appliances) and (Travel Expenses and Remission of Charges) Amendment Regulations 2005 (S.I. 2005/578), regs. 1(1), **19(2)(a)**)
- C18** Reg. 53 applied (with modifications) (11.4.2005) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Charges for Drugs and Appliances) and (Travel Expenses and Remission of Charges) Amendment Regulations 2005 (S.I. 2005/578), regs. 1(1), **19(2)(b)**)
- C19** Reg. 53 applied (with modifications) (1.5.2006) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Travel Expenses and Remission of Charges) Amendment Regulations 2006 (S.I. 2006/1065), regs. 1(1), **2(2)(b)**)
- C20** Reg. 53 applied (with modifications) (1.5.2006) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Travel Expenses and Remission of Charges) Amendment Regulations 2006 (S.I. 2006/1065), regs. 1(1), **2(2)(c)**)
- C21** Reg. 53 applied (with modifications) (1.5.2007) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Travel Expenses and Remission of Charges) Amendment Regulations 2007 (S.I. 2007/988), regs. 1(1), **2(2)(b)**)
- C22** Reg. 53 applied (with modifications) (1.5.2008) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Travel Expenses and Remission of Charges) Amendment Regulations 2008 (S.I. 2008/843), regs. 1(1), **2(2)(b)**)
- C23** Reg. 53 applied (with modifications) (1.7.2008) by W.S.I. 2007/1104 (as amended (W.) by The National Health Service (Travelling Expenses and Remission of Charges) (Wales) (Amendment) Regulations 2008 (S.I. 2008/1480), regs. 1(2), **2(3)**)
- C24** Reg. 53 applied (with modifications) (7.4.2010) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Travel Expenses and Remission of Charges) Amendment Regulations 2010 (S.I. 2010/620), regs. 1, **2(2)(b)(ii)**)
- C25** Reg. 53 applied (with modifications) (7.4.2010) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Travel Expenses and Remission of Charges) Amendment Regulations 2010 (S.I. 2010/620), regs. 1, **2(2)(b)(i)**)
- C26** Reg. 53 applied (with modifications) (12.4.2010) by W.S.I. 2007/1104 (as amended (W.) by The National Health Service (Travelling Expenses and Remission of Charges) (Wales) (Amendment) Regulations 2010 (S.I. 2010/1237), regs. 1(2), **3(2)**)

#### Commencement Information

- I31** Reg. 53 in force at 11.4.1988, see reg. 1

## CHAPTER VII

[<sup>F395</sup>F396 ... liable relative payments]

#### Textual Amendments

- F395** Pt. V Ch. VII heading substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Child Maintenance Amendments) Regulations 2008 (S.I. 2008/2111), regs. 1(1), **2(5)**

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

**F396** Words in Pt. V Ch. VII heading omitted (for specified purposes and with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 2009 \(S.I. 2009/2655\)](#), regs. 1(6)(a), **2(6)**

## Interpretation

**54.** In this Chapter, unless the context otherwise requires—

<sup>F397</sup>  
...

“claimant” includes a young claimant;

[<sup>F398</sup>“claimant’s family” shall be construed in accordance with section 137 of the contributions and Benefits Act 1992 (interpretation of part 7 and supplementary provisions);]

[<sup>F398</sup>“housing costs” means, those costs which may be met under regulation 17(1)(e) or 18(1)(f) (housing costs);]

“liable relative” means—

- (a) a spouse [<sup>F399</sup>, former spouse, civil partner or former civil partner] of a claimant or of a member of the claimant's family;
- (b) a parent of a child or young person who is a member of the claimant's family or of a young claimant;
- (c) a person who has not been adjudged to be the father of a child or young person who is a member of the claimant's family or of a young claimant where that person is contributing towards the maintenance of that child, young person or young claimant and by reason of that contribution he may reasonably be treated as the father of that child, young person or young claimant;
- (d) a person liable to maintain another person [<sup>F400</sup>in the circumstances set out in section 78(6)(c) of the Social Security Administration Act 1992 (liability to maintain another person)] where the latter is the claimant or a member of the claimant's family,

and, in this definition, a reference to a child's, young person's or young claimant's parent includes any person in relation to whom the child, young person or young claimant was treated as a child or a member of the family;

[<sup>F398</sup>“ordinary clothing and footwear” means clothing and footwear for normal daily use but does not include school uniforms;]

“payment” means a periodical payment or any other payment made by or derived from a liable relative <sup>F401</sup>... but it does not include any payment—

- (a) arising from a disposition of property made in contemplation of, or as a consequence of—
  - (i) an agreement to separate; or
  - (ii) any proceedings for judicial separation, divorce or nullity of marriage; [<sup>F402</sup>or]
  - (iii) [<sup>F403</sup>any proceedings for separation, dissolution or nullity in relation to a civil partnership;]
- (b) made after the death of the liable relative;
- (c) made by way of a gift but not in aggregate or otherwise exceeding £250 in the period of 52 weeks beginning with the date on which the payment, or if there is more than one such payment the first payment, is made; and, in the case of a claimant who continues to be in receipt of income support at the end of the period of 52 weeks, this provision shall continue to apply thereafter with the modification that any subsequent period of 52

weeks shall begin with the first day of the benefit week in which the first payment is made after the end of the previous period of 52 weeks;

- (d) [<sup>F404</sup>to which regulation 44(2) applies (modifications in respect of children and young persons);]
- (e) [<sup>F405</sup>made to a third party, or in respect of a third party, unless the payment is—
  - (i) in relation to the claimant or the claimant's [<sup>F406</sup>partner or is made or derived from a person falling within sub-paragraph (d) of the definition of liable relative]; and
  - (ii) <sup>F407</sup>... in respect of food, ordinary clothing or footwear, fuel, [<sup>F408</sup>rent for which housing benefit is payable, housing costs to the extent that they are met under regulation 17(1)(e) or 18(1)(f) (housing costs),] council tax or water charges;]
- (f) in kind;
- (g) to, or in respect of, a child or young person who is to be treated as not being a member of the claimant's household under regulation 16 (circumstances in which a person is to be treated as being or not being a member of the same household);
- (h) which is not a periodical payment, to the extent that any amount of that payment—
  - (i) has already been taken into account under this Part by virtue of a previous claim or determination; or
  - (ii) has been recovered under section 27(1) of the Act (prevention of duplication of payments) or is currently being recovered; or
  - (iii) at the time the determination is made, has been used by the claimant except where he has deprived himself of that amount for the purpose of securing entitlement to income support or increasing the amount of that benefit;
- (i) [<sup>F409</sup>to which paragraph 73 of Schedule 9 (sums to be disregarded in the calculation of income other than earnings) applies.]

“periodical payment” means—

- (a) a payment which is made or is due to be made at regular intervals <sup>F410</sup>...;
- (b) in a case where the liable relative has established a pattern of making payments at regular intervals, any such payment;
- (c) any payment <sup>F411</sup>[<sup>F412</sup>... that does not exceed] the amount of income support payable had that payment not been made;
- (d) any payment representing a commutation of payments to which sub-paragraphs (a) or (b) of this definition applies whether made in arrears or in advance,

but does not include a payment due to be made before the first benefit week pursuant to the claim which is not so made;

“young claimant ” means a person aged 16 or over but under [<sup>F413</sup>20] who makes a claim for income support.

#### Textual Amendments

**F397** Words in [reg. 54](#) omitted (for specified purposes and with effect in accordance with [reg. 1\(6\)](#) of the amending S.I.) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 2009 \(S.I. 2009/2655\)](#), [regs. 1\(6\)\(a\), 2\(10\)\(a\)](#)

**F398** Words in [reg. 54](#) inserted (with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by [The Social Security \(Child Maintenance Amendments\) Regulations 2008 \(S.I. 2008/2111\)](#), [regs. 1\(1\), 2\(6\)\(a\)](#)

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

- F399** Words in reg. 54 substituted (5.12.2005) by The Civil Partnership (Pensions, Social Security and Child Support) (Consequential, etc. Provisions) Order 2005 (S.I. 2005/2877), art. 1, **Sch. 3 para. 13(4)(a)** (with art. 3)
- F400** Words in reg. 54 substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Child Maintenance Amendments) Regulations 2008 (S.I. 2008/2111), regs. 1(1), **2(6)(b)**
- F401** Words in reg. 54 omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of The Social Security (Child Maintenance Amendments) Regulations 2008 (S.I. 2008/2111), regs. 1(1), **2(6)(c)(i)**
- F402** Word in reg. 54 inserted (5.12.2005) by The Civil Partnership (Pensions, Social Security and Child Support) (Consequential, etc. Provisions) Order 2005 (S.I. 2005/2877), art. 1, **Sch. 3 para. 13(4)(b)(i)** (with art. 3)
- F403** Words in reg. 54 inserted (5.12.2005) by The Civil Partnership (Pensions, Social Security and Child Support) (Consequential, etc. Provisions) Order 2005 (S.I. 2005/2877), art. 1, **Sch. 3 para. 13(4)(b)(ii)** (with art. 3)
- F404** Words in reg. 54 omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 14**
- F405** Words in reg. 54 substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Child Maintenance Amendments) Regulations 2008 (S.I. 2008/2111), regs. 1(1), **2(6)(c)(ii)**
- F406** Words in reg. 54 substituted (for specified purposes and with effect in accordance with reg. 1(6) of the amending S.I.) by The Social Security (Miscellaneous Amendments) (No. 4) Regulations 2009 (S.I. 2009/2655), regs. 1(6)(a), **2(10)(b)(i)**
- F407** Words in reg. 54(e)(ii) omitted (2.4.2013) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2013 (S.I. 2013/443), regs. 1(1), **2(3)(a)**
- F408** Words in reg. 54(e)(ii) substituted (2.4.2013) by The Social Security (Miscellaneous Amendments) Regulations 2013 (S.I. 2013/443), regs. 1(1), **2(3)(b)**
- F409** Words in reg. 54 added (for specified purposes and with effect in accordance with reg. 1(6) of the amending S.I.) by The Social Security (Miscellaneous Amendments) (No. 4) Regulations 2009 (S.I. 2009/2655), regs. 1(6)(a), **2(10)(b)(ii)**
- F410** Words in reg. 54 omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of The Social Security (Child Maintenance Amendments) Regulations 2008 (S.I. 2008/2111), regs. 1(1), **2(6)(d)(i)**
- F411** Words in reg. 54 omitted (for specified purposes and with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of The Social Security (Miscellaneous Amendments) (No. 4) Regulations 2009 (S.I. 2009/2655), regs. 1(6)(a), **2(10)(c)**
- F412** Words in reg. 54 substituted (with effect in accordance with reg. 1(2) of the amending S.I.) by The Social Security (Child Maintenance Amendments) Regulations 2008 (S.I. 2008/2111), regs. 1(1), **2(6)(d)(ii)**
- F413** Word in reg. 54 substituted (10.4.2006) by The Social Security (Young Persons) Amendment Regulations 2006 (S.I. 2006/718), regs. 1(2)(a), **2(5)**

#### Commencement Information

- I32** Reg. 54 in force at 11.4.1988, see reg. 1

#### Treatment of <sup>F414</sup>... liable relative payments

55. [<sup>F415</sup>Subject to regulation 55A]<sup>F416</sup> ... a payment shall—

- (a) to the extent that it is not a payment of income, be treated as income;
- (b) be taken into account in accordance with the following provisions of this Chapter.



#### Textual Amendments

- F414** Words in [reg. 55](#) heading omitted (for specified purposes and with effect in accordance with [reg. 1\(6\)](#) of the amending S.I.) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 2009 \(S.I. 2009/2655\)](#), [regs. 1\(6\)\(a\), 2\(5\)](#)
- F415** Words in [reg. 55](#) inserted (19.4.1996) by [The Social Security Benefits \(Maintenance Payments and Consequential Amendments\) Regulations 1996 \(S.I. 1996/940\)](#), [regs. 1\(1\), 6\(2\)](#)
- F416** Words in [reg. 55](#) omitted (for specified purposes and with effect in accordance with [reg. 1\(6\)](#) of the amending S.I.) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 2009 \(S.I. 2009/2655\)](#), [regs. 1\(6\)\(a\), 2\(11\)](#)

#### Commencement Information

- I33** [Reg. 55](#) in force at 11.4.1988, see [reg. 1](#)

### [<sup>F417</sup>Disregard of payments treated as not relevant income

**55A.** Where the Secretary of State treats any payment as not being relevant income for the purposes of section 74A of the Social Security Administration Act 1992 (payment of benefit where maintenance payments collected by Secretary of State), that payment shall be disregarded in calculating a claimant's income.]

#### Textual Amendments

- F417** [Reg. 55A](#) inserted (19.4.1996) by [The Social Security Benefits \(Maintenance Payments and Consequential Amendments\) Regulations 1996 \(S.I. 1996/940\)](#), [regs. 1\(1\), 6\(3\)](#)

### Period over which periodical payments are to be taken into account

- 56.**—(1) The period over which a periodical payment is to be taken into account shall be—
- in a case where the payment is made at regular intervals, a period equal to the length of that interval;
  - in a case where the payment is due to be made at regular intervals but is not so made, such number of weeks as is equal to the number (and any fraction shall be treated as a corresponding fraction of a week) obtained by dividing the amount of that payment by the weekly amount of that periodical payment as calculated in accordance with regulation 58(4) (calculation of the weekly amount of a liable relative payment);
  - in any other case, a period equal to a week.
- (2) The period under paragraph (1) shall begin on the date on which the payment is treated as paid under regulation 59 (date on which a liable relative payment is to be treated as paid).

#### Commencement Information

- I34** [Reg. 56](#) in force at 11.4.1988, see [reg. 1](#)

### [<sup>F418</sup>Period over which payments other than periodical payments are to be taken into account

**57.**—(1) The period over which a payment other than a periodical payment (a “non-periodical payment”) is to be taken account shall be determined as follows.

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

(2) Except in a case where paragraph (4) applies, the number of weeks over which a non-periodical payment is to be taken into account shall be equal to the number obtained by dividing that payment by the amount referred to in paragraph (3).

(3) The amount is the aggregate of £2 and—

(a) the amount of income support that would be payable had no payment been made, <sup>F419</sup> ...

<sup>F419</sup>(b) .....

(4) This paragraph applies in a case where a liable relative makes a periodical payment and a non-periodical payment concurrently and the weekly amount of the periodical payment (as calculated in accordance with regulation 58) is less than B.

(5) In a case where paragraph (4) applies, the non-periodical payment shall, subject to paragraphs (6) and (7), be taken into account over a period of the number of weeks equal to the number obtained by applying the formula—

AB–C

(6) If the liable relative ceases to make periodical payments, the balance (if any) of the non-periodical payment shall be taken into account over the number of weeks equal to the number obtained by dividing that balance by the amount referred to in paragraph (3).

(7) If the amount of any subsequent periodical payment varies, the balance (if any) of the non-periodical payment shall be taken into account over a period of the number of weeks equal to the number obtained by applying the formula—

DB–E

(8) The period under paragraph (2) or (4) shall begin on the date on which the payment is treated as paid under regulation 59 (date on which a liable relative payment is treated as paid) and the period under paragraph (6) and (7) shall begin on the first day of the benefit week in which the cessation or variation of the periodical payment occurred.

(9) Any fraction which arises by applying a calculation or formula referred to in this regulation shall be treated as a corresponding fraction of a week.

(10) In paragraphs (4) to (7)—

- A = the amount of the non-periodical payment;
- B = the aggregate of £2 and the amount of income support that would be payable had the periodical payment not been made <sup>F420</sup> ...;
- C = the weekly amount of the periodical payment;
- D = the balance (if any) of the non-periodical payment;
- E = the weekly amount of any subsequent periodical payment.]

**Textual Amendments**

**F418** Reg. 57 substituted (with effect in accordance with reg. 1(2)(3) of the amending S.I.) by [The Social Security \(Child Maintenance Amendments\) Regulations 2008 \(S.I. 2008/2111\)](#), regs. 1(1), **2(8)**

**F419** Reg. 57(3)(b) and word omitted (for specified purposes and with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 2009 \(S.I. 2009/2655\)](#), regs. 1(6)(a), **2(12)(a)**

**F420** Words in reg. 57(10) omitted (for specified purposes and with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 2009 \(S.I. 2009/2655\)](#), regs. 1(6)(a), **2(12)(b)**

### Calculation of the weekly amount of a <sup>F421</sup>... liable relative payment

**58.**—(1) Where a periodical payment is made or is due to be made at intervals of one week, the weekly amount shall be the amount of that payment.

(2) Where a periodical payment is made or is due to be made at intervals greater than one week and those intervals are monthly, the weekly amount shall be determined by multiplying the amount of the payment by 12 and dividing the product by 52.

(3) Where a periodical payment is made or is due to be made at intervals and those intervals are neither weekly nor monthly, the weekly amount shall be determined by dividing that payment by the number equal to the number of weeks (including any part of a week) in that interval.

(4) Where a payment is made and that payment represents a commutation of periodical payments whether in arrears or in advance, the weekly amount shall be the weekly amount of the individual periodical payments so commuted as calculated under paragraphs (1) to (3) as is appropriate.

(5) The weekly amount of a payment to which regulation 57 applies (period over which payments other than periodical payments are to be taken into account) shall be equal to the amount of the divisor used in calculating the period over which the payment or, as the case may be, the balance is to be taken into account.

#### Textual Amendments

**F421** Words in [reg. 58](#) heading omitted (for specified purposes and with effect in accordance with [reg. 1\(6\)](#) of the amending S.I.) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 2009 \(S.I. 2009/2655\)](#), [regs. 1\(6\)\(a\)](#), **2(5)**

#### Modifications etc. (not altering text)

**C27** [Reg. 58\(5\)](#) modified (1.4.1993) by [The National Assistance \(Assessment of Resources\) Regulations 1992 \(S.I. 1992/2977\)](#), [regs. 1](#), **33(2)**

#### Commencement Information

**I35** [Reg. 58](#) in force at 11.4.1988, see [reg. 1](#)

### Date on which a <sup>F422</sup>... liable relative payment is to be treated as paid

**59.**—(1) A periodical payment is to be treated as paid—

- (a) in the case of a payment which is due to be made before the first benefit week pursuant to the claim, on the day in the week in which it is due to be paid which corresponds to the first day of the benefit week;
- (b) in any other case, on the first day of the benefit week in which it is due to be paid unless, having regard to the manner in which income support is due to be paid in the particular case, it would be more practicable to treat it as paid on the first day of a subsequent benefit week.

(2) Subject to paragraph (3), any other payment shall be treated as paid—

- (a) in the case of a payment which is made before the first benefit week pursuant to the claim, on the day in the week in which it is paid which corresponds to the first day of the benefit week;
- (b) in any other case, on the first day of the benefit week in which it is paid unless, having regard to the manner in which income support is due to be paid in the particular case, it would be more practicable to treat it as paid on the first day of a subsequent benefit week.

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

(3) Any other payment paid on a date which falls within the period in respect of which a previous payment is taken into account, not being a periodical payment, is to be treated as paid on the first day following the end of that period.

**Textual Amendments**

**F422** Words in [reg. 59](#) heading omitted (for specified purposes and with effect in accordance with [reg. 1\(6\)](#) of the amending S.I.) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 2009 \(S.I. 2009/2655\)](#), [regs. 1\(6\)\(a\)](#), **2(5)**

**Commencement Information**

**I36** [Reg. 59](#) in force at 11.4.1988, see [reg. 1](#)

**Liabe relative payments to be treated as capital**

<sup>F423</sup>**60.** . . . . .

**Textual Amendments**

**F423** [Reg. 60](#) omitted (with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by virtue of [The Social Security \(Child Maintenance Amendments\) Regulations 2008 \(S.I. 2008/2111\)](#), [regs. 1\(1\)](#), **2(4)(b)**

<sup>F424</sup>CHAPTER VIIA  
CHILD SUPPORT

**Textual Amendments**

**F424** Pt. V Ch. VIIA inserted (19.4.1993) by [The Social Security \(Miscellaneous Provisions\) Amendment Regulations 1993 \(S.I. 1993/846\)](#), [regs. 1\(1\)](#), **3** (with [reg. 1\(2\)](#))

**Interpretation**

<sup>F425</sup>**60A.** . . . . .

**Textual Amendments**

**F425** Pt. V Ch. 7A omitted (with effect in accordance with [reg. 1\(2\)](#) of the amending S.I.) by virtue of [The Social Security \(Child Maintenance Amendments\) Regulations 2008 \(S.I. 2008/2111\)](#), [regs. 1\(1\)](#), **2(4)(c)**

**Treatment of child support maintenance**

<sup>F425</sup>**60B.** . . . . .

**Textual Amendments**

**F425** Pt. V Ch. 7A omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Social Security \(Child Maintenance Amendments\) Regulations 2008 \(S.I. 2008/2111\)](#), regs. 1(1), **2(4)** (c)

**Calculation of the weekly amount of payments of child support maintenance**

<sup>F425</sup>**60C.** . . . . .

**Textual Amendments**

**F425** Pt. V Ch. 7A omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Social Security \(Child Maintenance Amendments\) Regulations 2008 \(S.I. 2008/2111\)](#), regs. 1(1), **2(4)** (c)

**Date on which child support maintenance is to be treated as paid**

<sup>F425</sup>**60D.** . . . . .]

**Textual Amendments**

**F425** Pt. V Ch. 7A omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Social Security \(Child Maintenance Amendments\) Regulations 2008 \(S.I. 2008/2111\)](#), regs. 1(1), **2(4)** (c)

**[<sup>F426</sup>Disregard of payments treated as not relevant income**

<sup>F425</sup>**60E.** . . . . .]

**Textual Amendments**

**F425** Pt. V Ch. 7A omitted (with effect in accordance with reg. 1(2) of the amending S.I.) by virtue of [The Social Security \(Child Maintenance Amendments\) Regulations 2008 \(S.I. 2008/2111\)](#), regs. 1(1), **2(4)** (c)

**F426** Reg. 60E inserted (19.4.1996) by [The Social Security Benefits \(Maintenance Payments and Consequential Amendments\) Regulations 1996 \(S.I. 1996/940\)](#), **regs. 1(1), 6(5)**

**CHAPTER VIII**

**[<sup>F427</sup>STUDENTS]**

**Textual Amendments**

**F427** Pt. V Ch. VIII heading substituted (29.3.2001) by [The Income Support \(General\) Amendment Regulations 2001 \(S.I. 2001/721\)](#), regs. 1, **2(b)**

**Interpretation**

61.—<sup>F428</sup>(1) In this Chapter, unless the context otherwise requires—

<sup>F429</sup>“academic year” means the period of twelve months beginning on 1st January, 1st April, 1st July or 1st September according to whether the course in question begins in the winter, the spring, the summer or the autumn respectively but if students are required to begin attending the course during August or September and to continue attending through the autumn, the academic year of the course shall be considered to begin in the autumn rather than the summer;]

<sup>F430</sup>“access funds” means—

- (a) grants made under section <sup>F431</sup>68] of the Further and Higher Education Act 1992 <sup>F432</sup> ... <sup>F433</sup>for the purpose of providing funds on a discretionary basis to be paid to students];
- (b) grants made under sections 73(a) and (c) and 74(1) of the Education (Scotland) Act 1980; <sup>F434</sup> ...
- (c) grants made under Article 30 of the Education and Libraries (Northern Ireland) Order 1993, or grants, loans or other payments made under Article 5 of the Further Education (Northern Ireland) Order 1997 in each case being grants, or grants, loans or other payments as the case may be, made for the purpose of assisting students in financial difficulties;]<sup>F435</sup> ...
- (d) <sup>F436</sup>discretionary payments, known as “learner support funds”, which are made available to students in further education by institutions out of funds provided by the <sup>F437</sup><sup>F438</sup>Secretary of State under section 14 of the Education Act 2002] or <sup>F439</sup>... under sections 100 and 101 of <sup>F440</sup>the Apprenticeships, Skills, Children and Learning Act 2009];]<sup>F441</sup>or
- (e) Financial Contingency Funds made available by the <sup>F442</sup>Welsh Ministers];]

<sup>F443</sup>“college of further education” means a college of further education within the meaning of Part I of the Further and Higher Education (Scotland) Act 1992;]

<sup>F444</sup>“contribution” means—

- (a) any contribution in respect of the income of a student or any person which the Secretary of State, the Scottish Ministers or an education authority takes into account in ascertaining the amount of a student's grant or student loan; or
- (b) any sums, which in determining the amount of a student's allowance or bursary in Scotland under the Education (Scotland) Act 1980, the Scottish Ministers or education authority takes into account being sums which the Scottish Ministers or education authority consider that it is reasonable for the following persons to contribute towards the holder's expenses—
  - (i) the holder of the allowance or bursary;
  - (ii) the holder's parents;
  - (iii) the holder's parent's spouse, civil partner or a person ordinarily living with the holder's parent as if he or she were the spouse or civil partner of that parent; or
  - (iv) the holder's spouse or civil partner;]

<sup>F445</sup>“course of advanced education” means—

- (a) a course leading to a postgraduate degree or comparable qualification, a first degree or comparable qualification, a diploma of higher education or a higher national diploma; or

- (b) any other course which is of a standard above advanced GNVQ or equivalent, including a course which is of a standard above a general certificate of education (advanced level), [F446 a Scottish national qualification (higher or advanced higher)];

“covenant income” means the income <sup>F447</sup>... payable to a student under a Deed of Covenant by a person whose income is, or is likely to be, taken into account in assessing the student's grant or award;

“education authority” means a government department, [F448 a local authority as defined in section 579 of the Education Act 1996 (interpretation)], [F449 a local education authority as defined in section 123 of the Local Government (Scotland) Act 1973], an education and library board established under Article 3 of the Education and Libraries (Northern Ireland) Order 1986<sup>F450</sup>, any body which is a research council for the purposes of the Science and Technology Act 1965<sup>F451</sup> or any analogous government department, authority, board or body, of the Channel Islands, Isle of Man or any other country outside Great Britain.

F452 ...

[F443“full-time course of advanced education” means a course of advanced education which is <sup>F453</sup>...—

- (a) <sup>F454</sup>... a full-time course of study which is not funded in whole or in part by [F455 the [F456 [F457 Secretary of State under section 14 of the Education Act 2002]] [F458 or under section 100 of the Apprenticeships, Skills, Children and Learning Act 2009]] or by the [F459 Welsh Ministers]] or a full-time course of study which is not funded in whole or in part by the [F460 Scottish Ministers] at a college of further education or a full-time course of study which is a course of higher education and is funded in whole or in part by the [F460 Scottish Ministers];
- (b) [F461 a course of study which is funded in whole or in part by the [F456 [F457 Secretary of State under section 14 of the Education Act 2002]] [F462 or under section 100 of the Apprenticeships, Skills, Children and Learning Act 2009]] or by the [F459 Welsh Ministers] if it involves more than 16 guided learning hours per week for the student in question, according to the number of guided learning hours per week for that student set out—
- (i) [F463 in the case of a course funded by the [F457 Secretary of State <sup>F464</sup>...], in the student's learning agreement signed on behalf of the establishment which is funded by [F465 the Secretary of State] for the delivery of that course; or]
- (ii) in the case of a course funded by the [F459 Welsh Ministers], in a document signed on behalf of the establishment which is funded by that Council for the delivery of that course; or]
- (c) <sup>F466</sup>... a course of study (not being higher education) which is funded in whole or in part by the [F460 Scottish Ministers] at a college of further education if it involves—
- (i) more than 16 hours per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff according to the number of hours set out in a document signed on behalf of the college; or
- (ii) 16 hours or less per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff and it involves additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 per week, according to the number of hours set out in a document signed on behalf of the college;]

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[<sup>F443</sup>“full-time course of study” means a full-time course of study which—

- (a) is not funded in whole or in part by [<sup>F467</sup>the [<sup>F468</sup>[<sup>F469</sup>Secretary of State under section 14 of the Education Act 2002][<sup>F470</sup>or under section 100 of the Apprenticeships, Skills, Children and Learning Act 2009]] or by the [<sup>F471</sup>Welsh Ministers]] or a full-time course of study which is not funded in whole or in part by the [<sup>F472</sup>Scottish Ministers] at a college of further education or a full-time course of study which is a course of higher education and is funded in whole or in part by the [<sup>F472</sup>Scottish Ministers];
- (b) [<sup>F473</sup>a course of study which is funded in whole or in part by the [<sup>F468</sup>[<sup>F469</sup>Secretary of State under section 14 of the Education Act 2002][<sup>F474</sup>or under section 100 of the Apprenticeships, Skills, Children and Learning Act 2009]] or by the [<sup>F471</sup>Welsh Ministers] if it involves more than 16 guided learning hours per week for the student in question, according to the number of guided learning hours per week for that student set out—
  - (i) [<sup>F475</sup>in the case of a course funded by the [<sup>F469</sup>Secretary of State <sup>F476</sup>...], in the student’s learning agreement signed on behalf of the establishment which is funded by [<sup>F477</sup>the Secretary of State] for the delivery of that course; or]
  - (ii) in the case of a course funded by the [<sup>F471</sup>Welsh Ministers], in a document signed on behalf of the establishment which is funded by that Council for the delivery of that course; or]
- (c) is not higher education and is funded in whole or in part by the [<sup>F472</sup>Scottish Ministers] at a college of further education if it involves—
  - (i) more than 16 hours per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff according to the number of hours set out in a document signed on behalf of the college; or
  - (ii) 16 hours or less per week of classroom-based or workshop-based programmed learning under the direct guidance of teaching staff and it involves additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 per week, according to the number of hours set out in a document signed on behalf of the college;]

[<sup>F478</sup>“full-time student” [<sup>F479</sup>means a person who is not a qualifying young person or child within the meaning of section 142 of the Contributions and Benefits Act (child and qualifying young person) and] who is—

- (a) aged less than 19 and is attending or undertaking a full-time course of advanced education;
- (b) aged 19 or over but under pensionable age and is attending or undertaking a full-time course of study at an educational establishment; or
- (c) on a sandwich course;]

[<sup>F480</sup>“grant” (except in the definition of “access funds”) means any kind of educational grant or award and includes any scholarship, studentship, exhibition, allowance or bursary but does not include a payment from access funds [<sup>F481</sup>or any payment to which paragraph 11 of Schedule 9 or paragraph 63 of Schedule 10 applies];]

“grant income” means—

- (a) any income by way of a grant;
- (b) in the case of a student other than one to whom sub-paragraph (c) refers, any contribution which has been assessed whether or not it has been paid;



- (c) in the case of a student to whom [<sup>F482</sup>paragraph 1, 2, <sup>F483</sup>... 11][<sup>F484</sup>, <sup>F483</sup>... or 15A of Schedule 1B applies (lone parent, disabled student or persons in education)], any contribution which has been assessed and which has been paid;

and any such contribution which is paid by way of a covenant shall be treated as part of the student's grant income.

[<sup>F443</sup>“higher education” means higher education within the meaning of Part II of the Further and Higher Education (Scotland) Act 1992;]

[<sup>F485</sup>“last day of the course” means the date on which the last day of the final academic term falls in respect of the course in which the student is enrolled;]

“period of study” means—

- (a) in the case of a course of study for one year or less, the period beginning with the start of the course [<sup>F486</sup>and ending with the last day of the course];
- (b) in the case of a course of study for more than one year, in the first or, as the case may be, any subsequent year of the course, [<sup>F487</sup>other than the final year of the course,] the period beginning with the start of the course or, as the case may be, that year's start and ending with either—
- (i) [<sup>F488</sup>the day before the start of the next year of the course in a case where the student's grant or loan is assessed at a rate appropriate to his studying throughout the year or, if he does not have a grant or loan, where a loan would have been assessed at such a rate had he had one; or]
- (ii) in any other case the day before the start of the normal summer vacation appropriate to his course;
- (c) [<sup>F489</sup>in the final year of a course of study of more than one year, the period beginning with that year's start and ending with the last day of the course;]

[<sup>F490</sup>“periods of experience” means periods of work experience which form part of a sandwich course;]

[<sup>F491</sup>“postgraduate master's degree loan” means a loan which a student is eligible to receive under the Education (Postgraduate Master's Degree Loans) Regulations 2016;]

[<sup>F492</sup>“sandwich course” has the meaning prescribed in regulation 2(9) of the Education (Student Support) Regulations 2008, regulation 4(2) of the Education (Student Loans) (Scotland) Regulations 2007, regulation 2(8) of the Education (Student Support) Regulations (Northern Ireland) 2007;]

[<sup>F445</sup>“standard maintenance grant” means—]

- (a) except where paragraph (b) or (c) applies, in the case of a student attending [<sup>F493</sup>or undertaking] a course of study at the University of London or an establishment within the area comprising the City of London and the Metropolitan Police District, the amount specified for the time being in paragraph 2(2)(a) of Schedule 2 to the Education (Mandatory Awards) Regulations 1995 (“the 1995 Regulations”) for such a student;
- (b) except where paragraph (c) applies, in the case of a student residing at his parent's home, the amount specified in paragraph 3(2) thereof;
- (c) [<sup>F494</sup>in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980, the amount of money specified as the “standard maintenance allowance” for the relevant year appropriate for the student set out in the Student Support in Scotland Guide issued by the Student Awards Agency for Scotland, or its nearest

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equivalent in the case of a bursary provided by a college of further education or a local education authority<sup>F495</sup> ...;]

- (d) in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 1995 Regulations other than in sub-paragraph (a) or (b) thereof;

[<sup>F496</sup>“student” means a person, other than a person in receipt of a training allowance, who is attending or undertaking a course of study at an educational establishment;]

[<sup>F497</sup>“student loan” means a loan towards a student’s maintenance pursuant to any regulations made under section 22 of the Teaching and Higher Education Act 1998, section 73 of the Education (Scotland) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 [<sup>F498</sup>and shall include, in Scotland, a young student’s bursary paid under regulation 4(1)(c) of the Students’ Allowances (Scotland) Regulations 1999]];

<sup>F499</sup> ...

[<sup>F500</sup>(2) For the purposes of the definition of “full-time student” in paragraph (1), a person shall be regarded as attending or, as the case may be, undertaking a full-time course of study, a full-time course of advanced education or as being on a sandwich course—

- (a) subject to paragraph (3), in the case of a person attending or undertaking a part of a modular course which would be a full-time course of study for the purposes of this Part, for the period beginning on the day on which that part of the course starts and ending—
- (i) on the last day on which he is registered with the educational establishment as attending or undertaking that part as a full-time course of study; or
  - (ii) on such earlier date (if any) as he finally abandons the course or is dismissed from it;
- (b) in any other case, throughout the period beginning on the date on which he starts attending or undertaking the course and ending on the last day of the course or on such earlier date (if any) as he finally abandons it or is dismissed from it.

(3) For the purpose of sub-paragraph (a) of paragraph (2), the period referred to in that sub-paragraph shall include—

- (a) where a person has failed examinations or has failed to successfully complete a module relating to a period when he was attending or undertaking a part of the course as a full-time course of study, any period in respect of which he attends or undertakes the course for the purpose of retaking those examinations or that module;
- (b) any period of vacation within the period specified in that paragraph or immediately following that period except where the person has registered with the educational establishment to attend or undertake the final module in the course and the vacation immediately follows the last day on which he is required to attend or undertake the course.

(4) In paragraph (2), “modular course” means a course of study which consists of two or more modules, the successful completion of a specified number of which is required before a person is considered by the educational establishment to have completed the course.]

#### Textual Amendments

**F428** Reg. 61(1): reg. 61 renumbered reg. 61(1) (31.7.2000) by [The Social Security Amendment \(Students\) Regulations 2000 \(S.I. 2000/1981\)](#), regs. 1(1), **5(3)**

**F429** Words in reg. 61(1) inserted (1.8.2001) by [The Social Security Amendment \(Students and Income-related Benefits\) Regulations 2001 \(S.I. 2001/2319\)](#), regs. 1(1)(a), **2(1)(a)(2)(c)**

**F430** Words in reg. 61(1) inserted (for specified purposes and with effect in accordance with reg. 1(b)(i) (ii) of the amending S.I.) by [The Social Security Amendment \(Students and Income-related Benefits\) Regulations 2000 \(S.I. 2000/1922\)](#), regs. 1, **2(2)**

- F431** Word in reg. 61(1) substituted (26.10.2009) by The Social Security (Miscellaneous Amendments) (No. 4) Regulations 2009 (S.I. 2009/2655), regs. 1(1), **2(13)(a)**
- F432** Words in reg. 61(1) omitted (26.10.2009) by virtue of The Social Security (Miscellaneous Amendments) (No. 4) Regulations 2009 (S.I. 2009/2655), regs. 1(1), **2(13)(b)**
- F433** Words in reg. 61(1) substituted (1.8.2001) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2001 (S.I. 2001/2319), regs. 1(1)(a), **2(1)(b)(i)(2)(c)**
- F434** Word in reg. 61(1) omitted (1.8.2001) by virtue of The Social Security Amendment (Students and Income-related Benefits) Regulations 2001 (S.I. 2001/2319), regs. 1(1)(a), **2(1)(b)(ii)(2)(c)**
- F435** Word in reg. 61(1)(c) omitted (1.8.2002) by virtue of The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(a), **2(1)(a)(2)(c)**
- F436** Words in reg. 61(1) inserted (1.8.2001) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2001 (S.I. 2001/2319), regs. 1(1)(a), **2(1)(b)(ii)(2)(c)**
- F437** Words in reg. 61(1) substituted (1.9.2010) by The Apprenticeships, Skills, Children and Learning Act 2009 (Consequential Amendments to Subordinate Legislation) (England) Order 2010 (S.I. 2010/1941), arts. 1, **3(3)(a)**
- F438** Words in reg. 61(1) substituted (1.5.2012) by The Young People's Learning Agency Abolition (Consequential Amendments to Subordinate Legislation) (England) Order 2012 (S.I. 2012/956), arts. 1, **3(3)(a)(i)**
- F439** Words in reg. 61(1) omitted (26.5.2015) by virtue of The Deregulation Act 2015 (Consequential Amendments) Order 2015 (S.I. 2015/971), art. 1(2)(a), **Sch. 3 para. 2(3)(a)**
- F440** Words in reg. 61(1) substituted (1.5.2012) by The Young People's Learning Agency Abolition (Consequential Amendments to Subordinate Legislation) (England) Order 2012 (S.I. 2012/956), arts. 1, **3(3)(a)(ii)**
- F441** Reg. 61(1)(e) and word added (1.8.2002) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(a), **2(1)(a)(2)(c)**
- F442** Words in reg. 61(1) substituted (5.1.2009) by The Social Security (Miscellaneous Amendments) (No. 7) Regulations 2008 (S.I. 2008/3157), regs. 1(1), **2(5)(a)**
- F443** Words in reg. 61 inserted (with effect in accordance with reg. 1(6) of the amending S.I.) by The Income-related Benefits Schemes and Social Fund (Miscellaneous Amendments) Regulations 1996 (S.I. 1996/1944), regs. 1(1)(a), **6(8)(b)** (with reg. 13)
- F444** Words in reg. 61(1) substituted (6.4.2009) by The Social Security (Miscellaneous Amendments) Regulations 2009 (S.I. 2009/583), regs. 1(2), **2(9)(a)**
- F445** Words in reg. 61 substituted (with effect in accordance with reg. 1(6) of the amending S.I.) by The Income-related Benefits Schemes and Social Fund (Miscellaneous Amendments) Regulations 1996 (S.I. 1996/1944), regs. 1(1)(a), **6(8)(a)** (with reg. 13)
- F446** Words in reg. 61(1) substituted (coming into force in accordance with reg. 1(1)(b)(i)(ii) of the amending S.I.) by The Social Security (Students and Income-related Benefits) Amendment Regulations 2004 (S.I. 2004/1708), regs. 1(1)(b), **5(1)(a)**
- F447** Words in reg. 61 omitted (with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of The Income-related Benefits Schemes and Social Fund (Miscellaneous Amendments) Regulations 1996 (S.I. 1996/1944), regs. 1(1)(a), **6(8)(c)(i)** (with reg. 13)
- F448** Words in reg. 61(1) substituted (5.5.2010) by The Local Education Authorities and Children's Services Authorities (Integration of Functions) (Local and Subordinate Legislation) Order 2010 (S.I. 2010/1172), art. 1(1), **Sch. 3 para. 13**
- F449** Words in reg. 61 substituted (with effect in accordance with reg. 1(6) of the amending S.I.) by The Income-related Benefits Schemes and Social Fund (Miscellaneous Amendments) Regulations 1996 (S.I. 1996/1944), regs. 1(1)(a), **6(8)(c)(ii)** (with reg. 13)
- F450** S.I. 1986/594 (NI 3).
- F451** 1965 c. 4.
- F452** Words in reg. 61(1) omitted (1.4.2001) by virtue of The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2001 (S.I. 2001/652), regs. 1(1)(b), **3(1)(a)**
- F453** Words in reg. 61(1) omitted (31.7.2000) by virtue of The Social Security Amendment (Students) Regulations 2000 (S.I. 2000/1981), regs. 1(1), **5(3)(a)(i)**

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- F454** Word in reg. 61(1) omitted (31.7.2000) by virtue of The Social Security Amendment (Students) Regulations 2000 (S.I. 2000/1981), regs. 1(1), **5(3)(a)(ii)**
- F455** Words in reg. 61(1) substituted (1.4.2001) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2001 (S.I. 2001/652), regs. 1(1)(b), **3(3)(a)**
- F456** Words in reg. 61(1) substituted (1.9.2010) by The Apprenticeships, Skills, Children and Learning Act 2009 (Consequential Amendments to Subordinate Legislation) (England) Order 2010 (S.I. 2010/1941), arts. 1, **3(3)(b)(i)**
- F457** Words in reg. 61(1) substituted (1.5.2012) by The Young People's Learning Agency Abolition (Consequential Amendments to Subordinate Legislation) (England) Order 2012 (S.I. 2012/956), arts. 1, **3(3)(b)(i)**
- F458** Words in reg. 61(1) substituted (26.5.2015) by The Deregulation Act 2015 (Consequential Amendments) Order 2015 (S.I. 2015/971), art. 1(2)(a), **Sch. 3 para. 2(3)(b)(i)**
- F459** Words in reg. 61(1) substituted (5.1.2009) by The Social Security (Miscellaneous Amendments) (No. 7) Regulations 2008 (S.I. 2008/3157), regs. 1(1), **2(5)(b)**
- F460** Words in reg. 61(1) substituted (1.8.2001) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2001 (S.I. 2001/2319), regs. 1(1)(a), **2(3)(b)**
- F461** Words in reg. 61(1) substituted (1.4.2001) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2001 (S.I. 2001/652), regs. 1(1)(b), **3(3)(b)**
- F462** Words in reg. 61(1) substituted (26.5.2015) by The Deregulation Act 2015 (Consequential Amendments) Order 2015 (S.I. 2015/971), art. 1(2)(a), **Sch. 3 para. 2(3)(b)(ii)**
- F463** Words in reg. 61(1) substituted (1.9.2010) by The Apprenticeships, Skills, Children and Learning Act 2009 (Consequential Amendments to Subordinate Legislation) (England) Order 2010 (S.I. 2010/1941), arts. 1, **3(3)(b)(ii)**
- F464** Words in reg. 61(1) omitted (26.5.2015) by virtue of The Deregulation Act 2015 (Consequential Amendments) Order 2015 (S.I. 2015/971), art. 1(2)(a), **Sch. 3 para. 2(3)(b)(iii)(aa)**
- F465** Words in reg. 61(1) substituted (26.5.2015) by The Deregulation Act 2015 (Consequential Amendments) Order 2015 (S.I. 2015/971), art. 1(2)(a), **Sch. 3 para. 2(3)(b)(iii)(bb)**
- F466** Word in reg. 61(1) omitted (31.7.2000) by virtue of The Social Security Amendment (Students) Regulations 2000 (S.I. 2000/1981), regs. 1(1), **5(3)(a)(iii)**
- F467** Words in reg. 61(1) substituted (1.4.2001) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2001 (S.I. 2001/652), regs. 1(1)(b), **3(1)(b)(i)**
- F468** Words in reg. 61(1) substituted (1.9.2010) by The Apprenticeships, Skills, Children and Learning Act 2009 (Consequential Amendments to Subordinate Legislation) (England) Order 2010 (S.I. 2010/1941), arts. 1, **3(3)(c)(i)**
- F469** Words in reg. 61(1) substituted (1.5.2012) by The Young People's Learning Agency Abolition (Consequential Amendments to Subordinate Legislation) (England) Order 2012 (S.I. 2012/956), arts. 1, **3(3)(c)(i)**
- F470** Words in reg. 61(1) substituted (26.5.2015) by The Deregulation Act 2015 (Consequential Amendments) Order 2015 (S.I. 2015/971), art. 1(2)(a), **Sch. 3 para. 2(3)(c)(i)**
- F471** Words in reg. 61(1) substituted (5.1.2009) by The Social Security (Miscellaneous Amendments) (No. 7) Regulations 2008 (S.I. 2008/3157), regs. 1(1), **2(5)(c)**
- F472** Words in reg. 61(1) substituted (1.8.2001) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2001 (S.I. 2001/2319), regs. 1(1)(a), **2(3)(a)**
- F473** Words in reg. 61(1) substituted (1.4.2001) by The Social Security (Miscellaneous Amendments) (No. 2) Regulations 2001 (S.I. 2001/652), regs. 1(1)(b), **3(1)(b)(ii)**
- F474** Words in reg. 61(1) substituted (26.5.2015) by The Deregulation Act 2015 (Consequential Amendments) Order 2015 (S.I. 2015/971), art. 1(2)(a), **Sch. 3 para. 2(3)(c)(ii)**
- F475** Words in reg. 61(1) substituted (1.9.2010) by The Apprenticeships, Skills, Children and Learning Act 2009 (Consequential Amendments to Subordinate Legislation) (England) Order 2010 (S.I. 2010/1941), arts. 1, **3(3)(c)(ii)**
- F476** Words in reg. 61(1) omitted (26.5.2015) by virtue of The Deregulation Act 2015 (Consequential Amendments) Order 2015 (S.I. 2015/971), art. 1(2)(a), **Sch. 3 para. 2(3)(c)(iii)(aa)**

- F477** Words in reg. 61(1) substituted (26.5.2015) by The Deregulation Act 2015 (Consequential Amendments) Order 2015 (S.I. 2015/971), art. 1(2)(a), **Sch. 3 para. 2(3)(c)(iii)(bb)**
- F478** Words in reg. 61(1) inserted (31.7.2000) by The Social Security Amendment (Students) Regulations 2000 (S.I. 2000/1981), regs. 1(1), **5(3)(b)**
- F479** Words in reg. 61(1) substituted (10.4.2006) by The Social Security (Young Persons) Amendment Regulations 2006 (S.I. 2006/718), regs. 1(2)(a), **2(6)**
- F480** Words in reg. 61(1) substituted (for specified purposes and with effect in accordance with reg. 1(b)(i)(ii) of the amending S.I.) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2000 (S.I. 2000/1922), regs. 1, **2(2)**
- F481** Words in reg. 61(1) added (coming into force in accordance with reg. 1(1)(b)(i)(ii) of the amending S.I.) by The Social Security (Students and Income-related Benefits) Amendment Regulations 2004 (S.I. 2004/1708), regs. 1(1)(b), **5(1)(b)**
- F482** Words in reg. 61 substituted (with effect in accordance with reg. 1(2)(3) of the amending S.I.) by The Income-related Benefits and Jobseeker's Allowance (Amendment) (No. 2) Regulations 1997 (S.I. 1997/2197), regs. 1(2), **5(5)**
- F483** Words in reg. 61(1) omitted (30.12.2009) by virtue of The Income Support (Prescribed Categories of Person) Regulations 2009 (S.I. 2009/3152), regs. 1, **3(2)(c)** (with reg. 3(7))
- F484** Words in reg. 61(1) substituted (6.4.2009) by The Social Security (Miscellaneous Amendments) Regulations 2009 (S.I. 2009/583), regs. 1(2), **2(9)(b)**
- F485** Words in reg. 61 inserted (5.8.1991) by The Income Support (General) Amendment No. 4 Regulations 1991 (S.I. 1991/1559), regs. 1(1)(a), **10(a)** (with reg. 1(2))
- F486** Words in reg. 61 substituted (5.8.1991) by The Income Support (General) Amendment No. 4 Regulations 1991 (S.I. 1991/1559), regs. 1(1)(a), **10(b)(i)** (with reg. 1(2))
- F487** Words in reg. 61 inserted (5.8.1991) by The Income Support (General) Amendment No. 4 Regulations 1991 (S.I. 1991/1559), regs. 1(1)(a), **10(b)(ii)** (with reg. 1(2))
- F488** Words in reg. 61(1) substituted (for specified purposes and with effect in accordance with reg. 1(b)(i)(ii) of the amending S.I.) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2000 (S.I. 2000/1922), regs. 1, **2(3)**
- F489** Words in reg. 61 inserted (5.8.1991) by The Income Support (General) Amendment No. 4 Regulations 1991 (S.I. 1991/1559), regs. 1(1)(a), **10(b)(iii)** (with reg. 1(2))
- F490** Words in reg. 61(1) substituted (1.8.2002) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(a), **2(1)(b)(2)(c)**
- F491** Words in reg. 61(1) inserted (4.8.2016) by The Social Security (Treatment of Postgraduate Master's Degree Loans and Special Support Loans) (Amendment) Regulations 2016 (S.I. 2016/743), regs. 1, **2(2)**
- F492** Words in reg. 61(1) substituted (17.11.2008) by The Social Security (Miscellaneous Amendments) (No.6) Regulations 2008 (S.I. 2008/2767), regs. 1(2), **2(9)(b)**
- F493** Words in reg. 61(1) inserted (31.7.2000) by The Social Security Amendment (Students) Regulations 2000 (S.I. 2000/1981), regs. 1(1), **5(3)(c)**
- F494** Words in reg. 61(1) substituted (1.8.2001) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2001 (S.I. 2001/2319), regs. 1(1)(a), **2(1)(d)(2)(c)**
- F495** Words in reg. 61(1) omitted (17.11.2008) by virtue of The Social Security (Miscellaneous Amendments) (No.6) Regulations 2008 (S.I. 2008/2767), regs. 1(2), **2(9)(c)**
- F496** Words in reg. 61(1) substituted (31.7.2000) by The Social Security Amendment (Students) Regulations 2000 (S.I. 2000/1981), regs. 1(1), **5(3)(d)**
- F497** Words in reg. 61 substituted (1.8.1999, 30.8.1999 in so far as not already in force) by The Social Security Amendment (Students) Regulations 1999 (S.I. 1999/1935), regs. 1(1)(b), **3(2)(b)**
- F498** Words in reg. 61(1) added (1.8.2001) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2001 (S.I. 2001/2319), regs. 1(1)(a), **2(1)(e)(2)(c)**
- F499** Words in reg. 61(1) omitted (1.8.2001) by virtue of The Social Security Amendment (Students and Income-related Benefits) Regulations 2001 (S.I. 2001/2319), regs. 1(1)(a), **2(1)(f)(2)(c)**
- F500** Reg. 61(2)(3)(4) inserted (31.7.2000) by The Social Security Amendment (Students) Regulations 2000 (S.I. 2000/1981), regs. 1(1), **5(4)**

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

**Modifications etc. (not altering text)**

**C28** Reg. 61 applied (S.) (5.8.2003) by [The National Health Service \(Travelling Expenses and Remission of Charges\) \(Scotland\) Regulations 2003 \(S.S.I. 2003/376\)](#), regs. 1, 9(9), **sch. 2**

**Commencement Information**

**I37** Reg. 61 in force at 11.4.1988, see [reg. 1](#)

**Calculation of grant income**

**62.**—(1) The amount of a student's grant income to be taken into account shall, subject to paragraphs <sup>F501</sup>(2) and (2A)], be the whole of his grant income.

(2) There shall be disregarded from the amount of a student's grant income any payment—

(a) intended to meet tuition fees or examination fees;

<sup>F502</sup>(b) .....

(c) intended to meet additional expenditure incurred by a disabled student in respect of his attendance on a course;

(d) intended to meet additional expenditure connected with term time residential study away from the student's educational establishment;

(e) on account of the student maintaining a home at a place other than that at which he resides while attending his course but only to the extent that his rent <sup>F503</sup>... is not met by housing benefit;

(f) on account of any other person but only if that person is residing outside of the United Kingdom and there is no applicable amount in respect of him;

(g) intended to meet the cost of books and equipment <sup>F504</sup> ... <sup>F505</sup> ...;

(h) intended to meet travel expenses incurred as a result of his attendance on the course.

<sup>F506</sup>(i) intended for the maintenance <sup>F507</sup>... of a child dependant.]

<sup>F508</sup>(j) intended for the child care costs of a child dependant.]

<sup>F509</sup>(k) of higher education bursary for care leavers made under Part III of the Children Act 1989.]

<sup>F510</sup>(2A) Where a student does not have a student loan <sup>F511</sup> or a postgraduate master's degree loan] and is not treated as possessing <sup>F512</sup> a student loan or a postgraduate master's degree loan], there shall be excluded from the student's grant income—

(a) the sum of <sup>F513</sup>£303] per academic year in respect of travel costs; and

<sup>F514</sup>(b) the sum of <sup>F515</sup>£390] per academic year towards the costs of books and equipment,] whether or not any such costs are incurred.]

<sup>F516</sup>(2B) .....

(3) <sup>F517</sup>Subject to paragraph (3B), a student's grant income except any amount intended for the maintenance of <sup>F518</sup> adult] dependants under Part III of Schedule 2 to the Education (Mandatory Awards) Regulations 1999 <sup>F519</sup> or intended for an older student under Part IV of that Schedule]], shall be apportioned—

(a) subject to paragraph (4), in a case where it is attributable to the period of study, equally between the weeks <sup>F520</sup> in the period beginning with the benefit week, the first day of which coincides with, or immediately follows, the first day of the period of study and ending

with the benefit week, the last day of which coincides with, or immediately precedes, the last day of the period of study];

- (b) in any other case, equally between the weeks in the period [<sup>F521</sup>beginning with the benefit week, the first day of which coincides with, or immediately follows, the first day of the period for which it is payable and ending with the benefit week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable].

[<sup>F522</sup>(3A) [<sup>F523</sup>Any grant in respect of [<sup>F524</sup>dependants][<sup>F524</sup>an adult dependant] paid under section 63(6) of the Health Services and Public Health Act 1968 (grants in respect of the provision of instruction to officers of hospital authorities) and] any amount intended for the maintenance of [<sup>F524</sup>dependants][<sup>F524</sup>an adult dependant]<sup>F525</sup> ... under the provisions referred to in paragraph (3) shall be apportioned equally over a period of 52 weeks or, if there are 53 benefit weeks (including part-weeks) in the year, 53.]

[<sup>F526</sup>(3B) [<sup>F527</sup>In a case where a student is in receipt of a student loan or where he could have acquired a student loan by taking reasonable steps but had not done so,] any amount intended for the maintenance of [<sup>F528</sup>dependants][<sup>F528</sup>an adult dependant] under provisions other than those referred to in paragraph (3) shall be apportioned over the same period as the student's loan is apportioned or [<sup>F529</sup>, as the case may be, would have been apportioned].]

(4) In the case of a student on a sandwich course, any periods of experience within the period of study shall be excluded and the student's grant income shall be apportioned equally between [<sup>F530</sup>the weeks in the period beginning with the benefit week, the first day of which immediately follows the last day of the period of experience and ending with the benefit week, the last day of which coincides with, or immediately precedes, the last day of the period of study].

#### Textual Amendments

- F501** Words in reg. 62(1) substituted (for specified purposes and with effect in accordance with reg. 1(b)(i) (ii) of the amending S.I.) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2000 (S.I. 2000/1922), regs. 1, **2(4)(a)**
- F502** Reg. 62(2)(b) omitted (with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of The Income-related Benefits Schemes and Social Fund (Miscellaneous Amendments) Regulations 1996 (S.I. 1996/1944), regs. 1(1)(a), **6(9)(a)** (with reg. 13)
- F503** Words in reg. 62(2)(e) omitted (4.4.2005) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2005 (S.I. 2005/574), regs. 1(1), **3(4)**
- F504** Words in reg. 62(2)(g) omitted (with effect in accordance with reg. 1(6) of the amending S.I.) by virtue of The Income-related Benefits Schemes and Social Fund (Miscellaneous Amendments) Regulations 1996 (S.I. 1996/1944), regs. 1(1)(a), **6(9)(b)** (with reg. 13)
- F505** Words in reg. 62(2)(g) omitted (1.8.1999, 30.8.1999 in so far as not already in force) by virtue of The Social Security Amendment (Students) Regulations 1999 (S.I. 1999/1935), regs. 1(1)(b), **3(3)(a)**
- F506** Reg. 62(2)(i) added (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 16(a)**
- F507** Words in reg. 62(2)(i) deleted (coming into force in accordance with reg. 1(1)(b)(i)(ii) of the amending S.I.) by The Social Security (Students and Income-related Benefits) Amendment Regulations 2004 (S.I. 2004/1708), regs. 1(1)(b), **3(3)(a)**
- F508** Reg. 62(2)(j) added (coming into force in accordance with reg. 1(1)(b)(i)(ii) of the amending S.I.) by The Social Security (Students and Income-related Benefits) Amendment Regulations 2004 (S.I. 2004/1708), regs. 1(1)(b), **3(3)(b)**
- F509** Reg. 62(2)(k) added (6.4.2009) by The Social Security (Miscellaneous Amendments) Regulations 2009 (S.I. 2009/583), regs. 1(2), **2(10)**

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- F510** Reg. 62(2A) substituted (1.8.1999, 30.8.1999 in so far as not already in force) by The Social Security Amendment (Students) Regulations 1999 (S.I. 1999/1935), regs. 1(1)(b), **3(3)(b)**
- F511** Words in reg. 62(2A) inserted (4.8.2016) by The Social Security (Treatment of Postgraduate Master's Degree Loans and Special Support Loans) (Amendment) Regulations 2016 (S.I. 2016/743), regs. 1, **2(3)(a)**
- F512** Words in reg. 62(2A) substituted (4.8.2016) by The Social Security (Treatment of Postgraduate Master's Degree Loans and Special Support Loans) (Amendment) Regulations 2016 (S.I. 2016/743), regs. 1, **2(3)(b)**
- F513** Word in reg. 62(2A)(a) substituted (for specified purposes and, 1.9.2009 in so far as not already in force) by The Social Security (Students and Miscellaneous Amendments) Regulations 2009 (S.I. 2009/1575), reg. 1(3), **reg. 2(2)(4)(a)**
- F514** Reg. 62(2A)(b) substituted (1.8.2001, 27.8.2001 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2001 (S.I. 2001/2319), regs. 1(1)(b)(c), **3(2)(3)(c)**
- F515** Word in reg. 62(2A)(b) substituted (for specified purposes and, 1.9.2009 in so far as not already in force) by The Social Security (Students and Miscellaneous Amendments) Regulations 2009 (S.I. 2009/1575), reg. 1(3), **reg. 2(3)(4)(a)**
- F516** Reg. 62(2B) omitted (1.8.2006 for specified purposes and, 1.9.2006 in so far as not already in force) by virtue of The Social Security (Students and Income-related Benefits) Amendment Regulations 2006 (S.I. 2006/1752), regs. 1(2), **4(3)**
- F517** Words in reg. 62(3) substituted (for specified purposes and with effect in accordance with reg. 1(b)(i)(ii) of the amending S.I.) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2000 (S.I. 2000/1922), regs. 1, **2(4)(d)**
- F518** Word in reg. 62(3) inserted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 16(c)**
- F519** Words in reg. 62(3) omitted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by virtue of The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 16(c)**
- F520** Words in reg. 62(3)(a) substituted (1.8.2002, 26.8.2002 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(b), **4(3)(a)(4)(c)**
- F521** Words in reg. 62(3)(b) substituted (1.8.2002, 26.8.2002 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(b), **4(3)(b)(4)(c)**
- F522** Reg. 62(3A) inserted (11.4.1988) by The Income Support (General) Amendment Regulations 1988 (S.I. 1988/663), regs. 1(1), **24(b)**
- F523** Words in reg. 62(3A) inserted (1.8.2001, 27.8.2001 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2001 (S.I. 2001/2319), regs. 1(1)(b)(c), **6(c)**
- F524** Words in reg. 62(3A) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 16(d)**
- F525** Words in reg. 62(3A) omitted (8.8.2003) by S.I. 2003/455, Sch. 2 para. 16(d) (as amended by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) (No. 3) Regulations 2003 (S.I. 2003/1731), regs. 1(1), **6(5)(a)**)
- F526** Reg. 62(3B) inserted (for specified purposes and with effect in accordance with reg. 1(b)(i)(ii) of the amending S.I.) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2000 (S.I. 2000/1922), regs. 1, **2(4)(e)**
- F527** Words in reg. 62(3B) inserted (1.8.2002, 26.8.2002 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(b), **4(5)(a)(6)(c)**



- F528** Words in reg. 62(3B) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), **Sch. 1 para. 16(e)**
- F529** Words in reg. 62(3B) substituted (1.8.2002, 26.8.2002 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(b), **4(5)(b)(6)(c)**
- F530** Words in reg. 62(4) substituted (1.8.2002, 26.8.2002 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(b), **4(7)(8)(c)**

**Modifications etc. (not altering text)**

- C29** Reg. 62 applied (with modifications) (1.9.2006) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Travel Expenses and Remission of Charges) Amendment (No.2) Regulations 2006 (S.I. 2006/2171), regs. 1(1), **2(2)**)
- C30** Reg. 62 applied (with modifications) (18.10.2006) by S.I. 1988/551 (as amended by The National Health Service (Travelling Expenses and Remission of Charges) (Amendment) (No. 2) Regulations 2006 (S.I. 2006/2791), regs. 1(1), **2(2)**)
- C31** Reg. 62 applied (with modifications) (1.8.2010) by S.I. 2003/2382, **Sch. 1** Table A (as amended (E.) by The National Health Service (Charges for Drugs and Appliances) and (Travel Expenses and Remission of Charges) Amendment Regulations 2010 (S.I. 2010/1727), regs. 1, **3(2)**)
- C32** Reg. 62 modified (20.12.2010) by S.I. 2007/1104 (as amended (W.) by The National Health Service (Travelling Expenses and Remission of Charges) (Wales) (Amendment) (No.2) Regulations 2010 (S.I. 2010/2759), regs. 1(2), **3(2)**)
- C33** Reg. 62 applied (with modifications) (1.9.2012) by S.S.I. 2003/460 (as amended (S.) by The National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Amendment Regulations 2012 (S.S.I. 2012/171), regs. 1(1), **2(2)**)
- C34** Reg. 62 applied (with modifications) (1.8.2013) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Travel Expenses and Remission of Charges) (Amendment) Regulations 2013 (S.I. 2013/1600), regs. 1(2), **2(a)**)
- C35** Reg. 62 applied (with modifications) (1.9.2013) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Travel Expenses and Remission of Charges) (Amendment) Regulations 2013 (S.I. 2013/1600), regs. 1(3), **3(2)**)
- C36** Reg. 62 applied (with modifications) (14.12.2013) by S.S.I. 2003/460 (as amended (S.) by The National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Amendment Regulations 2013 (S.S.I. 2013/327), regs. 1(1), **2(2)**)
- C37** Reg. 62 applied (with modifications) (1.12.2016) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Exemptions from Charges, Payments and Remission of Charges) (Amendment and Transitional Provisions) Regulations 2016 (S.I. 2016/1045), regs. 1(1), **2(4)(a)** (with regs. 5, 6))
- C38** Reg. 62 applied (with modifications) (1.4.2017) by W.S.I. 2007/1104 (as amended (W.) by The National Health Service (Welfare Reform Miscellaneous Amendments) (Wales) Regulations 2017 (S.I. 2017/340), regs. 1(1), **5(4)** (with reg. 8))
- C39** Reg. 62 applied (with modifications) (1.4.2017) by S.S.I. 2003/460 (as amended (S.) by The National Health Service (Payments and Remission of Charges) (Miscellaneous Amendments) (Scotland) Regulations 2017 (S.S.I. 2017/59), regs. 1(1), **3(4)(a)** (with reg. 6))

**Commencement Information**

- I38** Reg. 62 in force at 11.4.1988, see reg. 1

**Calculation of covenant income where a contribution is assessed**

**63.**—(1) Where a student is in receipt of income by way of a grant during a period of study and a contribution has been assessed, the amount of his covenant income to be taken into account for that

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period and any summer vacation immediately following shall be the whole amount of his covenant income less, subject to paragraph (3), the amount of the contribution.

- (2) The weekly amount of the student's covenant income shall be determined—
- (a) by dividing the amount of income which falls to be taken into account under paragraph (1) by 52 or, if there are 53 benefit weeks (including part weeks) in the year, 53; and
  - (b) by disregarding from the resulting amount, £5.

(3) For the purposes of paragraph (1), the contribution shall be treated as increased by the amount, if any, by which the amount excluded under [<sup>F531</sup>regulation 62(2)(h) (calculation of grant income) falls short of the amount for the time being specified in paragraph 7(4)(i) of Schedule 2 to the Education (Mandatory Awards) Regulations 1991 (travel expenditure).]

#### Textual Amendments

**F531** Words in reg. 63(3) substituted (6.4.1992) by [The Income Support \(General\) Amendment Regulations 1992 \(S.I. 1992/468\)](#), regs. 1(1), 5(3) (with reg. 1(2))

#### Commencement Information

**I39** Reg. 63 in force at 11.4.1988, see [reg. 1](#)

### Covenant income where no grant income or no contribution is assessed

**64.**—(1) Where a student is not in receipt of income by way of a grant the amount of his covenant income shall be calculated as follows—

- (a) any sums intended for any expenditure specified in regulation 62(2)(a) to (f), (calculation of grant income) necessary as a result of his attendance on the course, shall be disregarded;
- (b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, shall be apportioned equally between the weeks of the period of study and there shall be disregarded from the covenant income to be so apportioned the amount which would have been disregarded under [<sup>F532</sup>regulation 62(2)(g) and (h) and (2A)] (calculation of grant income) had the student been in receipt of the standard maintenance grant;
- (c) the balance, if any, shall be divided by 52 or, if there are 53 benefit weeks (including part weeks) in the year, 53 and treated as weekly income of which £5 shall be disregarded.

(2) Where a student is in receipt of income by way of a grant and no contribution has been assessed, the amount of his covenant income shall be calculated in accordance with sub-paragraphs (a) to (c) of paragraph (1), except that—

- (a) the value of the standard maintenance grant shall be abated by the amount of his grant income less an amount equal to the amount of any sums disregarded under regulation 62(2) (a) to (f); and
- (b) the amount to be disregarded under paragraph (1)(b) shall be abated by an amount equal to the amount of any sums disregarded under [<sup>F532</sup>regulation 62(2)(g) and (h) and (2A)].

#### Textual Amendments

**F532** Words in reg. 64 substituted (6.4.1992) by [The Income Support \(General\) Amendment Regulations 1992 \(S.I. 1992/468\)](#), regs. 1(1), 5(4) (with reg. 1(2))

**Commencement Information**

**I40** Reg. 64 in force at 11.4.1988, see [reg. 1](#)

**Relationship with amounts to be disregarded under Schedule 9**

**65.** No part of a student's covenant income or grant income shall be disregarded under paragraph 15 of Schedule 9 (charitable and voluntary payments) <sup>F533</sup>....

**Textual Amendments**

**F533** Words in [reg. 65](#) omitted (for specified purposes and with effect in accordance with [reg. 1\(4\)](#) of the amending S.I.) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No. 4\) Regulations 2006 \(S.I. 2006/2378\)](#), [reg. 5\(5\)](#)

**Commencement Information**

**I41** Reg. 65 in force at 11.4.1988, see [reg. 1](#)

**Other amounts to be disregarded**

**66.**—(1) For the purposes of ascertaining income [<sup>F534</sup>other than grant income, covenant income and loans treated as income in accordance with regulation 66A], any amounts intended for any expenditure specified in regulation 62(2) (calculation of grant income) necessary as a result of his attendance on the course shall be disregarded but only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under regulation 62(2) [<sup>F535</sup>and (2A)], 63(3)[<sup>F536</sup>, 64(1)(a) or (b) and 66A(5) (calculation of grant income, covenant income and treatment of student loans)] on like expenditure.

(2) Where a claim is made in respect of any period in the normal summer vacation and any income is payable under a Deed of Covenant which commences or takes effect after the first day of that vacation, that income shall be disregarded.

**Textual Amendments**

**F534** Words in [reg. 66\(1\)](#) substituted (with effect in accordance with [reg. 1\(3\)](#) of the amending S.I.) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) Regulations 1994 \(S.I. 1994/527\)](#), [regs. 1\(1\)\(b\)](#), [5\(a\)](#)

**F535** Words in [reg. 66\(1\)](#) inserted (with effect in accordance with [reg. 1\(3\)](#) of the amending S.I.) by [The Income-related Benefits Schemes \(Miscellaneous Amendments\) Regulations 1994 \(S.I. 1994/527\)](#), [regs. 1\(1\)\(b\)](#), [5\(b\)](#)

**F536** Words in [reg. 66\(1\)](#) substituted (1.8.1999, 30.8.1999 in so far as not already in force) by [The Social Security Amendment \(Students\) Regulations 1999 \(S.I. 1999/1935\)](#), [regs. 1\(1\)\(b\)](#), [3\(4\)](#)

**Commencement Information**

**I42** Reg. 66 in force at 11.4.1988, see [reg. 1](#)

**[<sup>F537</sup>Treatment of student loans [<sup>F538</sup>and postgraduate master's degree loans]**

**[<sup>F539</sup>66A.**—(1) A student loan [<sup>F540</sup>and a postgraduate master's degree loan] shall be treated as income<sup>F541</sup>...].

<sup>F542</sup>(1A) .....

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- [<sup>F543</sup>(2) In calculating the weekly amount of the loan to be taken into account as income—
- [<sup>F544</sup>(a) in respect of a course that is of a single academic year’s duration or less, a loan which is payable in respect of that period shall be apportioned equally between the weeks in the period beginning with—
- (i) except in a case where (ii) below applies, the benefit week, the first day of which coincides with, or immediately follows, the first day of the single academic year;
  - (ii) where the student is required to start attending the course in August or where the course is of less than an academic year’s duration, the benefit week, the first day of which coincides with, or immediately follows, the first day of the course,
- and ending with the benefit week, the last day of which coincides with, or immediately precedes, the last day of the course;]
- [<sup>F545</sup>(aa) in respect of an academic year of a course which starts other than on 1st September, a loan which is payable in respect of that academic year shall be apportioned equally between the weeks in the period beginning with the benefit week[<sup>F546</sup>, the first day of which coincides with, or immediately follows, the first day of that academic year and ending with the benefit week, the last day of which coincides with, or immediately precedes,] the last day of that academic year but excluding any benefit weeks falling entirely within the quarter during which, in the opinion of the Secretary of State, the longest of any vacation is taken and for the purposes of this sub-paragraph, “quarter” shall have the same meaning as for the purposes of the Education (Student Support) Regulations 2001;]
- (b) in respect of the final academic year of a course (not being a course of a single year’s duration), a loan which is payable in respect of that final academic year shall be apportioned equally between the weeks in the period beginning with<sup>F547</sup> ...—
- [<sup>F548</sup>(i) except in a case where (ii) below applies, the benefit week, the first day of which coincides with, or immediately follows, the first day of that academic year;]
  - [<sup>F548</sup>(ii) where the final academic year starts on 1st September, the benefit week, the first day of which coincides with, or immediately follows, the earlier of 1st September or the first day of the autumn term;]
- and ending with [<sup>F549</sup>the benefit week, the last day of which coincides with, or immediately precedes,] the last day of the course;
- (c) in any other case, the loan shall be apportioned equally between the weeks in the period beginning with the earlier of—
- (i) the first day of the first benefit week in September; or
  - (ii) [<sup>F550</sup>the benefit week, the first day of which coincides with, or immediately follows, the first day of the autumn term,]
- and ending with [<sup>F551</sup>the benefit week, the last day of which coincides with, or immediately precedes, the last day of June],
- and, in all cases, from the weekly amount so apportioned there shall be disregarded £10.]
- [<sup>F552</sup>(3) A student shall be treated as possessing a student loan [<sup>F553</sup>or a postgraduate master’s degree loan] in respect of an academic year where—
- (a) a student loan [<sup>F553</sup>or a postgraduate master’s degree loan] has been made to him in respect of that year; or
  - (b) he could acquire [<sup>F554</sup>a student loan or a postgraduate master’s degree loan] in respect of that year by taking reasonable steps to do so.]]

<sup>F552</sup>(4) Where a student is treated as possessing a student loan under paragraph (3), the amount of the student loan to be taken into account as income shall be, subject to paragraph (5)—

- (a) in the case of a student to whom a student loan is made in respect of an academic year, a sum equal to the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so and either—
  - (i) in the case of a student other than one to whom head (ii) refers, any contribution whether or not it has been paid to him; or
  - (ii) in the case of a student to whom paragraph 1, 2, <sup>F555</sup>... 11 [<sup>F556</sup>, <sup>F555</sup>... or 15A of Schedule 1B applies (lone parent, disabled student or persons in education)], any contribution which has actually been paid to him;
- (b) in the case of a student to whom a student loan is not made in respect of an academic year, the maximum student loan that would be made to the student if—
  - (i) he took all reasonable steps to obtain the maximum student loan he is able to acquire in respect of that year; and
  - (ii) no deduction in that loan was made by virtue of the application of a means test.]

<sup>F557</sup>(4A) Where a student is treated as possessing a postgraduate master's degree loan under paragraph (3) in respect of an academic year, the amount of that loan to be taken into account as income shall be, subject to paragraph (5), a sum equal to 30 per cent. of the maximum postgraduate master's degree loan the student is able to acquire in respect of that academic year by taking reasonable steps to do so.]

<sup>F552</sup>(5) There shall be deducted from the amount of income taken into account under paragraph (4) [<sup>F558</sup>or (4A)] —

- (a) the sum of [<sup>F559</sup>£303] per academic year in respect of travel costs; and
- <sup>F560</sup>(b) the sum of [<sup>F561</sup>£390] per academic year towards the costs of books and equipment,] whether or not any such costs are incurred.]

#### Textual Amendments

- F537** Reg. 66A inserted (1.9.1990) by [The Social Security Benefits \(Student Loans and Miscellaneous Amendments\) Regulations 1990 \(S.I. 1990/1549\)](#), regs. 1(1)(a), **5(7)** (with reg. 7(1))
- F538** Words in reg. 66A heading added (4.8.2016) by [The Social Security \(Treatment of Postgraduate Master's Degree Loans and Special Support Loans\) \(Amendment\) Regulations 2016 \(S.I. 2016/743\)](#), regs. 1, **2(4)(a)**
- F539** Reg. 66A(1)(1A) substituted for reg. 66A(1) (for specified purposes and with effect in accordance with reg. 1(b)(i)(ii) of the amending S.I.) by [The Social Security Amendment \(Students and Income-related Benefits\) Regulations 2000 \(S.I. 2000/1922\)](#), regs. 1, **2(5)(a)**
- F540** Words in reg. 66A(1) inserted (4.8.2016) by [The Social Security \(Treatment of Postgraduate Master's Degree Loans and Special Support Loans\) \(Amendment\) Regulations 2016 \(S.I. 2016/743\)](#), regs. 1, **2(4)(b)**
- F541** Words in reg. 66A(1) omitted (17.11.2008) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No.6\) Regulations 2008 \(S.I. 2008/2767\)](#), regs. 1(2), **2(10)(a)**
- F542** Reg. 66A(1A) omitted (17.11.2008) by virtue of [The Social Security \(Miscellaneous Amendments\) \(No.6\) Regulations 2008 \(S.I. 2008/2767\)](#), regs. 1(2), **2(10)(b)**
- F543** Reg. 66A(2) substituted (for specified purposes and with effect in accordance with reg. 1(b)(i)(ii) of the amending S.I.) by [The Social Security Amendment \(Students and Income-related Benefits\) Regulations 2000 \(S.I. 2000/1922\)](#), regs. 1, **2(5)(b)**

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

- F544** Reg. 66A(2)(a) substituted (1.8.2002, 26.8.2002 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(b), **5(2)(6)(c)**
- F545** Reg. 66A(2)(aa) inserted (1.8.2001, 27.8.2001 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2001 (S.I. 2001/2319), regs. 1(1)(b)(c), **4**
- F546** Words in reg. 66A(2)(aa) substituted (1.8.2002, 26.8.2002 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(b), **5(3)(6)(c)**
- F547** Words in reg. 66A(2)(b) omitted (1.8.2002, 26.8.2002 in so far as not already in force) by virtue of The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(b), **5(4)(a)(6)(c)**
- F548** Reg. 66A(2)(b)(i)(ii) substituted (1.8.2002, 26.8.2002 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(b), **5(4)(b)(6)(c)**
- F549** Words in reg. 66A(2)(b) substituted (1.8.2002, 26.8.2002 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(b), **5(4)(c)(6)(c)**
- F550** Reg. 66A(2)(c)(ii) substituted (1.8.2002, 26.8.2002 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(b), **5(5)(a)(6)(c)**
- F551** Words in reg. 66A(2)(c) substituted (1.8.2002, 26.8.2002 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2002 (S.I. 2002/1589), regs. 1(1)(b), **5(5)(b)(6)(c)**
- F552** Reg. 66A(3)-(5) substituted for reg. 66A(3) (with effect in accordance with reg. 1(1)(b) of the amending S.I.) by The Social Security Amendment (Students) Regulations 1999 (S.I. 1999/1935), regs. 1(1)(b), **3(5)(b)**
- F553** Words in reg. 66A(3) inserted (4.8.2016) by The Social Security (Treatment of Postgraduate Master's Degree Loans and Special Support Loans) (Amendment) Regulations 2016 (S.I. 2016/743), regs. 1, **2(4)(c)(i)**
- F554** Words in reg. 66A(3)(b) substituted (4.8.2016) by The Social Security (Treatment of Postgraduate Master's Degree Loans and Special Support Loans) (Amendment) Regulations 2016 (S.I. 2016/743), regs. 1, **2(4)(c)(ii)**
- F555** Words in reg. 66A(4)(a)(ii) omitted (30.12.2009) by virtue of The Income Support (Prescribed Categories of Person) Regulations 2009 (S.I. 2009/3152), regs. 1, **3(2)(d)** (with reg. 3(7))
- F556** Words in reg. 66A(4)(a)(ii) substituted (6.4.2009) by The Social Security (Miscellaneous Amendments) Regulations 2009 (S.I. 2009/583), regs. 1(2), **2(11)**
- F557** Reg. 66A(4A) inserted (4.8.2016) by The Social Security (Treatment of Postgraduate Master's Degree Loans and Special Support Loans) (Amendment) Regulations 2016 (S.I. 2016/743), regs. 1, **2(4)(d)**
- F558** Words in reg. 66A(5) inserted (4.8.2016) by The Social Security (Treatment of Postgraduate Master's Degree Loans and Special Support Loans) (Amendment) Regulations 2016 (S.I. 2016/743), regs. 1, **2(4)(e)**
- F559** Word in reg. 66A(5)(a) substituted (for specified purposes and, 1.9.2009 in so far as not already in force) by The Social Security (Students and Miscellaneous Amendments) Regulations 2009 (S.I. 2009/1575), reg. 1(3), **reg. 2(2)(4)(a)**
- F560** Reg. 66A(5)(b) substituted (1.8.2001, 27.8.2001 in so far as not already in force) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2001 (S.I. 2001/2319), regs. 1(1)(b)(c), **3(2)(3)(c)**
- F561** Word in reg. 66A(5)(b) substituted (for specified purposes and, 1.9.2009 in so far as not already in force) by The Social Security (Students and Miscellaneous Amendments) Regulations 2009 (S.I. 2009/1575), reg. 1(3), **reg. 2(3)(4)(a)**

**Modifications etc. (not altering text)**

- C40** Reg. 66A applied (with modifications) (1.9.2006) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Travel Expenses and Remission of Charges) Amendment (No.2) Regulations 2006 (S.I. 2006/2171), regs. 1(1), **2(3)**)
- C41** Reg. 66A applied (with modifications) (18.10.2006) by S.I. 1988/551 (as amended by The National Health Service (Travelling Expenses and Remission of Charges) (Amendment) (No. 2) Regulations 2006 (S.I. 2006/2791), regs. 1(1), **2(3)**)
- C42** Reg. 66A applied (with modifications) (1.7.2008) by W.S.I. 2007/1104 (as amended (W.) by The National Health Service (Travelling Expenses and Remission of Charges) (Wales) (Amendment) Regulations 2008 (S.I. 2008/1480), regs. 1(2), **2(4)**)
- C43** Reg. 66A applied (with modifications) (1.8.2008) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Charges for Drugs and Appliances) and (Travel Expenses and Remission of Charges) Amendment (No.2) Regulations 2008 (S.I. 2008/1697), regs. 1(1), **5(2)**)
- C44** Reg. 66A applied (with modifications) (1.8.2009) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Travel Expenses and Remission of Charges) Amendment Regulations 2009 (S.I. 2009/1599), regs. 1, **2(2)**)
- C45** Reg. 66A applied (with modifications) (28.9.2009) by S.I. 2007/1104 (as amended (W.) by The National Health Service (Travelling Expenses and Remission of Charges) (Wales) (Amendment) (No.3) Regulations 2009 (S.I. 2009/2365), regs. 1(1), **2(2)**)
- C46** Reg. 66A applied (with modifications) (1.8.2010) by S.I. 2003/2382, Sch. 1 Table A (as amended (E.) by The National Health Service (Charges for Drugs and Appliances) and (Travel Expenses and Remission of Charges) Amendment Regulations 2010 (S.I. 2010/1727), regs. 1, **3(3)**)
- C47** Reg. 66A applied (with modifications) (1.8.2013) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Travel Expenses and Remission of Charges) (Amendment) Regulations 2013 (S.I. 2013/1600), regs. 1(2), **2(b)**)
- C48** Reg. 66A applied (with modifications) (14.12.2013) by S.S.I. 2003/460 (as amended (S.) by The National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No. 2) Amendment Regulations 2013 (S.S.I. 2013/327), regs. 1(1), **2(3)**)
- C49** Reg. 66A applied (with modifications) (1.12.2016) by S.I. 2003/2382 (as amended (E.) by The National Health Service (Exemptions from Charges, Payments and Remission of Charges) (Amendment and Transitional Provisions) Regulations 2016 (S.I. 2016/1045), regs. 1(1), **2(4)(b)** (with regs. 5, 6))
- C50** Reg. 66A applied (with modifications) (1.4.2017) by S.S.I. 2003/460 (as amended (S.) by The National Health Service (Payments and Remission of Charges) (Miscellaneous Amendments) (Scotland) Regulations 2017 (S.S.I. 2017/59), regs. 1(1), **3(4)(b)** (with reg. 6))

**[<sup>F562</sup>Treatment of payments from access funds**

**66B.**—(1) This regulation applies to payments from access funds that are not payments to which regulation 68(2) or (3) (income treated as capital) applies.

(2) A payment from access funds, other than a payment to which paragraph (3) of this regulation applies, shall be disregarded as income.

(3) Subject to paragraph (4) of this regulation and paragraph 36 of Schedule 9, any payments from access funds which are intended and used for food, ordinary clothing or footwear<sup>F563</sup> ..., household fuel, rent for which housing benefit is payable [<sup>F564</sup>or any housing costs] to the extent that they are met under regulation 17(1)(e) or 18(1)(f) (housing costs) <sup>F565</sup> ..., of a single claimant or, as the case may be, of [<sup>F566</sup>any other member of his family][<sup>F566</sup>his partner], and any payments from access funds which are used for any council tax or water charges for which that claimant or [<sup>F567</sup>member is liable][<sup>F567</sup>partner is liable] shall be disregarded as income to the extent of £20 per week.

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<sup>F568</sup>(3A) In paragraph (3) “ordinary clothing or footwear” means clothing or footwear for normal daily use, but it does not include—

- (a) school uniforms, or
  - (b) clothing or footwear used solely for sporting activities.]
- (4) Where a payment from access funds is made—
- (a) on or after 1st September or the first day of the course, whichever first occurs, but before receipt of any student loan in respect of that year and that payment is intended for the purpose of bridging the period until receipt of the student loan; or
  - (b) before the first day of the course to a person in anticipation of that person becoming a student,

that payment shall be disregarded as income.]

#### Textual Amendments

- F562** Reg. 66B inserted (for specified purposes and with effect in accordance with reg. 1(b)(i)(ii) of the amending S.I.) by [The Social Security Amendment \(Students and Income-related Benefits\) Regulations 2000 \(S.I. 2000/1922\)](#), regs. 1, **2(6)**
- F563** Words in reg. 66B(3) omitted (2.4.2007) by virtue of [The Social Security \(Miscellaneous Amendments\) Regulations 2007 \(S.I. 2007/719\)](#), regs. 1(2), **2(5)(a)**
- F564** Words in reg. 66B(3) substituted (8.4.2002) by [The Social Security Amendment \(Residential Care and Nursing Homes\) Regulations 2001 \(S.I. 2001/3767\)](#), **Sch. Pt. 1 para. 10(a)**
- F565** Words in reg. 66B(3) omitted (8.4.2002) by virtue of [The Social Security Amendment \(Residential Care and Nursing Homes\) Regulations 2001 \(S.I. 2001/3767\)](#), **Sch. Pt. 1 para. 10(b)**
- F566** Words in reg. 66B(3) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by [The Social Security \(Working Tax Credit and Child Tax Credit\) \(Consequential Amendments\) Regulations 2003 \(S.I. 2003/455\)](#), **Sch. 1 para. 17(a)**
- F567** Words in reg. 66B(3) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by [The Social Security \(Working Tax Credit and Child Tax Credit\) \(Consequential Amendments\) Regulations 2003 \(S.I. 2003/455\)](#), **Sch. 1 para. 17(b)**
- F568** Reg. 66B(3A) inserted (2.4.2007) by [The Social Security \(Miscellaneous Amendments\) Regulations 2007 \(S.I. 2007/719\)](#), regs. 1(2), **2(5)(b)**

#### [<sup>F569</sup>Treatment of fee loans

**66C.** A loan for fees, known as a fee loan or a fee contribution loan, made pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998, section 22 of the Teaching and Higher Education Act 1998 or section 73(f) of the Education (Scotland) Act 1980, shall be disregarded as income.]

#### Textual Amendments

- F569** Reg. 66C inserted (1.8.2006 for specified purposes and, 1.9.2006 in so far as not already in force) by [The Social Security \(Students and Income-related Benefits\) Amendment Regulations 2006 \(S.I. 2006/1752\)](#), regs. 1(2), **4(4)**

#### [<sup>F570</sup>Treatment of special support loans

**66D.** A special support loan within the meaning of regulation 68 of the Education (Student Support) Regulations 2011 is to be disregarded as income.]



#### Textual Amendments

**F570** Reg. 66D inserted (4.8.2016) by The Social Security (Treatment of Postgraduate Master's Degree Loans and Special Support Loans) (Amendment) Regulations 2016 (S.I. 2016/743), regs. 1, **2(5)**

#### Disregard of contribution

**67.** Where the claimant or his partner is a student and<sup>F571</sup>, for the purposes of assessing a contribution to the student's grant <sup>F572</sup>or student loan], the other partner's income has been taken into account, an amount equal to that contribution shall be disregarded for the purposes of assessing that other partner's income.]

#### Textual Amendments

**F571** Words in reg. 67 substituted (8.4.1996) by The Income-related Benefits Schemes (Miscellaneous Amendments) Regulations 1996 (S.I. 1996/462), regs. 1(2), **10(1)(2)(a)**

**F572** Words in reg. 67 inserted (1.8.1999, 30.8.1999 in so far as not already in force) by The Social Security Amendment (Students) Regulations 1999 (S.I. 1999/1935), regs. 1(1)(b), **3(6)**

#### Commencement Information

**I43** Reg. 67 in force at 11.4.1988, see reg. 1

#### <sup>F573</sup>Further disregard of student's income

**67A.** Where any part of a student's income has already been taken into account for the purposes of assessing his entitlement to a grant <sup>F574</sup>, student loan or postgraduate master's degree loan], the amount taken into account shall be disregarded in assessing that student's income.]

#### Textual Amendments

**F573** Reg. 67A inserted (coming into force in accordance with reg. 1(2)(3) of the amending S.I.) by The Social Security (Miscellaneous Amendments) Regulations 1998 (S.I. 1998/563), regs. 1(2), **4(3)(4)(e)**

**F574** Words in reg. 67A substituted (4.8.2016) by The Social Security (Treatment of Postgraduate Master's Degree Loans and Special Support Loans) (Amendment) Regulations 2016 (S.I. 2016/743), regs. 1, **2(6)**

#### Income treated as capital

**68.**—<sup>F575</sup>(1)] Any amount by way of a refund of tax deducted from a student's income shall be treated as capital.

<sup>F575</sup>(2) An amount paid from access funds as a single lump sum shall be treated as capital.

(3) An amount paid from access funds as a single lump sum which is intended and used for an item other than food, ordinary clothing or footwear <sup>F576</sup>..., household fuel, rent for which housing benefit is payable <sup>F577</sup>or any housing costs] to the extent that they are met under regulation 17(1)(e) or 18(1)(f) (housing costs) <sup>F578</sup>..., of a single claimant or, as the case may be, of <sup>F579</sup>any other member of his family][<sup>F579</sup>his partner], or which is used for an item other than any council tax or water charges for which that claimant or <sup>F580</sup>member is liable][<sup>F580</sup>partner is liable] shall be disregarded as capital but only for a period of 52 weeks from the date of the payment.]

*Status: Point in time view as at 01/04/2017.*

*Changes to legislation: There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V. (See end of Document for details)*

[<sup>F581</sup>(4) In paragraph (3) “ordinary clothing or footwear” means clothing or footwear for normal daily use, but it does not include—

- (a) school uniforms, or
- (b) clothing or footwear used solely for sporting activities.]

#### Textual Amendments

- F575** Reg 68 renumbered as reg. 68(1) and reg. 68(2)(3) added (for specified purposes and with effect in accordance with reg. 1(b)(i)(ii) of the amending S.I.) by The Social Security Amendment (Students and Income-related Benefits) Regulations 2000 (S.I. 2000/1922), regs. 1, **2(7)**
- F576** Words in reg. 68(3) omitted (2.4.2007) by virtue of The Social Security (Miscellaneous Amendments) Regulations 2007 (S.I. 2007/719), regs. 1(2), **2(6)(a)**
- F577** Words in reg. 68(3) substituted (8.4.2002) by The Social Security Amendment (Residential Care and Nursing Homes) Regulations 2001 (S.I. 2001/3767), reg. 1, **Sch. Pt. 1 para. 11(a)**
- F578** Words in reg. 68(3) omitted (8.4.2002) by virtue of The Social Security Amendment (Residential Care and Nursing Homes) Regulations 2001 (S.I. 2001/3767), **Sch. Pt. 1 para. 11(b)**
- F579** Words in reg. 68(3) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), Sch. 1 para. 17(a)
- F580** Words in reg. 68(3) substituted (for specified purposes and with effect in accordance with reg. 1(2)-(5) of the amending S.I.) by The Social Security (Working Tax Credit and Child Tax Credit) (Consequential Amendments) Regulations 2003 (S.I. 2003/455), Sch. 1 para. 17(a)
- F581** Reg. 68(4) inserted (2.4.2007) by The Social Security (Miscellaneous Amendments) Regulations 2007 (S.I. 2007/719), regs. 1(2), **2(6)(b)**

#### Commencement Information

- I44** Reg. 68 in force at 11.4.1988, see reg. 1

### Disregard of changes occurring during summer vacation

**69.** In calculating a student's income [<sup>F582</sup>there shall be disregarded] any change in the standard maintenance grant occurring in the recognised summer vacation appropriate to the student's course, if that vacation does not form part of his period of study, from the date on which the change occurred up to the end of that vacation.

#### Textual Amendments

- F582** Words in reg. 69 substituted (29.11.1999) by The Social Security Act 1998 (Commencement No. 12 and Consequential and Transitional Provisions) Order 1999 (S.I. 1999/3178), reg. 3(1)(a), **Sch. 5 para. 7** (with reg. 3(1)(b), Schs. 21-23)

#### Commencement Information

- I45** Reg. 69 in force at 11.4.1988, see reg. 1

**Status:**

Point in time view as at 01/04/2017.

**Changes to legislation:**

There are currently no known outstanding effects for the The Income Support (General) Regulations 1987, PART V.