

SCHEDULE 6

DEDUCTIONS FROM BENEFIT AND DIRECT PAYMENT TO THIRD PARTIES

Water charges

9.—(1) This paragraph applies where the following condition is met.

(2) The condition is that in any assessment period the claimant is in debt for water charges, including any charges for reconnection (“the original debt”).

(3) Where this paragraph applies, but subject to sub-paragraphs (4) and (5), the Secretary of State may, in such cases and circumstances as the Secretary of State may determine, deduct an amount from the claimant’s award in accordance with sub-paragraphs (6) to (8) and pay it to a water undertaker to whom the payment is due or to the person or body authorised to collect water charges for that undertaker.

(4) Before the Secretary of State may commence (or re-commence) making deductions in respect of such a debt, the claimant’s earned income (or in the case of joint claimants their combined earned income) in relation to the previous assessment period must not exceed the work allowance.

(5) The Secretary of State must stop making such deductions if, in relation to the three assessment periods immediately preceding the date on which the next deduction could otherwise be made, the claimant’s earned income (or in the case of joint claimants their combined earned income) equals or exceeds the work allowance.

(6) Where water charges are determined by means of a water meter, the amount to be deducted under this paragraph in relation to any assessment period is to be—

- (a) an amount equal to 5% of the standard allowance towards discharging the original debt; and
- (b) an additional amount which the Secretary of State estimates to be the average monthly cost necessary to meet the claimant’s continuing need for water consumption.

(7) Where water charges are determined otherwise than by means of a water meter, the amount to be deducted in relation to any assessment period under this paragraph is to be—

- (a) the amount referred to in sub-paragraph (6)(a); and
- (b) an additional amount equal to the cost necessary to meet the continuing need for water consumption in that assessment period.

(8) Where the claimant is in debt to two water undertakers—

- (a) only one amount under sub-paragraph (6)(a) or (7)(a) may be deducted;
- (b) a deduction in respect of an original debt for sewerage may only be made after the whole debt in respect of an original debt for water has been paid; and
- (c) deductions in respect of continuing charges for both water and for sewerage may be made at the same time.

(9) In this paragraph “water undertaker” means—

- (a) in relation to any area in England and Wales, a company holding an appointment as a water undertaker or a sewerage undertaker under the Water Industry Act 1991(1); or
- (b) in relation to any area in Scotland, Scottish Water.

(1) 1991 c.56.