NOTICE OF MEETING

BUDGET FULL COUNCIL

Thursday, 2nd March, 2023, 7.30 pm - Panorama Room, Alexandra Palace, Alexandra Palace Way, London N22 7AY (watch the live meeting Here and watch the recording here)

Councillors: Anna Abela, Gina Adamou (Mayor), Charles Adje, Peray Ahmet, Ibrahim Ali, Kaushika Amin, Emily Arkell, Dawn Barnes, Nicola Bartlett, John Bevan, Barbara Blake, Mark Blake, Zena Brabazon, Cathy Brennan, Lester Buxton, Dana Carlin, Luke Cawley-Harrison, Seema Chandwani, Lotte Collett, Pippa Connor, Eldridge Culverwell, Nick da Costa, Lucia das Neves, Julie Davies, Isidoros Diakides, Erdal Dogan, George Dunstall, Sarah Elliott, Scott Emery, Ruth Gordon, Makbule Gunes, Mike Hakata, Holly Harrison-Mullane, Tammy Hymas, Emine Ibrahim, Marsha Isilar-Gosling, Thayahlan Iyngkaran, Sue Jameson, Adam Jogee, Cressida Johnson, Ahmed Mahbub, Mary Mason, Khaled Moyeed, Felicia Opoku, Ajda Ovat, Sheila Peacock, Reg Rice, Alessandra Rossetti, Yvonne Say, Michelle Simmons-Safo, Anne Stennett, Joy Wallace, Elin Weston, Matt White, Sarah Williams and Alexandra Worrell

Quorum: 15

1. FILMING AT MEETINGS

Please note this meeting may be filmed or recorded by the Council for live or subsequent broadcast via the Council's internet site or by anyone attending the meeting using any communication method. Although we ask members of the public recording, filming or reporting on the meeting not to include the public seating areas, members of the public attending the meeting should be aware that we cannot guarantee that they will not be filmed or recorded by others attending the meeting. Members of the public participating in the meeting (e.g. making deputations, asking questions, making oral protests) should be aware that they are likely to be filmed, recorded or reported on. By entering the meeting room and using the public seating area, you are consenting to being filmed and to the possible use of those images and sound recordings.

The Chair of the meeting has the discretion to terminate or suspend filming or recording, if in his or her opinion continuation of the filming, recording or reporting would disrupt or prejudice the proceedings, infringe the rights of any individual, or may lead to the breach of a legal obligation by the Council.

2. TO RECEIVE APOLOGIES FOR ABSENCE

3. TO ASK THE MAYOR TO CONSIDER THE ADMISSION OF ANY LATE ITEMS OF BUSINESS IN ACCORDANCE WITH SECTION 100B OF THE LOCAL GOVERNMENT ACT 1972

4. DECLARATIONS OF INTEREST

A member with a disclosable pecuniary interest or a prejudicial interest in a matter who attends a meeting of the authority at which the matter is considered:

(i) must disclose the interest at the start of the meeting or when the interest becomes apparent, and
(ii) may not participate in any discussion or vote on the matter and must withdraw from the meeting room.

A member who discloses at a meeting a disclosable pecuniary interest which is not registered in the Register of Members' Interests or the subject of a pending notification must notify the Monitoring Officer of the interest within 28 days of the disclosure.

Disclosable pecuniary interests, personal interests and prejudicial interests are defined at Paragraphs 5-7 and Appendix A of the Members' Code of Conduct

5. TO ASK MEMBERS WHETHER THEY NEED TO MAKE A DECLARATION IN ACCORDANCE WITH SECTION 106 OF THE LOCAL GOVERNMENT FINANCE ACT 1992 IN RELATION TO UNPAID COMMUNITY CHARGE OR COUNCIL TAX LIABILITY WHICH IS TWO MONTHS OR MORE OUTSTANDING

6. TO RECEIVE SUCH COMMUNICATIONS AS THE MAYOR MAY LAY BEFORE THE COUNCIL

7. TO RECEIVE THE REPORT OF THE CHIEF EXECUTIVE

8. TO RECEIVE THE REPORT OF THE MONITORING OFFICER AND HEAD OF LEGAL SERVICES

9. REVIEW OF COUNCIL TAX REDUCTION SCHEME ADMINISTRATION FOR 2023/24 (PAGES 1 - 240)

This report sets out details of the review of Haringey's current Council Tax Reduction Scheme (CTRS) 2022/23 and recommends that it continues unchanged for 2023/24

10. TO RECEIVE A REPORT FROM THE STAFFING AND REMUNERATION COMMITTEE (PAGES 241 - 252)

To approve the Pay Policy Statement 2023/24.

11. TO RECEIVE A REPORT FROM THE CORPORATE COMMITTEE (PAGES 253 - 254)

To agree the proposed updated Treasury Management Strategy Statement for 2023-24.

12. TO CONSIDER REQUESTS TO RECEIVE DEPUTATIONS/ PETITIONS AND, IF APPROVED, TO RECEIVE THEM

In accordance with Council Standing Order 2(vi) To hear deputations and receive petitions related to the budget, accepted under rules 11 & 12.

13. 2023/24 BUDGET AND MEDIUM TERM - FINANCIAL STRATEGY 2023/28 (PAGES 255 - 548)

Approval of the final Budget, MTFS and Council Tax for 2023/24 by Full Council in accordance with the Council's Constitution.

Ayshe Simsek, Democratic Services and Scrutiny Manager
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Fiona Alderman
Head of Legal & Governance (Monitoring Officer)
George Meehan House, 294 High Road, Wood Green, N22 8JZ

Wednesday, 22 February 2023

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Agenda Item 9

Report for: Full Council 2nd of March 2023

Title: Review of Council Tax Reduction Scheme Administration for 2023/24

Report authorised by: Jon Warlow, Director of Finance & S151 Officer

Lead Officer: **David Graaff, Head of Service Delivery**

Ward(s) affected: All wards

Report for Key/ Non-Key Decision: Key Decision

1. Describe the issue under consideration

1.1 This report sets out details of the review of Haringey's current Council Tax Reduction Scheme (CTRS) 2022/23 and recommends that it continues unchanged for 2023/24.

1.2 The Council must approve the final scheme by 11th March 2023, even where the scheme remains unchanged, ready for implementation on the 1st April 2023.

2. Cabinet Member Introduction: Cllr Chandwani, Cabinet Member for Customer Service, Welfare and The Public Realm

2.1 Since the decision by the Government to abolish Council Tax Benefit in 2013, we recognise there has been a significant financial burden on many of the lowest income households in Haringey.

2.2 Despite the significant cut to funding from Central Government, Haringey has designed a CTRS scheme which increased the maximum protection to disabled claimants and working age claimants with children to that already given to pensioners. This means that these groups continue to receive the same level of support as they did prior to the abolition of Council Tax Benefit.

2.3 Continuing the protection of these groups by maintaining the current scheme allows the council to provide essential financial support to some of the most vulnerable residents in the borough and contribute to the stated ambition of making Haringey a fairer borough for all to live in.

3. Recommendations

That the Council:

3.1 Notes that an Equalities Impact Assessment (Appendix 2) has been undertaken in relation to the Council Tax Reduction Scheme and that the findings of this EIA

Haringey LONDON

must be taken into account when making a decision regarding the Scheme for 2023/24.

3.2 Agrees to adopt the Council Tax Reduction Scheme 2023/24 as contained in Appendix 1 and therefore retains the same Scheme agreed for 2022/23. This means that from 1st April 2023 there is a means-tested scheme which provides:

I. That pensioners continue to receive support for the payment of Council Tax up to 100%.
II. That working age claimants in receipt of certain disability benefits continue to receive support for the payment of Council Tax up to 100%.
III. That working age claimants with children continue to receive support for the payment for Council Tax up to 100%.
IV. That all other working age claimants continue to receive support for the payment for Council Tax up to 80.2%.

3.3 Authority to be given to the Director of Finance, the Director of Customer, Transformation and Resources and Assistant Director of Corporate and Customer Services to take all appropriate steps to implement and administer the Scheme.

4. Reasons for decision

4.1 The CTRS is a way the Council can redistribute the financial burden on Council Taxpayers and provide additional support to those in financial need.

4.2 The recommendation to retain the current scheme would help to ensure that the already protected claimants will not be further disadvantaged and pays due regard to the challenging financial climate.

4.3 The real reduction in Council resources and service pressures have required the Council to implement significant annual expenditure reductions since 2011. These are forecast to continue for 2023/24 and future years. The affordability to the Council of the CTRS scheme therefore continues to be an important consideration.

4.4 Haringey's scheme is comparable with other London local authorities and its scheme reflects the need to strike a fair balance between protecting the wellbeing of our residents and recognising the challenging financial situation we are in.

4.5 Consideration has been given to revising the current scheme, however a longer period is needed to fully evaluate the impact of the last changes.

4.6 The Council is obliged to consider whether to revise or replace its CTRS each year. However, it is not obliged to revise or replace it. If any revision or replacement is to be made, the Council must follow the consultation process set out in the legislation and the decision must be made by Full Council.

5. Background Information

5.1 Haringey Council has a Council Tax Reduction Scheme to provide support to residents who need help to pay their Council Tax.

5.2 As part of the government's welfare reforms, responsibility for setting Council Tax support was devolved to Local Authorities. Council Tax Benefit was abolished and replaced with locally managed Council Tax Reduction Schemes from 1 April 2013. Nationally, CTRS had 10% less government funding than the previous Council Tax Benefit. There was a mandate to protect pensioners from any changes.

5.3 Haringey's Council Tax Reduction Scheme protected pensioners (as prescribed by Central Government) and those in receipt of certain disability benefits and passed on the funding cuts by giving a maximum level of support of 80.2% to all other claimants.

5.4 Following a consultation process in 2018, the scheme for 2019/20 was amended to increase the maximum level of support from 80.2% to 100% for working age claimants with children and to reflect some national welfare changes. This scheme continued unchanged until 2022/23.

5.5 The scheme was reviewed in 2021 and, following consultation, was amended in 2022/23 to:

- Simplify the claims process by adding a new channel for residents on Universal Credit to claim council tax reduction automatically
- Stabilise entitlement for residents by simplifying what happens when a working age resident's income changes by a small amount during the financial year
- Extend the period for backdating council tax support for working age residents to up to 12 months to allow more time for residents to claim

5.6 The Council must consider whether to revise or replace its CTRS for each financial year but does not actually have to revise or replace it and can choose to make no changes.

5.7 Before making any new scheme, the Council must follow the consultation process set out in the legislation.

5.8 The final decision must be made by Full Council before 11th March 2023, to take effect from 1st April 2023.

5.9 The CTRS reduces the level of council tax which the Council and the GLA collect from Haringey residents. The current cost of CTRS is £33m.

6 Contribution to Strategic Outcomes

6.1 This recommendation links to the Positive Resident Experience; Children and Young People; Adults, Health and Welfare; and the Place and Economy themes of the Corporate Delivery Plan.

6.2 Continuing to extend the maximum level of financial support for households with children will ease the financial burden of families in Haringey and promote better outcomes for children and young people. There are clear links between socio-

economic and health inequalities, and therefore reducing the financial burden on recipients of CTRS will contribute to wider positive life outcomes.

7.0 Statutory Officer Comments

Finance

7.1 Council Tax is the only form of core funding over which the Council has direct control (albeit subject to referenda limits imposed by the government). CTRS has the effect of reducing the level of Council tax collected by the Council and the GLA. The current scheme is costing £33m per annum and, although the Council's medium term financial outlook is challenging, the financial implications of the scheme has been built into the 2023/24 Budget workings.

Procurement

7.2 Strategic Procurement notes the contents of this report. There are no procurement implications.

Legal

7.3 The Head of Legal & Governance Services has been consulted on this report and makes the following comments.

7.4 As set out in section 13A (2) of the Local Government Finance Act 1992, the Council as billing authority must make a localised Council Tax Reduction Scheme in accordance with Schedule 1A to the Act. Each financial year the Council must consider whether to revise its scheme, or to replace it with another scheme. The Council must make any revision to its scheme, or any replacement scheme, no later than 11 March in the financial year preceding that for which the revision or replacement scheme is to have effect.

7.5 This report recommends that Full Council continues the provisions of the Council Tax Reduction Scheme 2022/23 that was agreed at Full Council on 1 March 2022 for the council tax year 2023/24.

7.6 There is no obligation to consult as no changes are being recommended for the 2021/22 scheme. Where changes are proposed, schedule 1A to the 1992 Act prescribes the consultation process. The Council must, in the following order:

a. consult any major precepting authority which has power to issue a precept to it,
b. publish a draft scheme in such manner as it thinks fit, and
c. consult such other persons as it considers are likely to have an interest in the operation of the scheme.

7.7 The Council must ensure that it has due regard to its Public Sector Equality Duty (PSED) under the Equality Act 2010 in considering whether to revise or replace its scheme.

Equalities

7.8 The Council has a public sector equality duty under the Equality Act 2010 to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct that is prohibited by or under the Act.
- Advance equality of opportunity between persons who share a relevant protected characteristic and persons who do not sharer it.
- Foster good relations between persons who share a relevant protected characteristic and persons who do not share it.

7.9 The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/belief, sex, and sexual orientation. The first part of the duty also applies to the protected characteristic of marriage and civil partnership. Although it is not enforced in legislation as a protected characteristic, Haringey treats socioeconomic status as a locally protected characteristic.

7.10 The council is not seeking to change the current scheme or to reduce the maximum entitlement awarded since 2019. This could be expected to have a positive impact on the groups that share protected characteristics.

7.11 The continuation of the existing scheme is likely to have a positive impact on child poverty and persons with a disability. As most CTRS claimants are likely to financially benefit from continuing the scheme it is likely that this would reduce the financial burden on groups in particular need.

7.12 An Equality Impact Assessment (EqIA) is attached as Appendix 2.

8. Use of Appendices

Appendix 1: CTRS
Appendix 2: Equalities Impact Assessment

9. Local Government Access to Information Act 1985

Full Council March 2022: Review of Council Tax Reduction Scheme Administration

Full Council January 2019: Changes to 2019/20 Council Tax Reduction Scheme

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Appendix 1

London Borough of Haringey
Council Tax Reduction Scheme

2023

Introduction

This scheme is based on the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (SI 2012/2886) and incorporates the statutory obligations detailed in the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012 (SI 2012/2885).

Certain elements of the Default Scheme have been removed or amended within this scheme and apply solely to persons who have not reached the qualifying age for state pension credit.

This scheme will be amended to take into account any circumstances subsequently identified, through government statute. This scheme will be treated as having been amended to accommodate any changes the government may make to The Prescribed Requirements. Where references are made to the Prescribed Requirements or Default Scheme, these will relate to the most recently published edition of those documents. Where either is revoked, the last published version(s) will apply.

Features of the scheme

Key changes from the Default Scheme (of which apply to persons who have not reached the qualifying age for state pension credit) are as follows:

- Applicants of working-age will have their Council Tax support assessed against 80.2% of their council tax liability
- Applicants of working age will be treated as having applied for Council Tax support if the Council is informed by the DWP that they have made a successful application for Universal Credit.
- Changes of entitlement of less than £3.25 per week will not be effected until such time as they cumulatively exceed £3.25 per week, in order to provide claimants with certainty.
- Applicants in receipt of certain disability benefits and premiums and applicants responsible for a child(ren) or young person(s) in the same household will receive protection from the above measure. These applicants will have their Council Tax support assessed against 100% of their council tax liability
- A minimum weekly Council Tax Support award of £1 has been introduced
- A capital savings limit of £10,000 has been introduced
- Child benefit and war pensions will be fully disregarded when calculating entitlement for all applicants
- The maximum period for backdating claims shall be 12 months for those of a working age or 3 months for pensioners.
- Any change of circumstance which is advantageous to council tax support entitlement and reported by the applicant outside one month, will take effect from the date on which it is reported

Application, appeals, revisions and superseded decisions

Provisions at Part 3 and Schedule 1 of this scheme set out how applications for a Council Tax Reduction must be made and how appeals are to be made to the authority.

General administration of the scheme

Apart from where statutorily required, advice of any award granted, removed or revised will be by an adjustment to the council tax bill and the bill itself will be the formal notification. Haringey Council reserves the right to include additional notifications.

Any excess award of Council Tax Reduction will be rectified by the amount being recovered by an adjustment to the council tax bill.

Uprating

This scheme proposes that certain figures for working age claimants set out in the scheme may be uprated in line with changes to social security benefit rates for Housing Benefit, as prescribed in the Housing Benefit Regulations 2006 as amended from time to time.

Data sharing, fraud and error

Information provided by applicants will be used by Haringey Council to process applications for Council Tax Reductions. Information may also be shared internally to facilitate the processing of applications.

Information provided by applicants will also be used by Haringey Council for the prevention and detection of fraud and may also be shared with external and internal bodies responsible for auditing or administering public funds for these purposes.

Haringey Council is the data controller for the purposes of the Data Protection Act.

Penalties

Haringey Council has a responsibility to protect taxpayers and the public purse by effectively fighting fraud. The Council takes all forms of fraud seriously and will take action to recover any money that has been claimed based on false information, a failure to provide (disclose) information or a failure to notify a change of circumstances, possession or supply of articles for use in fraud or more generally obtaining services dishonestly. Such action could include a civil penalty and/or prosecution.

Haringey Council is committed to developing a culture of honesty, and zero tolerance to fraud. Individuals can anonymously notify the Council of a potential fraud.

To report all cases of fraud or corruption please call Fraudwatch on Freephone 0500 500 777

Alternatively please contact:

Audit and Risk Management can be contacted at:
Level 7,Alexandra House,
10 Station Road, Wood Green,
London, N22 7TR
Telephone: 020 8489 3768

Email: fraudcall@haringey.gov.uk

London Borough of Haringey
Council Tax Reduction Scheme

This Scheme is based upon the Council Tax Reduction Schemes (Default Scheme) (England) Regulations 2012 (SI 2012/2886).

Application

The Scheme set out below is the reduction scheme for the London Borough of Haringey pursuant to section 13A(2) Local Government Finance Act 1992, approved on 2 March 2023.

These rules may be cited as the Council Tax Reduction Scheme 2023 and come into force on 1 April 2023. These rules are decided by and apply to Haringey Council.

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Part 1
Introduction

Introduction

1

This scheme relates to the financial year beginning with 1st April 2023 and may be cited as the London Borough of Haringey Council Tax Reduction Scheme.

Part 2
Interpretation

Interpretation

2

(1) In this scheme--

"the 1992 Act" means the Local Government Finance Act 1992;

"Abbeyfield Home" means an establishment run by the Abbeyfield Society including all bodies corporate or unincorporated which are affiliated to that society;

"adoption leave" means a period of absence from work on ordinary or additional adoption leave by virtue of section 75A or 75B of the Employment Rights Act 1996;

“adult disability payment” has the meaning given in regulation 2 of the DAWAP Regulations;

"an AFIP" means an armed forces independence payment payable in accordance with an armed and reserve forces compensation scheme established under section 1(2) of the Armed Forces (Pensions and Compensation) Act 2004;

"alternative maximum council tax reduction" means the amount determined in accordance with paragraph 31 and Schedule 4;

"applicable amount" means--

(a) in relation to a pensioner, the amount calculated in accordance with paragraph 25 and Schedule 2, and

(b) in relation to a person who is not a pensioner, the amount calculated in accordance with--

(i) paragraph 26 and Schedule 3; or

(ii) paragraph 28,

as the case may be;

"applicant" means a person who has made an application;

"application" means an application for a reduction under this scheme;

“approved blood scheme” means a scheme established or approved by the Secretary of State, or trust established with funds provided by the Secretary of State, for the purpose of providing compensation in respect of a person having been infected from contaminated blood products;

"assessment period" means--

(a) in relation to pensioners--

(i) in relation to the earnings of a self-employed earner, the period determined in accordance

with paragraph 43 for the purpose of calculating the weekly earnings of the applicant; or

(ii) in relation to any other income, the period determined in accordance with paragraph 40 for the purpose of calculating the weekly income of the applicant;

(b) in relation to persons who are not pensioners, such period as is set out in paragraphs 47 to 49 over which income falls to be calculated;

"attendance allowance" means--

(a) an attendance allowance under Part 3 of the SSCBA;

(b) an increase of disablement pension under section 104 or 105 of that Act;

(c) a payment by virtue of article 14, 15, 16, 43 or 44 of the Personal Injuries (Civilians) Scheme 1983 or any analogous payment; or

(d) any payment based on need for attendance which is paid as part of a war disablement pension;

"the authority" means the London Borough of Haringey by virtue of paragraph 4(6) of Schedule 1A to the 1992 Act;

"basic rate" has the meaning given by the Income Tax Act 2007;

"the benefit Acts" means the SSCBA, the Jobseekers Act 1995, the State Pension Credit Act 2002 and the Welfare Reform Act 2007 and the Pensions Act 2014;

"board and lodging accommodation" means accommodation provided to a person or, if he is a member of a family, to him or any other member of his family, for a charge which is inclusive of the provision of that accommodation and at least some cooked or prepared meals which both are cooked or prepared (by a person other than the person to whom the accommodation is provided or a member of his family) and are consumed in that accommodation or associated premises;

"care home" in England has the meaning given by section 3 of the Care Standards Act 2000 and in Scotland means a care home service within the meaning given by section 2(3) of the Regulation of Care (Scotland) Act 2001 and in Northern Ireland means a nursing home within the meaning of Article 11 of the Health and Personal Social Services (Quality, Improvement and Regulation) (Northern Ire- land) Order 2003 or a residential care home within the meaning of Article 10 of that Order and in Wales means a care home service, within the meaning of Part 1 of the Regulation and Inspection of Social Care (Wales) Act 2016 which is provided wholly or mainly to adults;

"the Caxton Foundation" means the charitable trust of that name established on 28th March 2011 out of funds provided by the Secretary of State for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with its provisions;

"child" means a person under the age of 16;

"child benefit" has the meaning given by section 141 of the SSCBA;

“child disability payment” has the meaning given by regulation 2 of the DACYP Regulations;

"child tax credit" means a child tax credit under section 8 of the Tax Credits Act 2002;

"close relative" means a parent, parent-in-law, son, son-in-law, daughter, daughter-in-law, step-parent, step-son, step-daughter, brother, sister, or if any of the preceding persons is one member of a couple, the other member of that couple;

"concessionary payment" means a payment made under arrangements made by the Secretary of State with the consent of the Treasury which is charged either to the National Insurance Fund or to a Departmental Expenditure Vote to which payments of benefit or tax credits under the benefit Acts or the Tax Credits Act 2002 are charged;

"contributory employment and support allowance" means a contributory allowance under Part 1 of the Welfare Reform Act 2007 as amended by the provisions of Schedule 3, and Part 1 of Schedule

14, to the Welfare Reform Act 2012 that remove references to an income related allowance and a contributory allowance under Part 1 of the Welfare Reform Act 2007 as that Part has effect apart from those provisions;

"council tax benefit" means council tax benefit under Part 7 of the SSCBA;

"couple" has the meaning given by paragraph 4;

“the DACYP Regulations” means the Disability Assistance for Children and Young People (Scotland) Regulations 2021 (SI 2021/174);

“the DAWAP Regulations” means the Disability Assistance for Working Age People (Scotland) Regulations 2022;

"designated office" means the office of the authority designated by it for the receipt of applications--

(a) by notice upon or with a form supplied by it for the purpose of making an application; or

(b) by reference upon or with such a form to some other document available from it and sent by electronic means or otherwise on application and without charge; or

(c) by any combination of the provisions set out in paragraphs (a) and (b);

"disability living allowance" means a disability living allowance under section 71 of the SSCBA;

"earnings" has the meaning given by paragraph 41, 44, 51 or 53 as the case may be;

"the Eileen Trust" means the charitable trust of that name established on 29th March 1993 out of funds provided by the Secretary of State for the benefit of persons eligible for payment in accordance with its provisions;

"electronic communication" has the same meaning as in section 15(1) of the Electronic Communications Act 2000;

"employed earner" is to be construed in accordance with section 2(1)(a) of the SSCBA and also includes a person who is in receipt of a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay or statutory maternity pay;

"the Employment, Skills and Enterprise Scheme" means a scheme under section 17A (schemes for assisting persons to obtain employment: "work for your benefit" schemes etc) of the Jobseekers Act 1995 known by that name and provided pursuant to arrangements made by the Secretary of State that is designed to assist claimants for job-seekers allowance to obtain employment, including self-employment, and which may include for any individual work-related activity (including work experience or job search);

"employment zone" means an area within Great Britain designated for the purposes of section 60 of the Welfare Reform and Pensions Act 1999 and an "employment zone programme" means a programme established for such an area or areas designed to assist claimants for a jobseeker's allowance to obtain sustainable employment;

"enactment" includes an enactment comprised in, or in an instrument made under, an Act of the Scottish Parliament or the National Assembly for Wales;

“the Energy Rebate Scheme 2022” means the scheme to provide financial support in respect of energy bills which was announced in Parliament by the Chancellor of the Exchequer on 3rd February 2022

"extended reduction" means a reduction under this scheme for which a person is eligible under Part 12 (extended reductions);

"extended reduction period" means the period for which a person is in receipt of an extended reduction in accordance with paragraph 89, 96 or 101;

"extended reduction (qualifying contributory benefits)" means a reduction under this scheme for which a person is eligible in accordance with paragraph 88 or 95;

"family" has the meaning given by paragraph 6;

"the Fund" means moneys made available from time to time by the Secretary of State for the benefit of persons eligible for payment in accordance with the provisions of a scheme established by him on 24th April 1992 or, in Scotland, on 10th April 1992;

"Grenfell Tower support payment" means a payment made to a person because that person was affected by the fire on 14th June 2017 at Grenfell Tower, or a payment to the personal representative of such a person—

(a) from the £5 million fund announced on 16th June 2017 for the benefit of certain persons affected by the fire on 14th June at Grenfell Tower and known as the Grenfell Tower Residents' Discretionary Fund;

(b) by the Royal Borough of Kensington and Chelsea; or

(c) by a registered charity;

"guarantee credit" is to be construed in accordance with sections 1 and 2 of the State Pension Credit Act 2002;

"a guaranteed income payment" means a payment made under article 15(1)(c) (injury benefits) or 29(1)(a) (death benefits) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011;

“historical child abuse payment” means a payment made under—

(a) Part 1 of the Historical Institutional Abuse (Northern Ireland) Act 2019;

(b) Part 4 of the Redress for Survivors (Historical Child Abuse in Care) (Scotland) Act 2021;

“the Homes for Ukraine scheme” means the Homes for Ukraine sponsorship scheme which was announced in Parliament by the Secretary of State for Levelling Up, Housing and Communities on 14th March 2022;

"housing benefit" means housing benefit under Part 7 of the SSCBA;

"an income-based jobseeker's allowance" and "a joint-claim jobseeker's allowance" have the meanings given by section 1(4) of the Jobseekers Act 1995;

"income-related employment and support allowance" means an income-related allowance under Part 1 of the Welfare Reform Act 2007;

"independent hospital"--

(a) in England means a hospital as defined by section 275 of the National Health Service Act 2006 that is not a health service hospital as defined by that section;

(b) in Wales has the meaning given by section 2 of the Care Standards Act 2000; and

(c) in Scotland means an independent health care service as defined by section 10F of the National Health Service (Scotland) Act 1978;

"the Independent Living Fund (2006)" means the Trust of that name established by a deed dated 10th April 2006 and made between the Secretary of State for Work and Pensions of the one part and Margaret Rosemary Cooper, Michael Beresford Boyall and Marie Theresa Martin of the other part;

"invalid carriage or other vehicle" means a vehicle propelled by a petrol engine or by electric power supplied for use on the road and to be controlled by the occupant;

"the London Bombings Relief Charitable Fund" means the company limited by guarantee (number 5505072), and registered charity of that name established on 11th July 2005 for the purpose of (amongst other things) relieving sickness, disability or financial need of victims (including families or dependants of victims) of the terrorist attacks carried out in London on 7th July 2005;

“the London Emergencies Trust” means the company of that name (number 09928465) incorporated on 23rd December 2015 and the registered charity of that name (number 1172307) established on

28th March 2017;

"lone parent" means a person who has no partner and who is responsible for and a member of the same household as a child or young person;

"the Macfarlane (Special Payments) Trust" means the trust of that name, established on 29th January 1990 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia;

"the Macfarlane (Special Payments) (No 2) Trust" means the trust of that name, established on 3rd May 1991 partly out of funds provided by the Secretary of State, for the benefit of certain persons suffering from haemophilia and other beneficiaries;

"the Macfarlane Trust" means the charitable trust, established partly out of funds provided by the Secretary of State to the Haemophilia Society, for the relief of poverty or distress among those suffering from haemophilia;

"main phase employment and support allowance" means an employment and support allowance where the calculation of the amount payable in respect of the applicant includes a component under section 2(1)(b) or 4(2)(b) of the Welfare Reform Act 2007 or the applicant is a member of the work-related activity group except in Part 1 of Schedule 3;

"maternity leave" means a period during which a woman is absent from work because she is pregnant or has given birth to a child, and at the end of which she has a right to return to work either un- der the terms of her contract of employment or under Part 8 of the Employment Rights Act 1996;

"maximum council tax reduction amount" means the amount determined in accordance with paragraph 29;

"member of a couple" means a member of a married or unmarried couple;

“member of the work-related activity group” means a person who has or is treated as having limited capability for work under either--

(a) Part 5 of the Employment and Support Allowance Regulations 2008 other than by virtue of regulation 30 of those Regulations; or

(b) Part 4 of the Employment and Support Allowance Regulations 2013 other than by virtue of regulation 26 of those Regulations;

"MFET Limited" means the company limited by guarantee (number 7121661) of that name, established for the purpose in particular of making payments in accordance with arrangements made with the Secretary of State to persons who have acquired HIV as a result of treatment by the NHS with blood or blood products;

"mobility supplement" means--

(a) in relation to pensioners, a supplement to which paragraph 5(1)(a)(vii) of Schedule 5 refers;

(b) in relation to persons who are not pensioners, a supplement to which paragraph 13 of Schedule 8 refers;

"mover" means an applicant who changes the dwelling in which the applicant is resident, and in respect of which the applicant is liable to pay council tax, from a dwelling in the area of the authority to a dwelling in the area of a second authority;

"the National Emergencies Trust" means the registered charity of that name (number 1182809) established on 28th March 2019;

"net earnings" means such earnings as are calculated in accordance with paragraph 42 or 52, as the case may be;

"net profit" means such profit as is calculated in accordance with paragraph 61;

"new dwelling" means, for the purposes of the definition of "second authority" and paragraphs 91, 98 and 103, the dwelling to which an applicant has moved, or is about to move, in which the applicant

will be resident;

"non-dependant" has the meaning given by paragraph 9;

"occasional assistance" means any payment or provision made by a local authority, the Welsh Ministers or the Scottish Ministers for the purposes of--

(a) meeting, or helping to meet an immediate short-term need--

(i) arising out of an exceptional event or exceptional circumstances, and

(ii) that needs to be met to avoid a risk to the well-being of an individual, or

(b) enabling qualifying individuals to establish or maintain a settled home, and--

(i) "local authority" has the meaning given by section 270(1) of the Local Government Act 1972; and

(ii) "qualifying individuals" means individuals who have been, or without the assistance might otherwise be--

(aa) in prison, hospital, an establishment providing residential care or other institution, or

(bb) homeless or otherwise living an unsettled way of life;

and "local authority" means a local authority in England within the meaning of the Local Government Act 1972;

"occupational pension" means any pension or other periodical payment under an occupational pension scheme but does not include any discretionary payment out of a fund established for relieving hardship in particular cases;

"occupational pension scheme" has the same meaning as in section 1 of the Pension Schemes Act 1993;

"parental bereavement leave" means leave under section 80EA of the Employment Rights Act 1996;

"partner", in relation to a person, means--

(a) where that person is a member of a couple, the other member of that couple;

(b) subject to paragraph (c), where that person is polygamously married to two or more members of his household, any such member to whom he is married; or

(c) where that person is polygamously married and has an award of universal credit with the other party to the earliest marriage that still subsists, that other party to the earliest marriage;

"paternity leave" means a period of absence from work on paternity leave by virtue of section 80A or 80B of the Employment Rights Act 1996;

"pension fund holder" means with respect to a personal pension scheme or an occupational pension scheme, the trustees, managers or scheme administrators, as the case may be, of the scheme concerned;

"pensionable age" has the meaning given by the rules in paragraph 1 of Schedule 4 to the Pensions Act 1995;

"pensioner" has the meaning given by paragraph 3(2)(a);

"person on income support" means a person in receipt of income support;

"person treated as not being in Great Britain" has the meaning given by paragraph 21;

"person who is not a pensioner" has the meaning given by paragraph 3(2)(b);

"personal independence payment" has the meaning given by Part 4 of the Welfare Reform Act 2012;

"personal pension scheme" means--

(a) a personal pension scheme as defined by section 1 of the Pension Schemes Act 1993;

(b) an annuity contract or trust scheme approved under section 620 or 621 of the Income and Corporation Taxes Act 1988 or a substituted contract within the meaning of section 622(3) of that Act which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(f) of Schedule 36 to the Finance Act 2004;

(c) a personal pension scheme approved under Chapter 4 of Part 14 of the Income and Corporation Taxes Act 1988 which is treated as having become a registered pension scheme by virtue of paragraph 1(1)(g) of Schedule 36 to the Finance Act 2004;

"policy of life insurance" means any instrument by which the payment of money is assured on death (except death by accident only) or the happening of any contingency dependent on human life, or any instrument evidencing a contract which is subject to payment of premiums for a term dependent on human life;

"polygamous marriage" means any marriage to which paragraph 5 applies;

"qualifying age for state pension credit" means (in accordance with section 1(2)(b) and (6) of the State Pension Credit Act 2002)--

(a) in the case of a woman, pensionable age; or

(b) in the case of a man, the age which is pensionable age in the case of a woman born on the same day as the man;

"qualifying contributory benefit" means--

(a) severe disablement allowance;

(b) incapacity benefit;

(c) contributory employment and support allowance;

"qualifying income-related benefit" means--

(a) income support;

(b) income-based jobseeker's allowance;

(c) income-related employment and support allowance;

"qualifying person" means—

(a) a person in respect of whom a Grenfell Tower support payment, a historical child abuse payment or a Windrush payment has been made or payment has been made from the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Windrush Compensation Scheme, the National Emergencies Trust or the London Bombings Relief Charitable Fund

"reduction week" means a period of seven consecutive days beginning with a Monday and ending with a Sunday;

"relative" means a close relative, grandparent, grandchild, uncle, aunt, nephew or niece;

"relevant week", in relation to any particular day, means the week within which the day in question falls;

"remunerative work" has the meaning given by paragraph 10;

"rent" means "eligible rent" to which regulation 12 of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 refer, less any deductions in respect of non-dependants which fall to be made under paragraph 30 (non-dependant deductions);

"savings credit" is to be construed in accordance with sections 1 and 3 of the State Pension Credit

Act 2002;

“Scottish basic rate” means the rate of income tax of that name calculated in accordance with section 6A of the Income Tax Act 2007;

“the Scottish Infected Blood Support Scheme” means the scheme of that name administered by the Common Services Agency (constituted under section 10 of the National Health Service (Scotland) Act 1978);

“Scottish taxpayer” has the same meaning as in Chapter 2 of Part 4A of the Scotland Act 1998;

"second authority" means the authority to which a mover is liable to make payments for the new dwelling;

"self-employed earner" is to be construed in accordance with section 2(1)(b) of the SSCBA;

“shared parental leave” means leave under section 75E or 75G of the Employment Rights Act 1996;

"single applicant" means an applicant who neither has a partner nor is a lone parent;

"the Skipton Fund" means the ex-gratia payment scheme administered by the Skipton Fund Limited, incorporated on 25th March 2004, for the benefit of certain persons suffering from hepatitis C and other persons eligible for payment in accordance with the scheme's provisions;

"sports award" means an award made by one of the Sports Councils named in section 23(2) of the National Lottery etc Act 1993 out of sums allocated to it for distribution under that section;

"the SSCBA" means the Social Security Contributions and Benefits Act 1992;

"state pension credit" means state pension credit under the State Pension Credit Act 2002;

"statutory parental bereavement pay" means a payment to which a person is entitled in accordance with section 171ZZ6 of the Social Security Contribution and Benefits Act 1992;

"student" has the meaning given by paragraph 73;
"tax year" means a period beginning with 6th April in one year and ending with 5th April in the next;

"training allowance" means an allowance (whether by way of periodical grants or otherwise) payable--

(a) out of public funds by a Government department or by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise, or the Welsh Ministers;

(b) to a person for his maintenance or in respect of a member of his family; and

(c) for the period, or part of the period, during which he is following a course of training or instruction provided by, or in pursuance of arrangements made with, that department or approved by that department in relation to him or so provided or approved by or on behalf of the Secretary of State, Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise or the Welsh Ministers,

but it does not include an allowance paid by any Government department to or in respect of a person by reason of the fact that he is following a course of full-time education, other than under arrangements made under section 2 of the Employment and Training Act 1973, or is training as a teacher;

"the Trusts" (except where the context otherwise requires) means the Macfarlane Trust, the Macfarlane (Special Payments) Trust and the Macfarlane (Special Payments) (No 2) Trust and "Trustees" is to be construed accordingly;

"universal credit" has the meaning given by section 1 of the Welfare Reform Act 2012;

"voluntary organisation" means a body, other than a public or local authority, the activities of which are carried on otherwise than for profit;

"war disablement pension" means any retired pay or pension or allowance payable in respect of disablement under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003;

"war pension" means a war disablement pension, a war widow's pension or a war widower's pension;

"war widow's pension" means any pension or allowance payable to a woman as a widow under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

"war widower's pension" means any pension or allowance payable to a man as a widower or to a surviving civil partner under an instrument specified in section 639(2) of the Income Tax (Earnings and Pensions) Act 2003 in respect of the death or disablement of any person;

"water charges" means--

(a) as respects England and Wales, any water and sewerage charges under Chapter 1 of Part 5 of the Water Industry Act 1991,

(b) as respects Scotland, any water and sewerage charges established by Scottish Water under a charges scheme made under section 29A of the Water Industry (Scotland) Act 2002,

in so far as such charges are in respect of the dwelling which a person occupies as his home;

“the We Love Manchester Emergency Fund” means the registered charity of that name (number 1173260) established on 30th May 2017;

"the Windrush Compensation Scheme" means—

(a) the scheme of that name operated by the Secretary of State for the purpose of compensating individuals who have suffered loss in connection with being unable to demonstrate their lawful status in the United Kingdom; and

(b) the policy entitled "Windrush Scheme: Support in urgent and exceptional circumstances" which was operated by the Secretary of State for the purpose of compensating individuals who, for urgent and exceptional reasons, required support in advance of the scheme referred to in paragraph (a) of this definition becoming operational;

“Windrush payment” means a payment made under the Windrush Compensation Scheme (Expenditure) Act 2020;

"working tax credit" means a working tax credit under section 10 of the Tax Credits Act 2002;

"young person" means a person who falls within the definition of qualifying young person in section 142 of the SSCBA.

(2) In this scheme, where an amount is to be rounded to the nearest penny, a fraction of a penny must be disregarded if it is less than half a penny and must otherwise be treated as a whole penny.

(3) For the purpose of this scheme, a person is on an income-based jobseeker's allowance on any day in respect of which an income-based jobseeker's allowance is payable to him and on any day--

(a) in respect of which he satisfies the conditions for entitlement to an income-based jobseeker's allowance but where the allowance is not paid because of a reduction in accordance with section 19 or 19A or regulations made under section 17A or 19B of the Jobseekers Act 1995 (circumstances in which a jobseeker's allowance is not payable);

(b) which is a waiting day for the purposes of paragraph 4 of Schedule 1 to that Act and which falls immediately before a day in respect of which an income-based jobseeker's allowance is payable to him or would be payable to him but for section 19 or 19A or regulations made under section 17A or 19B of that Act; or

(c) in respect of which an income-based jobseeker's allowance would be payable but for a restriction imposed pursuant to section 6B, 7, 8 or 9 of the Social Security Fraud Act 2001 (loss of benefit provisions).

(4) For the purposes of this scheme, a person is on an income-related employment and support allowance on any day in respect of which an income-related employment and support allowance is payable to him and on any day--

(a) in respect of which he satisfies the conditions for entitlement to an income-related employment and support allowance but where the allowance is not paid in accordance with section 18 of the Welfare Reform Act 2007 (disqualification); or

(b) which is a waiting day for the purposes of paragraph 2 of Schedule 2 to that Act (employment and support allowance: supplementary provisions) and which falls immediately before a day in respect of which an income-related employment and support allowance is payable to him or would be payable to him but for section 18 of that Act.

(5) For the purposes of this scheme, two persons must be taken to be estranged only if their estrangement constitutes a breakdown of the relationship between them.

(6) In this scheme, references to any person in receipt of state pension credit includes a person who would be in receipt of state pension credit but for regulation 13 of the State Pension Credit Regulations 2002 (small amounts of state pension credit).

(7) In this scheme, references to a person in class A, B or C (as the case may be) is a reference to class A, B or C described in paragraphs 13-15 of Part 4.

(8) References in this scheme to an applicant participating as a service user are to-

(a) a person who is being consulted by or on behalf of-

(i) a body which has a statutory duty to provide services in the field of health, social care or social housing; or

(ii) a body which conducts research or undertakes monitoring for the purpose of planning or improving such services,

in their capacity as a user, potential user, carer of a user or person otherwise affected by the provision of those services;

(aa) a person who is being consulted by or on behalf of—

(i) the Secretary of State in relation to any of the Secretary of State's functions in the field of social security or child support or under section 2 of the Employment and Training Act 1973; or

(ii) a body which conducts research or undertakes monitoring for the purpose of planning or improving such functions,

in their capacity as a person affected or potentially affected by the exercise of those functions or the carer of such a person; or

(b) the carer of a person consulted as described in sub-paragraph (a) or (aa) where the carer is not being consulted as described in that sub-paragraph.

Application of scheme: pensioners and persons who are not pensioners

3

(1) This scheme applies to--

(a) pensioners who fall within any of classes A to C; and

(b) persons who are not pensioners who fall within any of classes D to F.

(2) In this scheme--

(a) a person is a "pensioner" if--

(i) he has attained the qualifying age for state pension credit; and

(ii) he is not, and, if he has a partner, his partner is not--

(aa) a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance, or (bb) a person with an award of universal credit; and

(b) a person is a "person who is not a pensioner" if--

(i) he has not attained the qualifying age for state pension credit; or

(ii) he has attained the qualifying age for state pension credit and he, or if he has a partner, his partner, is--

(aa) a person on income support, on an income-based jobseeker's allowance or on an income-related employment and support allowance, or

(bb) a person with an award of universal credit.

(3) For the purposes of sub-paragraphs (a)(ii)(bb) and (b)(ii)(bb) in paragraph (2) an award of universal credit is to be disregarded during the relevant period.

(4) In this paragraph –

"assessment period" has the same meaning as in the Universal Credit Regulations 2013;

"relevant period" means the period beginning with the day on which P and each partner of P has attained the qualifying age for state pension credit and ending with the day on which the last assessment period for universal credit ends.

Meaning of "couple"

4

In this scheme "couple" means--

(a) two people who are married to, or civil partners of, each other and are members of the same household; or

(b) two people who are not married to, or civil partners of, each other but are living together as if they were a married couple or civil partners.

Polygamous marriages

5

(1) This paragraph applies to any case where--

(a) a person is a husband or wife by virtue of a marriage entered into under a law which permits polygamy; and

(b) either party to the marriage has for the time being any spouse additional to the other party.

(2) For the purposes of paragraph 4 (meaning of "couple") neither party to the marriage is to be taken to be a member of a couple.

Meaning of "family"

6

(1) In this scheme "family" means--

(a) a couple;

(b) a couple and a member of the same household for whom one of them is or both are responsible and who is a child or a young person; or

(c) a person who is not a member of a couple and a member of the same household for whom that person is responsible and who is a child or a young person.

(2) The references to a child or young person in sub-paragraph (1)(b) and (c) include a child or young person in respect of whom section 145A of the SSCBA applies for the purposes of entitlement to child benefit, but only for the period prescribed under section 145A(1).

(3) The references to a young person in sub-paragraph (1)(b) and (c) do not include a young person who is--

(a) on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, or has an award of universal credit;

(b) a person to whom section 6 of the Children (Leaving Care) Act 2000 (exclusion from benefits) applies; or

(c) entitled to an award of universal credit.

Circumstances in which a person is to be treated as responsible or not responsible for another

7

(1) A person is to be treated as responsible for a child or young person who is normally living with him, including a child or young person to whom paragraph 6(2) applies.

(2) Where a child or young person spends equal amounts of time in different households, or where there is a question as to which household he is living in, the child or young person must be treated for the purposes of sub-paragraph (1) as normally living with--

(a) the person who is receiving child benefit in respect of that child or young person, or

(b) if there is no such person--

(i) where only one claim for child benefit has been made in respect of him, the person who made that claim, or

(ii) in any other case the person who has the primary responsibility for him.

(3) For the purposes of this scheme a child or young person is the responsibility of only one person in any reduction week and any person other than the one treated as responsible for the child or young person under this paragraph is to be treated as not so responsible.

Households

8

(1) Subject to sub-paragraphs (2) and (3), an applicant and any partner and, where the applicant or his partner is treated (by virtue of paragraph 7) as responsible for a child or young person, that child or young person and any child of that child or young person, are to be treated as members of the same household notwithstanding that any of them is temporarily absent from that household.

(2) A child or young person is not be treated as a member of the applicant's household where he is--

(a) placed with the applicant or his partner by a local authority under section 22C of the Children Act 1989 or by a voluntary organisation under section 59(1)(a) of that Act, or section 81(2) of the Social Services and Well-being (Wales) Act 2014 (ways in which looked after children are to be accommodated and maintained), or in Scotland boarded out or placed with the applicant or his partner under a relevant enactment or in Wales placed with the applicant or the applicant's partner by a local authority under section 81 of the Social Services and Well-being (Wales) Act 2014 or by a voluntary organisation under section 59(1)(a) of the Children Act 1989; or

(b) placed, or in Scotland boarded out, with the applicant or his partner prior to adoption; or

(c) placed for adoption with the applicant or his partner in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009 or the Adoption (Northern Ire- land) Order 1987.

(3) Subject to sub-paragraph (4), sub-paragraph (1) does not apply to a child or young person who is not living with the applicant and who--

(a) is being looked after by, or in Scotland is in the care of, a local authority under a relevant enactment; or

(b) has been placed, or in Scotland boarded out, with a person other than the applicant prior to adoption; or

(c) has been placed for adoption in accordance with the Adoption and Children Act 2002 or the Adoption Agencies (Scotland) Regulations 2009.

(4) The authority must treat a child or young person to whom sub-paragraph (3)(a) applies as being a member of the applicant's household in any reduction week where--

(a) that child or young person lives with the applicant for part or all of that reduction week; and

(b) the authority considers that it is reasonable to do so taking into account the nature and frequency of that child's or young person's visits.

(5) In this paragraph "relevant enactment" means--

(a) the Army Act 1955;

(b) the Air Force Act 1955;

(c) the Naval Discipline Act 1957;

(d) the Matrimonial Proceedings (Children) Act 1958;

(e) the Social Work (Scotland) Act 1968;

(f) the Family Law Reform Act 1969;

(g) the Children and Young Persons Act 1969;

(h) the Matrimonial Causes Act 1973;

(i) the Children Act 1975;

(j) the Domestic Proceedings and Magistrates' Courts Act 1978;

(k) the Adoption and Children (Scotland) Act 2007;

(l) the Family Law Act 1986;

(m) the Children Act 1989;

(n) the Children (Scotland) Act 1995;

(na) the Children's Hearings (Scotland) Act 2011; and

(o) the Legal Aid, Sentencing and Punishment of Offenders Act 2012.

Non-dependants

9

(1) In this scheme, "non-dependant" means any person, except someone to whom sub-paragraph (2) applies, who normally resides with an applicant or with whom an applicant normally resides.

(2) This paragraph applies to--

(a) any member of the applicant's family;

(b) if the applicant is polygamously married--

(i) where the applicant has (alone or jointly with his partner) an award of universal credit, any--

(aa) party to such a marriage other than the applicant's partner; and

(bb) any child or young person who is a member of his household and for whom he or his partner or another party to the polygamous marriage is responsible; or

(ii) in any other case, any partner of his and any child or young person who is a member of his household and for whom he or one of his partners is responsible;

(c) a child or young person who is living with the applicant but who is not a member of his household by virtue of paragraph 8 (households);

(d) subject to sub-paragraph (3), any person who, with the applicant, is jointly and severally liable to pay council tax in respect of a dwelling for any day under section 6 or 7 of the 1992 Act (persons liable to pay council tax);

(e) subject to sub-paragraph (3), any person who is liable to make payments on a commercial basis to the applicant or the applicant's partner in respect of the occupation of the dwelling;

(f) a person who lives with the applicant in order to care for him or a partner of his and who is engaged by a charitable or voluntary organisation which makes a charge to the applicant or his partner for the services provided by that person.

(3) Excepting persons to whom sub-paragraph (2)(a) to (c) and (f) refer, a person to whom any of the following paragraphs applies is a non-dependant--

(a) a person who resides with the person to whom he is liable to make payments in respect of the dwelling and either--

(i) that person is a close relative of his or his partner; or

(ii) the tenancy or other agreement between them is other than on a commercial basis;

(b) a person whose liability to make payments in respect of the dwelling appears to the authority to have been created to take advantage of a council tax reduction scheme except someone who was, for any period within the eight weeks prior to the creation of the agreement giving rise to the liability to make such payments, otherwise liable to make payments of rent in respect of the same

dwelling;

(c) a person who becomes jointly and severally liable with the applicant for council tax in respect of a dwelling and who was, at any time during the period of eight weeks prior to his becoming soliable, a non-dependant of one or more of the other residents in that dwelling who are so liable for the tax, unless the change giving rise to the new liability was not made to take advantage of a council tax reduction scheme.

Remunerative work

10

(1) Subject to the following provisions of this paragraph, a person must be treated for the purposes of this scheme as engaged in remunerative work if he is engaged, or, where his hours of work fluctuate, he is engaged on average, for not less than 16 hours a week, in work for which payment is made or which is done in expectation of payment.

(2) Subject to sub-paragraph (3), in determining the number of hours for which a person is engaged in work where his hours of work fluctuate, regard must be had to the average of hours worked over--

(a) if there is a recognisable cycle of work, the period of one complete cycle (including, where the cycle involves periods in which the person does no work, those periods but disregarding any other absences);

(b) in any other case, the period of 5 weeks immediately prior to the date of application, or such other length of time as may, in the particular case, enable the person's weekly average hours of work to be determined more accurately.

(3) Where, for the purposes of sub-paragraph (2)(a), a person's recognisable cycle of work at a school, other educational establishment or other place of employment is one year and includes periods of school holidays or similar vacations during which he does not work, those periods and any other periods not forming part of such holidays or vacations during which he is not required to work must be disregarded in establishing the average hours for which he is engaged in work.

(4) Where no recognisable cycle has been established in respect of a person's work, regard must be had to the number of hours or, where those hours will fluctuate, the average of the hours, which he is expected to work in a week.

(5) A person must be treated as engaged in remunerative work during any period for which he is absent from work referred to in sub-paragraph (1) if the absence is either without good cause or by reason of a recognised, customary or other holiday.

(6) A person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance for more than 3 days in any reduction week is to be treated as not being in remunerative work in that week.

(7) A person must not be treated as engaged in remunerative work on any day on which the person is on maternity leave, paternity leave, shared parental leave, parental bereavement leave or adoption leave, or is absent from work because he is ill.

(8) A person must not be treated as engaged in remunerative work on any day on which he is engaged in an activity in respect of which--

(a) a sports award has been made, or is to be made, to him; and

(b) no other payment is made or is expected to be made to him.

Part 3
Procedural Matters

Procedure for reduction applications and appeals against reduction decisions

11

Schedule 1 contains provisions about the procedure--

(a) by which a person may apply for a reduction under this scheme;

(b) by which a person may make an appeal against certain decisions of the authority;

(c) by which a person can apply to the authority for a reduction under section 13A(1)(c) of the 1992 Act.

Part 4
Classes of Person Entitled to a Reduction Under this Scheme

Classes of person entitled to a reduction under this scheme

12

(1) The classes of person described in paragraphs 13 to 18 are entitled to a reduction under this scheme.

(2) In those paragraphs, references to the applicant's income or capital include, in a case where that income or capital cannot accurately be determined, references to the applicant's estimated income or capital.

(2A) In determining a person's entitlement to a reduction under the scheme, any payment made under the Energy Rebate Scheme 2022 is to be disregarded.

(2B) In determining a person's entitlement to a reduction under the scheme, any payment made in connection with the Homes for Ukraine scheme is to be disregarded.

Class A: pensioners whose income is no greater than the applicable amount

13

On any day class A consists of any person who is a pensioner--

(a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;

(b) who, subject to paragraph 19 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;

(c) in respect of whom a maximum council tax reduction amount can be calculated;

(d) who does not fall within a class of person not entitled to a reduction under this scheme;

(e) whose income (if any) for the relevant week does not exceed his applicable amount, and

(f) who has made an application.

Class B: pensioners whose income is greater than the applicable amount

14

On any day class B consists of any person who is a pensioner--

(a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;

(b) who, subject to paragraph 19 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;

(c) in respect of whom a maximum council tax reduction amount can be calculated;

(d) who does not fall within a class of person not entitled to a reduction under this scheme;

(e) whose income for the relevant week is greater than his applicable amount;

(f) in respect of whom amount A exceeds amount B where--

(i) amount A is the maximum council tax reduction in respect of the day in the applicant's case; and

(ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount, and

(g) who has made an application.

Class C: alternative maximum council tax reduction--pensioners

15

(1) On any day class C consists of any person who is a pensioner--

(a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;

(b) who, subject to paragraph 19 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;

(c) in respect of whom a maximum council tax reduction amount can be calculated;

(d) who does not fall within a class of person not entitled to a reduction under this scheme;

(e) who has made an application; and

(f) in relation to whom the condition in sub-paragraph (2) is met.

(2) The condition referred to in sub-paragraph (1)(f) is that no other resident of the dwelling is liable to pay rent to the applicant in respect of the dwelling and there is an alternative maximum council tax reduction in respect of the day in the case of that person which is derived from the income, or aggregate incomes, of one or more residents to whom this sub-paragraph applies.

(3) Sub-paragraph (2) applies to any other resident of the dwelling who--

(a) is not a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount;

(b) is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the 1992 Act (spouse's or civil partner's joint and several liability for tax);

(c) is not a person who is residing with a couple or with the members of a polygamous marriage where the applicant is a member of that couple or of that marriage and--

(i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act (persons disregarded for the purposes of discount), falls to be disregarded for the purposes of discount; or

(ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;

(d) is not a person who jointly with the applicant falls within the same paragraph of section 6(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant; or

(e) is not a person who is residing with two or more persons both or all of whom fall within the same paragraph of section 6(2)(a) to (e) of the 1992 Act where two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

Class D: persons who are not pensioners whose income is less than the applicable amount

16

On any day class D consists of any person who is not a pensioner--

(a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;

(b) who, subject to paragraph 19 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;

(c) in respect of whom a maximum council tax reduction amount can be calculated;

(d) who does not fall within a class of person not entitled to a reduction under this scheme;

(e) whose income (if any) for the relevant week is less than his applicable amount, and

(f) who has made an application.

(g) any such person identified in 16(a), 16(b), 16(c), 16 (d), 16 (e) and 16(f) shall not be entitled to a council tax reduction if, once calculated, their award would have been less than £1 per week.

Class E: persons who are not pensioners whose income is greater than the applicable amount

17

On any day class E consists of any person who is not a pensioner--

(a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;

(b) who, subject to paragraph 19 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;

(c) in respect of whom a maximum council tax reduction amount can be calculated;

(d) who does not fall within a class of person not entitled to a reduction under this scheme;

(e) whose income for the relevant week is greater than his applicable amount;

(f) in respect of whom amount A exceeds amount B where--

(i) amount A is the maximum council tax reduction in his case; and

(ii) amount B is 2 6/7 per cent of the difference between his income for the relevant week and his applicable amount, and

(g) who has made an application.

(h) any such person identified in 17(a), 17(b), 17(c), 17 (d), 17 (e), 17(f) and 17(g) shall not be entitled to a council tax reduction if, once calculated, their award would have been less than £1 per week

Class F: alternative maximum council tax reduction--persons who are not pensioners

18

(1) On any day class F consists of any person who is not a pensioner--

(a) who is for that day liable to pay council tax in respect of a dwelling of which he is a resident;

(b) who, subject to paragraph 19 (periods of absence from a dwelling), is not absent from the dwelling throughout the day;

(c) in respect of whom a maximum council tax reduction amount can be calculated;

(d) who does not fall within a class of person not entitled to a reduction under this scheme;

(e) who has made an application; and

(f) in relation to whom the condition in sub-paragraph (2) is met.

(2) The condition referred to in sub-paragraph (1)(f) is that no other resident of the dwelling is liable to pay rent to the person in question in respect of the dwelling and there is an alternative maximum council tax reduction in respect of the day in the case of that person which is derived from the income, or aggregate incomes, of one or more residents to whom this sub-paragraph applies.

(3) Sub-paragraph (2) applies to any other resident of the dwelling who--

(a) is not a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; and

(b) is not a person who is liable for council tax solely in consequence of the provisions of section 9 of the 1992 Act (spouse's or civil partner's joint and several liability for tax);

(c) is not a person who is residing with a couple or with the members of a polygamous marriage where the applicant for the reduction is a member of that couple or of that marriage and--

(i) in the case of a couple, neither member of that couple is a person who, in accordance with Schedule 1 to the 1992 Act, falls to be disregarded for the purposes of discount; or

(ii) in the case of a polygamous marriage, two or more members of that marriage are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount;

(d) is not a person who jointly with the applicant for reduction falls within the same paragraph of section 6(2)(a) to (e) of the 1992 Act (persons liable to pay council tax) as applies in the case of the applicant; or

(e) is not a person who is residing with two or more persons both or all of whom fall within the same paragraph of section 6(2)(a) to (e) of the 1992 Act where two or more of those persons are not persons who, in accordance with Schedule 1 to the 1992 Act, fall to be disregarded for the purposes of discount.

Periods of absence from a dwelling: pensioners

19

(1) A person is not absent from a dwelling in relation to any day which falls within a period of temporary absence from that dwelling.

(2) In sub-paragraph (1), a "period of temporary absence" means--

(a) a period of absence not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation in Great Britain where and for so long as--

(i) the person resides in that accommodation;

(ii) the part of the dwelling in which he usually resided is not let or sub-let; and

(iii) that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,

where he has entered the accommodation for the purpose of ascertaining whether it suits his needs and with the intention of returning to the dwelling if it proves not to suit his needs;

(b) subject to sub-paragraph (2B), a period of absence within Great Britain not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as--

(i) the person intends to return to the dwelling;

(ii) the part of the dwelling in which he usually resided is not let or sub-let; and

(iii) that period is unlikely to exceed 13 weeks;

(c) subject to sub-paragraph (2D), a period of absence within Great Britain not exceeding 52 weeks, beginning with the first whole day of that absence, where and for so long as--

(i) the person intends to return to the dwelling;

(ii) the part of the dwelling in which he usually resided is not let or sub-let;

(iii) the person is a person to whom sub-paragraph (3) applies; and

(iv) the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period; and

(d) subject to sub-paragraphs (2F), (3C), (3E) and (3G) and where sub-paragraph (2E) applies, a period of absence outside Great Britain not exceeding 4 weeks, beginning with the first day of that absence from Great Britain where and for so long as—

(i) the person intends to return to the dwelling;

(ii) the part of the dwelling in which he usually resides is not let or sub-let; and

(iii) the period of absence from Great Britain is unlikely to exceed 4 weeks.

(2A) The period of 13 weeks referred to in sub-paragraph (2)(b) shall run or continue to run during any period of absence from Great Britain.

(2B) Where—

(a) a person returns to Great Britain after a period of absence from Great Britain (period A);

(b) that person has been absent from the dwelling, including any absence within Great Britain, for less than 13 weeks beginning with the first day of absence from that dwelling; and

(c) at the outset of, or during, period A, period A ceased to be treated as a period of temporary absence,

then any day that follows period A and precedes the person's return to the dwelling, shall not be treated as a period of temporary absence under sub-paragraph (2)(b).

(2C) The period of 52 weeks referred to in sub-paragraph (2)(c) shall run or continue to run during any period of absence from Great Britain.

(2D) Where—

(a) a person returns to Great Britain after a period of absence from Great Britain (period A);

(b) that person has been absent from the dwelling, including any absence within Great Britain, for less than 52 weeks beginning with the first day of absence from that dwelling; and

(c) at the outset of, or during, period A, period A ceased to be treated as a period of temporary absence,

then, any day that follows period A and precedes the person's return to the dwelling, shall not be treated as a period of temporary absence under sub-paragraph (2)(c).

(2E) This sub-paragraph applies where—

(a) a person is temporarily absent from Great Britain;

(b) immediately before that period of absence from Great Britain, the person was not absent from the dwelling.

(2F) If the temporary absence referred to in sub-paragraph (2)(d) is in connection with the death of—

(a) the person's partner or a child or young person for whom the person or the person's partner is responsible;

(b) the person's close relative;

(c) the close relative of the person's partner; or

(d) the close relative of a child or young person for whom the person or the person's partner is responsible,

then the period of 4 weeks in the opening words of sub-paragraph (2)(d) may be extended by up to 4 further weeks if the relevant authority considers it unreasonable to expect the person to return to Great Britain within the first 4 weeks (and the reference in sub-paragraph (iii) of that paragraph to a period of 4 weeks shall, where the period is extended, be taken as referring to the period as so extended).

(3) This sub-paragraph applies to a person who--

(a) is a person to whom sub-paragraph (3A) applies;

(b) is resident in a hospital or similar institution as a patient;

(c) is undergoing, or whose partner or dependent child is undergoing medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;

(d) is following a training course;

(e) is undertaking medically approved care of a person;

(f) is undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care or medical treatment;

(g) is receiving medically approved care provided in accommodation other than residential accommodation;

(h) is a student;

(i) is receiving care provided in residential accommodation and is not a person to whom sub-paragraph (2)(a) applies; or

(j) has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.

(3A) This sub-paragraph applies to a person (“P”) who is—

(a) detained in custody on remand pending trial;

(b) detained pending sentence upon conviction; or

(c) as a condition of bail required to reside—

(i) in a dwelling, other than a dwelling P occupies as P's home; or

(ii) in premises approved under section 13 of the Offender Management Act 2007,

and who is not also detained in custody following sentence upon conviction.

(3B) This sub-paragraph applies where—

(a) a person is temporarily absent from Great Britain;

(b) the person is a member of Her Majesty's forces posted overseas, a mariner or a continental shelf worker;

(c) immediately before that period of absence from Great Britain, the person was not absent from the dwelling.

(3C) Where sub-paragraph (3B) applies, a period of absence from Great Britain not exceeding 26 weeks, beginning with the first day of absence from Great Britain, shall be treated as a period of temporary absence where and for so long as—

(a) the person intends to return to the dwelling;

(b) the part of the dwelling in which he usually resided is not let or sub-let;

(c) the period of absence from Great Britain is unlikely to exceed 26 weeks.

(3D) This sub-paragraph applies where—

(a) a person is temporarily absent from Great Britain;

(b) the person is a person described in any of paragraphs (b), (c), (g) or (j) of sub-paragraph (3);

(c) immediately before that period of absence from Great Britain, the person was not absent from the dwelling.

(3E) Where sub-paragraph (3D) applies, a period of absence from Great Britain not exceeding 26 weeks, beginning with the first day of absence from Great Britain, shall be treated as a period of temporary absence where and for so long as—

(a) the person intends to return to the dwelling;

(b) the part of the dwelling in which he usually resided is not let or sub-let;

(c) the period of absence is unlikely to exceed 26 weeks, or in exceptional circumstances, is unlikely substantially to exceed that period.

(3F) This sub-paragraph applies where—

(a) a person is temporarily absent from Great Britain;

(b) the person is a person described in any of paragraphs (a), (d), (e), (f), (h) or (i) of sub-paragraph (3);

(c) immediately before that period of absence from Great Britain, the person was not absent from the dwelling.

(3G) Where sub-paragraph (3F) applies, a period of absence from Great Britain not exceeding 4 weeks, beginning with the first day of absence from Great Britain, shall be treated as a period of temporary absence where and for so long as—

(a) the person intends to return to the dwelling;

(b) the part of the dwelling in which he usually resided is not let or sub-let;

(c) the period of absence is unlikely to exceed 4 weeks, or in exceptional circumstances, is unlikely substantially to exceed that period.

(4) This sub-paragraph applies to a person who is--

(a) detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983, or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995 or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986); and

(b) on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952 or the Prisons (Scotland) Act 1989.

(5) Where sub-paragraph (4) applies to a person, then, for any day when he is on temporary release--

(a) if such temporary release was immediately preceded by a period of temporary absence under sub-paragraph (2)(b) or (c), he must be treated, for the purposes of sub-paragraph (1), as if he continues to be absent from the dwelling, despite any return to the dwelling;

(b) for the purposes of sub-paragraph (3)(a), he must be treated as if he remains in detention;

(c) if he does not fall within paragraph (a), he is not to be considered to be a person who is liable to pay council tax in respect of a dwelling of which he is a resident.

(6) In this paragraph—

“continental shelf worker” means a person who is employed, whether under a contract of service or not, in a designated area or a prescribed area in connection with any of the activities mentioned in section 11(2) of the Petroleum Act 1998;

“designated area” means any area which may from time to time be designated by Order in Council under the Continental Shelf Act 1964 as an area within which the rights of the United Kingdom with respect to the seabed and subsoil and their natural resources may be exercised;

“mariner” means a person who is employed under a contract of service either as a master or member of the crew of any ship or vessel, or in any other capacity on board any ship or vessel, where—

(a) the employment in that capacity is for the purposes of that ship or vessel or its crew or any passengers or cargo or mails carried by the ship or vessel; and

(b) the contract is entered into in the United Kingdom with a view to its performance (in whole or in part) while the ship or vessel is on its voyage;

"medically approved" means certified by a medical practitioner;

“member of Her Majesty's forces posted overseas” means a person who is a member of the regular forces or the reserve forces (within the meaning of section 374 of the Armed Forces Act 2006), who is absent from the main dwelling because the person has been posted outside of Great Britain to perform the duties of a member of Her Majesty's regular forces or reserve forces;

"patient" means a person who is undergoing medical or other treatment as an in-patient in any hospital or similar institution;

“prescribed area” means any area over which Norway or any member State (other than the United Kingdom) exercises sovereign rights for the purpose of exploring the seabed and subsoil and ex-

ploiting their natural resources, being an area outside the territorial seas of Norway or such member State, or any other area which is from time to time specified under section 10(8) of the Petroleum Act 1998;

"residential accommodation" means accommodation which is provided in--

(a) a care home;

(b) an independent hospital;

(c) an Abbeyfield Home; or

(d) an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services authority;

"training course" means a course of training or instruction provided wholly or partly by or on behalf of or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

Periods of absence from a dwelling: persons who are not pensioners

19A

(1) A person is not absent from a dwelling in relation to any day which falls within a period of temporary absence from that dwelling.

(2) In sub-paragraph (1), a "period of temporary absence" means--

(a) a period of absence not exceeding 13 weeks, beginning with the first whole day on which a person resides in residential accommodation where and for so long as--

(i) the person resides in that accommodation;

(ii) the part of the dwelling in which he usually resided is not let or sub-let; and

(iii) that period of absence does not form part of a longer period of absence from the dwelling of more than 52 weeks,

where he has entered the accommodation for the purpose of ascertaining whether it suits his needs and with the intention of returning to the dwelling if it proves not to suit his needs;

(b) a period of absence not exceeding 13 weeks, beginning with the first whole day of absence from the dwelling, where and for so long as--

(i) the person intends to return to the dwelling;

(ii) the part of the dwelling in which he usually resided is not let or sub-let; and

(iii) that period is unlikely to exceed 13 weeks; and

(c) a period of absence not exceeding 52 weeks, beginning with the first whole day of that absence, where and for so long as--

(i) the person intends to return to the dwelling;

(ii) the part of the dwelling in which he usually resided is not let or sub-let;

(iii) the person is a person to whom sub-paragraph (3) applies; and

(iv) the period of absence is unlikely to exceed 52 weeks or, in exceptional circumstances, is unlikely substantially to exceed that period.

(3) This sub-paragraph applies to a person who--

(a) is detained in custody on remand pending trial or required, as a condition of bail, to reside--

(i) in a dwelling, other than the dwelling referred to in sub-paragraph (1), or

(ii) in premises approved under section 13 of the Offender Management Act 2007,

or is detained in custody pending sentence upon conviction;

(b) is resident in a hospital or similar institution as a patient;

(c) is undergoing, or whose partner or dependent child is undergoing, in the United Kingdom or elsewhere, medical treatment, or medically approved convalescence, in accommodation other than residential accommodation;

(d) is following, in the United Kingdom or elsewhere, a training course;

(e) is undertaking medically approved care of a person residing in the United Kingdom or elsewhere;

(f) is undertaking the care of a child whose parent or guardian is temporarily absent from the dwelling normally occupied by that parent or guardian for the purpose of receiving medically approved care or medical treatment;

(g) is, in the United Kingdom or elsewhere, receiving medically approved care provided in accommodation other than residential accommodation;

(h) is a student;

(i) is receiving care provided in residential accommodation and is not a person to whom sub-paragraph (2)(a) applies; or

(j) has left the dwelling he resides in through fear of violence, in that dwelling, or by a person who was formerly a member of the family of the person first mentioned.

(4) This sub-paragraph applies to a person who is--

(a) detained in custody pending sentence upon conviction or under a sentence imposed by a court (other than a person who is detained in hospital under the provisions of the Mental Health Act 1983, or, in Scotland, under the provisions of the Mental Health (Care and Treatment) (Scotland) Act 2003 or the Criminal Procedure (Scotland) Act 1995 or, in Northern Ireland, under Article 4 or 12 of the Mental Health (Northern Ireland) Order 1986); and

(b) on temporary release from detention in accordance with Rules made under the provisions of the Prison Act 1952 or the Prisons (Scotland) Act 1989.

(5) Where sub-paragraph (4) applies to a person, then, for any day when he is on temporary release--

(a) if such temporary release was immediately preceded by a period of temporary absence under sub-paragraph (2)(b) or (c), he must be treated, for the purposes of sub-paragraph (1), as if he continues to be absent from the dwelling, despite any return to the dwelling;

(b) for the purposes of sub-paragraph (3)(a), he must be treated as if he remains in detention;

(c) if he does not fall within paragraph (a), he is not to be considered to be a person who is liable to pay council tax in respect of a dwelling of which he is a resident.

(6) In this paragraph--

"medically approved" means certified by a medical practitioner;

"patient" means a person who is undergoing medical or other treatment as an in-patient in any hospital or similar institution;

"residential accommodation" means accommodation which is provided in--

(a) a care home;

(b) an independent hospital;

(c) an Abbeyfield Home; or

(d) an establishment managed or provided by a body incorporated by Royal Charter or constituted by Act of Parliament other than a local social services authority;

"training course" means a course of training or instruction provided wholly or partly by or on behalf of or in pursuance of arrangements made with, or approved by or on behalf of, Skills Development Scotland, Scottish Enterprise, Highlands and Islands Enterprise, a government department or the Secretary of State.

Transitional provision

19 B

(1) Subject to paragraph (2), paragraph 19 shall not apply in respect of a person who is temporarily absent from Great Britain on 1st April 2017 until the day that person returns to Great Britain.

(2) Paragraph (1) does not apply to a person who, on 1st April 2017, is temporarily absent from Great Britain and is—

(a) a member of Her Majesty's forces posted overseas;

(b) absent in the capacity of a continental shelf worker; or

(c) absent in the capacity of a mariner.

(3) In this regulation—

“continental shelf worker” means a person who is employed, whether under a contract of service or not, in a designated area or a prescribed area in connection with any of the activities mentioned in section 11(2) of the Petroleum Act 1998;

“designated area” means any area which may from time to time be designated by Order in Council under the Continental Shelf Act 1964 as an area within which the rights of the United Kingdom with respect to the seabed and subsoil and their natural resources may be exercised;

“mariner” means a person who is employed under a contract of service either as a master or member of the crew of any ship or vessel, or in any other capacity on board any ship or vessel, where—

(a) the employment in that capacity is for the purposes of that ship or vessel or its crew or any passengers or cargo or mails carried by the ship or vessel; and

(b) the contract is entered into in the United Kingdom with a view to its performance (in whole or in part) while the ship or vessel is on its voyage;

“member of Her Majesty's forces posted overseas” means a person who is a member of the regular forces or the reserve forces (within the meaning of section 374 of the Armed Forces Act 2006), who is absent from the dwelling that the person normally occupies as his home because the person has been posted outside of Great Britain to perform the duties of a member of Her Majesty's regular forces or reserve forces; and

“prescribed area” means any area over which Norway or any member State (other than the United Kingdom) exercises sovereign rights for the purpose of exploring the seabed and subsoil

and exploiting their natural resources, being an area outside the territorial seas of Norway or such member State, or any other area which is from time to time specified under section 10(8) of the Petroleum Act 1998.

Part 5
Classes of Person Excluded from this Scheme

Classes of person excluded from this scheme

20

The classes of person described in paragraphs 21 to 24 are not entitled to a reduction under this scheme.

Class of person excluded from this scheme: persons treated as not being in Great Britain

21

(1) The class of person described in this paragraph consists of any person treated as not being in Great Britain.

(2) Except where a person falls within sub-paragraph (5) or (6), a person is to be treated as not being in Great Britain if the person is not habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland.

(3) A person must not be treated as habitually resident in the United Kingdom, the Channel Islands, the Isle of Man or the Republic of Ireland unless the person has a right to reside in one of those places.

(4) For the purposes of sub-paragraph (3), a right to reside does not include a right which exists by virtue of, or in accordance with--

(a) regulation 13 of the EEA Regulations;

(aa) regulation 14 of the EEA Regulations, but only in a case where the right exists under that regulation because the person is –

(i) a jobseeker for the purpose of the definition of “qualified person” in regulation 6(1) of those Regulations, or

(ii) a family member (within the meaning of regulation 7 of those Regulations) of such a jobseeker;

(b) regulation 16 of the EEA Regulations, but only in a case where the right exists under that regulation because the applicant satisfies the criteria in paragraph (5) of that regulation.

(4A) For the purposes of paragraph (3), a right to reside does not include a right which exists by virtue of a person having been granted limited leave to enter, or remain in, the United Kingdom under the Immigration Act 1971 by virtue of—

(b) Appendix EU to the immigration rules made under section 3(2) of that Act;

(c) being a person with a Zambrano right to reside as defined in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of that Act; or

(d) having arrived in the United Kingdom with an entry clearance that was granted under Appendix EU (Family Permit) to the immigration rules made under section 3(2) of that Act.

"(4B) Paragraph (4A)(b) does not apply to a person who—

(a) has a right to reside granted by virtue of being a family member of a relevant person of Northern Ireland; and

(b) would have a right to reside under the EEA Regulations if the relevant person of Northern Ireland were an EEA national, provided that the right to reside does not fall within paragraph (4)(a) or (b).

(5) A person falls within this sub-paragraph if the person is--

(za) a person granted leave in accordance with the immigration rules made undersection 3(2) of the Immigration Act 1971, where such leave is granted by virtue of—

(i) the Afghan Relocations and Assistance Policy; or

(ii) the previous scheme for locally-employed staff in Afghanistan (sometimes referred to as the ex-gratia scheme);

(zb) a person in Great Britain not coming within sub-paragraph (za) or (e) who left Afghanistan in connection with the collapse of the Afghan government that took place on 15th August 2021;

(zc) a person in Great Britain who was residing in Ukraine immediately before 1st January 2022, left Ukraine in connection with the Russian invasion which took place on 24th February 2022 and—

(i) has been granted leave in accordance with immigration rules made under section 3(2) of the Immigration Act 1971;

(ii) has a right of abode in the United Kingdom within the meaning given in section 2 of that Act; or

(iii) does not require leave to enter or remain in the United Kingdom in accordance with section 3ZA of that Act;

(a) a qualified person for the purposes of regulation 6 of the EEA Regulations as a worker or a self-employed person;

(b) a family member of a person referred to in paragraph (a);

(c) a person who has a right to reside permanently in the United Kingdom by virtue of regulation 15(1)(c), (d) or (e) of the EEA Regulations;

(ca) a family member of a relevant person of Northern Ireland, with a right to reside which falls within paragraph (4A)(b), provided that the relevant person of Northern Ireland falls within paragraph (5)(a), or would do so but for the fact that they are not an EEA national;

(cb) a frontier worker within the meaning of regulation 3 of the Citizens' Rights (Frontier Workers) (EU Exit) Regulations 2020;

(cc) a family member of a person referred to in sub-paragraph (cb), who has been granted limited leave to enter, or remain in, the United Kingdom by virtue of Appendix EU to the immigration rules made under section 3(2) of the Immigration Act 1971;

(d) a person recorded by the Secretary of State as a refugee within the definition in Article 1 of the Convention relating to the Status of Refugees done at Geneva on 28th July 1951, as extended by Article 1(2) of the Protocol relating to the Status of Refugees done at New York on 31st January 1967;

(e) a person who has been granted, or who is deemed to have been granted, leave outside the rules made under section 3(2) of the Immigration Act 1971;

(f) a person who has humanitarian protection granted under those rules;

(g) a person who is not a person subject to immigration control within the meaning of section 115(9) of the Immigration and Asylum Act 1999 and who is in the United Kingdom as a result of his deportation, expulsion or other removal by compulsion of law from another country to the United Kingdom;

(h) in receipt of income support or on an income-related employment and support allowance; or

(ha) in receipt of an income-based jobseeker’s allowance and has a right to reside other than a right to reside falling within paragraph (4).

(6) A person falls within this sub-paragraph if the person is a Crown servant or member of Her Majesty's forces posted overseas.

(7) A person mentioned in sub-paragraph (6) is posted overseas if the person is performing over-

seas the duties of a Crown servant or member of Her Majesty's forces and was, immediately before the posting or the first of consecutive postings, habitually resident in the United Kingdom.

(8) In this paragraph--

"claim for asylum" has the same meaning as in section 94(1) of the Immigration and Asylum Act 1999;

"Crown servant" means a person holding an office or employment under the Crown;

"EEA national" has the meaning given in regulation 2(1) of the EEA Regulations;

"EEA Regulations" means the Immigration (European Economic Area) Regulations 2016 and references to the EEA Regulations are to be read with Schedule 4 to the Immigration and Social Security Co-ordination (EU Withdrawal) Act 2020 (Consequential, Saving, Transitional and Transitory Provisions) Regulations 2020;

"family member" has the meaning given in regulation 7(1)(a), (b) or (c) of the EEA Regulations, except that regulation 7(4) of the EEA Regulations does not apply for the purposes of paragraphs (4B) and (5)(ca);

"Her Majesty's forces" has the same meaning as in the Armed Forces Act 2006;

"relevant person of Northern Ireland" has the meaning given in Annex 1 of Appendix EU to the immigration rules made under section 3(2) of the Immigration Act 1971.

Transitional Provision

(1) Paragraph (ha) does not apply to a person who, on 31st March 2015-

(a) is liable to pay council tax at a reduced rate by virtue of a council tax reduction under an authority's scheme established under section 13A(2) of the Act; and

(b) is entitled to an income-based jobseeker's allowance,

until the first of the events in paragraph (2) occurs.

(2) The events are-

(a) the person makes a new application for a reduction under an authority's scheme established under section 13A(2) of the Act; or

(b) the person ceases to be entitled to an income-based jobseeker's allowance.

(3) In this regulation "the Act" means the Local Government Finance Act 1992.

Class of person excluded from this scheme: persons subject to immigration control

22

(1) Subject to paragraph (1A), persons subject to immigration control are not entitled to a reduction under this scheme.

(2) "Person subject to immigration control" has the meaning given in section 115(9) of the Immigration and Asylum Act 1999.

Class of person excluded from this scheme: capital limit

23

(1) The class of person described in this paragraph consists of any pensioner whose capital limit exceeds £16,000 and of any person who is not a pensioner whose capital exceeds £10,000.

(2) Capital for the purposes of sub-paragraph (1) is to be calculated in accordance with Part 10 of this scheme.

Class of person excluded from this scheme: students

24

The class of person described in this paragraph consists of any student to whom paragraph 75(1) applies (except to the extent that a student may be entitled to an alternative maximum council tax reduction by virtue of paragraph 18).

Part 6
Applicable Amounts

Applicable amounts: pensioners

25

(1) The applicable amount for a pensioner for a week is the aggregate of such of the following amounts as apply in his case--

(a) an amount in respect of his personal allowance, determined in accordance with paragraph 1 of Schedule 2 (personal allowance);

(b) an amount determined in accordance with paragraph 2 of that Schedule in respect of up to two individuals who are either children or young persons and who are members of his family;

(c) if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with paragraph 3 of that Schedule (family premium);

(d) the amount of any premiums which may be applicable to him, determined in accordance with Parts 3 and 4 of that Schedule (premiums).

(1A) For the purposes of sub-paragraph (1)(b) as it applies apart from sub-paragraph (1C), where the family includes more than two individuals who are either children or young persons and under paragraph 2 of that Schedule a different amount applies to different individuals, the two amounts to be included in the applicable amount shall be those that result in the greatest possible total amount.

(1B) Sub-paragraph (1C) applies where—

(a) (whether or not as part of a tax credit couple as defined in section 3(5A) of the Tax Credits Act 2002) the applicant has an award of child tax credit (whether or not any amount is payable by way of such credit) in respect of a child or young person who is a member of his family; and

(b) the total amount to be included in the applicable amount under sub-paragraph (1)(b) as substituted by sub-paragraph (1C) would be higher than the total amount that would be included under paragraph (1)(b) apart from sub-paragraph (1C).

(1C) Where this paragraph applies, for sub-paragraph (1)(b) substitute—

(b) an amount determined in accordance with paragraph 2 of that Schedule in respect of any child or young person who is a member of his family and in respect of whom the individual element of child tax credit has been included in the determination of the maximum rate of that credit;"

(2) In Schedule 2--

"additional spouse" means a spouse of either party to the marriage who is additional to the other party to the marriage;

"patient" means a person (other than a person who is serving a sentence of imprisonment or deten-

tion in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005.

Transitional provision

25A

(1) This paragraph 25A applies where—

(a) on 31st March 2018, a person is liable to pay council tax at a reduced rate by virtue of a council tax reduction under an authority's scheme established under section 13A(2) of the Local Government Finance Act 1992 (“a section 13A(2) scheme”); and

(b) the person is, or the person and the person's partner are between them, responsible for more than two individuals who are either children or young persons and who are members of the same household (each such individual is referred to as a “protected individual”).

(2) Where this paragraph 25A applies, paragraph 25 does not apply to the person entitled to a council tax reduction referred to in paragraph (1) until—

(a) the person makes a new application for a reduction under an authority's section 13A(2) scheme; or

(b) the person or the person's partner (if any) becomes responsible for a new individual,

whichever is the first to occur.

(3) Paragraphs (4) to (8) apply where—

(a) the provisions of paragraph 25 apply by virtue of paragraph (2)(b);

(b) the child tax credit provisions do not apply; and

(c) the person has not made a new application for a reduction under an authority's scheme for a reduction under an authority's section 13A(2) scheme.

(4) Notwithstanding the default provisions, a child amount shall be included in the applicable amount in relation to any protected individual, in relation to any time when the person or the person's partner (if any) is responsible for the individual and the individual is a member of the same household.

(5) Paragraph (6) applies where—

(a) the person or the person's partner (if any) is responsible for one or more protected individuals who are members of the same household; and

(b) either of them is responsible for one or more new individuals who are members of the same household.

(6) Where this paragraph applies, any protected individual for whom the person or the person's partner is responsible is to be counted for the purpose of deciding whether, under the default provisions, an additional child amount is to be included in the applicable amount with respect to the new individual or individuals referred to in paragraph (5)(b).

(7) Paragraph (8) applies where—

(a) the number of protected individuals for whom either the person or the person's partner (if any) is responsible, and who are members of the same household, is one;

(b) the number of new individuals for whom either the person or the person's partner is responsi-

ble, and who are members of the same household, is two or more; and

(c) a different child amount would apply to different individuals.

(8) Where this paragraph applies, the child amounts to be included in the applicable amount shall be—

(a) the child amount in relation to the protected individual; and

(b) a child amount in relation to such one of the new individuals as will result in the greatest possible total amount.

(9) Under paragraph (3), for the purposes of determining whether the child tax credit provisions apply, by virtue of paragraph 6(1B) of Schedule 1 to the 2012 Regulations, where the person or the person's partner is responsible for one or more protected individuals, the total amount that would be included in the applicable amount under the default provisions shall be taken to be the total that would be included under paragraphs (4), (6) and (8).

(10) For the purposes of this part—

(a) "the 2012 Regulations" means the Council Tax Reduction Schemes (Prescribed Requirements) (England) Regulations 2012;

(b) "applicable amount", "child", "partner" and "young person" have the same meanings as in the 2012 Regulations;

(c) "child amount" means the amount determined under paragraph 2 of Schedule 2 to the 2012 Regulations;

(d) "child tax credit provisions" means the provisions of paragraph 6(1)(b) of Schedule 1 to the 2012 Regulations (as substituted by paragraph 6(1C) of that Schedule);

(e) "default provisions" means the provisions of paragraph 6(1)(b) of Schedule 1 to the 2012 Regulations (as substituted by paragraph 6(1C) of that Schedule);

(f) "new individual" means a child or young person who is not a protected individual;

(g) any reference to an individual being part of the same household means being part of the same household with the person who is entitled to a reduction under an authority's section 13A(2) scheme and the person's partner (if any);

(h) a person is to be treated as responsible for a child or young person in the circumstances set out in regulation 7 of the 2012 Regulations.

Applicable amounts: persons who are not pensioners

26

(1) Subject to paragraphs 27 and 28, the applicable amount for a week for a person who is not a pensioner is the aggregate of such of the following amounts as may apply in his case--

(a) an amount in respect of himself or, if he is a member of a couple, an amount in respect of both of them, determined in accordance with paragraph 1 of Schedule 3;

(b) an amount in respect of any child or young person who is a member of his family, determined in accordance with paragraph 3 of that Schedule;

(c) if he is a member of a family of which at least one member is a child or young person, an amount determined in accordance with Part 2 of that Schedule (family premium);

(d) the amount of any premiums which may be applicable to him, determined in accordance with Parts 3 and 4 of that Schedule (premiums);

(e) the amount of the support component which may be applicable to him in accordance with Parts 5 and 6 of that Schedule (the components);

(f) the amount of any transitional addition which may be applicable to him in accordance with Parts 7 and 8 of that Schedule (transitional addition).

(2) In Schedule 3--

"additional spouse" means a spouse of either party to the marriage who is additional to the other party to the marriage;

"converted employment and support allowance" means an employment and support allowance which is not income-related and to which a person is entitled as a result of a conversion decision within the meaning of the Employment and Support Allowance (Existing Awards) Regulations 2008;

"patient" means a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005.

Polygamous marriages: persons who are not pensioners

27

(1) This paragraph applies where an applicant who is not a pensioner is a member of a polygamous marriage and does not have (alone or jointly with a party to a marriage), an award of universal credit.

(2) The applicable amount for a week of an applicant where this paragraph applies is the aggregate of such of the following amounts as may apply in his case--

(a) the amount applicable to him and one of his partners determined in accordance with paragraph 1(3) of Schedule 3 as if he and that partner were a couple;

(b) an amount equal to the difference between the amounts specified in sub-paragraphs (3) and (1)(b) of paragraph 1 of that Schedule in respect of each of his other partners;

(c) an amount determined in accordance with paragraph 2 of that Schedule (main phase employment and support allowance) in respect of any child or young person for whom he or a partner of his is responsible and who is a member of the same household;

(d) if he or another partner of the polygamous marriage is responsible for a child or young person who is a member of the same household, the amount specified in Part 2 of that Schedule (family premium);

(e) the amount of any premiums which may be applicable to him determined in accordance with Parts 3 and 4 of that Schedule (premiums);

(f) the amount of the support component which may be applicable to him in accordance with Parts 5 and 6 of that Schedule (the components);

(g) the amount of any transitional addition which may be applicable to him in accordance with Parts 7 and 8 of that Schedule (transitional addition).

Applicable amount: persons who are not pensioners who have an award of universal credit

28

(1) Subject to sub-paragraph (2), in determining the applicable amount for a week of an applicant who is not a pensioner--

(a) who has, or

(b) who (jointly with his partner) has,

an award of universal credit, the authority must use the calculation or estimate of the maximum amount of the applicant, or the applicant and his partner jointly (as the case may be), subject to the adjustment described in sub-paragraph (3).

(2) In determining the applicable amount for a week of an applicant who is a member of a polygamous marriage, the fact that two people are husband and wife is to be disregarded if--

(a) one of them is a party to an earlier marriage that still subsists; and

(b) the other party to that earlier marriage is living in the same household.

(3) The adjustment referred to in sub-paragraph (1) is to multiply the maximum amount by 12 and divide the product by 52.

(4) In this paragraph "maximum amount" means the maximum amount calculated by the Secretary of State in accordance with section 8(2) of the Welfare Reform Act 2012.

Part 7
Maximum Council Tax Reduction for the Purposes of Calculating Eligibility for a Reduction Under this Scheme and Amount of Reduction

Maximum council tax reduction amount under this scheme: pensioners and persons who are not pensioners

29

(1) Subject to sub-paragraphs (2) to (4), a person's maximum council tax reduction amount in respect of a day is—

(a) 100 per cent of the amount A/B if the applicant is a pensioner;

(b) save as excepted for at (c) to (e) below, 80.2 per cent of the amount A/B if the applicant is a person who is not a pensioner;

(c) 100 per cent of the amount A/B if the applicant is not a pensioner but is in receipt of any of the following--

(i) Attendance Allowance including Constant Attendance Allowance;

(ii) Disability Living Allowance including Care and Mobility components;

(iii) Severe Disablement Allowance including Exceptionally Severe Disablement Allowance;

(iv) Mobility Allowance and Supplement;

(v) Long Term Rate Incapacity Benefit;

(vi) Working Tax Credits – Disability element;

(vii) Personal Independence Payment;

(viii) Armed Forces Independence Payment;

(ix) Support component of Employment and Support Allowance

(d) 100 per cent of the amount A/B if the applicant is not a pensioner but is responsible for a disabled child or young person of the same household and where the applicant is in receipt of any of the following premiums--

(i) Disability Premium;

(ii) Disabled Child Premium;

(iii) Enhanced Disability Premium;

(iv) Enhanced Disability Child Premium;

(v) Carer Premium;

(vi) Severe Disability Premium

(e) 100 per cent of the amount A/B if the applicant is not a pensioner but is responsible for a child or young person in the same household

where--

(A) A is the amount set by the authority as the council tax for the relevant financial year in respect of the dwelling in which he is a resident and for which he is liable, subject to any discount which may be appropriate to that dwelling under the 1992 Act; and

(B) B is the number of days in that financial year,

less any deductions in respect of non-dependants which fall to be made under paragraph 30 (non-dependant deductions: pensioners and persons who are not pensioners).

(2) In calculating a person's maximum council tax reduction under this scheme any reduction in the amount that person is liable to pay in respect of council tax, which is made in consequence of any enactment in, or made under, the 1992 Act (other than a reduction under this scheme), is to be taken into account.

(3) Subject to sub-paragraph (4), where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the maximum council tax reduction in his case in accordance with sub-paragraph (1), the amount A is to be divided by the number of persons who are jointly and severally liable for that tax.

(4) Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, sub-paragraph (3) does not apply in his case.

(5) The reference in sub-paragraph (3) to a person with whom an applicant is jointly and severally liable for council tax, where the applicant is a person who is not a pensioner, does not include a student to whom paragraph 75(1) (entitlement of students to a reduction under this scheme) applies.

(6) In this paragraph "relevant financial year" means, in relation to any particular day, the financial year within which the day in question falls.

Non-dependant deductions: pensioners

30

(1) Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in paragraph 29 are--

(a) in respect of a non-dependant aged 18 or over in remunerative work, £14.15 x 1/7;

(b) in respect of a non-dependant aged 18 or over to whom paragraph (a) does not apply, £4.60 x 1/7.

(2) In the case of a non-dependant aged 18 or over to whom sub-paragraph (1)(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is--

(a) less than £236.00, the deduction to be made under this paragraph is that specified in sub-paragraph (1)(b);

(b) not less than £236.00 but less than £410.00, the deduction to be made under this paragraph is £9.40 x 1/7;

(c) not less than £410.00 but less than £511.00, the deduction to be made under this paragraph is £11.80 x 1/7.

(3) Only one deduction is to be made under this paragraph in respect of a couple or, as the case may be, members of a polygamous marriage (other than where there is an award of universal credit) and, where, but for this paragraph, the amount that would fall to be deducted in respect of one member of a couple or polygamous marriage is higher than the amount (if any) that would fall to be deducted in respect of the other, or any other, member, the higher amount is to be deducted.

(4) In applying the provisions of sub-paragraph (2) in the case of a couple or, as the case may be, a polygamous marriage, regard must be had, for the purpose of that sub-paragraph, to the couple's or, as the case may be, all members of the polygamous marriage's joint weekly gross income.

(5) Where in respect of a day--

(a) a person is a resident in a dwelling but is not himself liable for council tax in respect of that dwelling and that day;

(b) other residents in that dwelling (the liable persons) have joint and several liability for council tax in respect of that dwelling and that day otherwise than by virtue of section 9 of the 1992 Act (liability of spouses and civil partners); and

(c) the person to whom paragraph (a) refers is a non-dependant of two or more of the liable persons,

the deduction in respect of that non-dependant must be apportioned equally between those liable persons.

(6) No deduction is to be made in respect of any non-dependants occupying an applicant's dwelling if the applicant or his partner is--

(a) severely sight-impaired or blind or treated as such by virtue of by virtue of sub-paragraphs (12) or (13) below; or

(b) receiving in respect of himself--

(i) attendance allowance, or would be receiving that allowance but for--

(aa) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or

(bb) an abatement as a result of hospitalisation; or

(ii) the care component of the disability living allowance, or would be receiving that component but for--

(aa) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or

(bb) an abatement as a result of hospitalisation; or

(iii) the daily living component of personal independence payment, or would be receiving that allowance but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);

(iiia) the daily living component of adult disability payment; or

(iv) an AFIP, or would be receiving that payment but for a suspension of it in accordance with any terms of the armed and reserve forces compensation scheme which allows for a suspension because a person is undergoing medical treatment in a hospital or similar institution.

(7) No deduction is to be made in respect of a non-dependant if--

(a) although he resides with the applicant, it appears to the authority that his normal home is elsewhere; or

(b) he is in receipt of a training allowance paid in connection with youth training established under section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990; or

(c) he is a full-time student within the meaning of Part 11 (students); or

(d) he is not residing with the applicant because he has been a patient for a period in excess of 52 weeks, and for these purposes--

(i) "patient" has the meaning given in paragraph 19(6), and

(ii) where a person has been a patient for two or more distinct periods separated by one or more intervals each not exceeding 28 days, he is to be treated as having been a patient continuously for a period equal in duration to the total of those distinct periods; or

(e) he is not residing with the applicant because he is a member of the regular forces or the reserve forces (within the meaning of section 374 of the Armed Forces Act 2006) who is absent, while on operations, from the dwelling usually occupied as their home.

(8) No deduction is to be made in respect of a non-dependant--

(a) who is on income support, state pension credit, an income-based jobseeker's allowance or an income-related employment and support allowance;

(b) to whom Schedule 1 to the 1992 Act applies (persons disregarded for purposes of discount) but this paragraph does not apply to a non-dependant who is a student to whom paragraph 4 of that Schedule refers; or

(c) who is entitled to an award of universal credit where the award is calculated on the basis that the person does not have any earned income.

(9) In the application of sub-paragraph (2) there is to be disregarded from the non-dependant's weekly gross income--

(a) any attendance allowance, disability living allowance, child disability payment, personal independence payment, adult disability payment or an AFIP received by him;

(b) any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Windrush Compensation Scheme; the National Emergencies Trust or the Independent Living Fund (2006) which are paid as income in kind (see sub-paragraph (13)); and

(ba) any Grenfell Tower support payment which is paid as income in kind (see sub-paragraph (13))

(bb) any historical child abuse payment;

(bc) any Windrush payment;

(c) the payments set out in sub-paragraph (10).

(10) The payments mentioned in sub-paragraph (9) are—

(a) any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Scottish Infected Blood Support Scheme, an ap- proved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Windrush Compensation Scheme, the National Emergencies Trust or the Independent Living Fund (2006);

(aa) any Grenfell Tower support payment;

(ab) any historical child abuse payment;

(ac) any Windrush payment;

(b) any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts to which paragraph (a) refers or from a Grenfell Tower support payment and which is made to or for the benefit of—

(i) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;

(ii) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(iii) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family;

(c) any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which paragraph (a) refers or from a Grenfell Tower support payment and which is made to or for the benefit of—

(i) the person who is suffering from haemophilia or who is a qualifying person;

(ii) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(iii) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family;

(d) any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which paragraph (a) refers or from a Grenfell Tower support payment, where—

(i) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and

(ii) the payment is made either—

(aa) to that person's parent or step-parent, or

(bb) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

but only for a period from the date of the payment until the end of two years from that person's death;

(e) any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which paragraph (a) refers or from a Grenfell Tower support payment, where—

(i) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and

(ii) the payment is made either—

(aa) to that person's parent or step-parent, or

(bb) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date;

(f) in the case of a person to whom or for whose benefit a payment referred to in this sub-paragraph is made, any income which derives from—

(i) any payment of income or capital made under or deriving from any of the Trusts referred to in paragraph (a); or

(ii) a Grenfell Tower support payment;.

(g) any payment made under, or by, a trust which is approved by the Secretary of State and which is established for the purpose of giving relief and assistance to a disabled person whose disability was caused by their mother having taken a preparation containing the drug known as Thalidomide during her pregnancy.

(11) An applicant or his partner is severely sight-impaired or blind or treated as such for the purposes of sub-paragraph (6)(a) if the applicant or his partner—

(a) is registered as severely sight-impaired in a register kept by a local authority in Wales under section 18(1) of the Social Services and Well-being (Wales) Act 2014]; or

(b) is registered as severely sight-impaired in a register kept by a local authority in England under section 77(1) of the Care Act 2014 (registers of sight-impaired adults); or

(c) in Scotland, has been certified as blind and in consequence he is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994.

(11A) For the purposes of sub-paragraph (8), “earned income” has the meaning given in regulation 52 of the Universal Credit Regulations 2013.]

(12) For the purposes of sub-paragraph (11), a person who has ceased to be registered as severely sight-impaired or blind on regaining his eyesight is nevertheless to be treated as such for a period of 28 weeks following the date on which he ceased to be so registered.

(13) The reference in sub-paragraph (9)(b) to “income in kind” does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.

Non-dependant deductions: persons who are not pensioners

30A

(1) Subject to the following provisions of this paragraph, the non-dependant deductions in respect of a day referred to in paragraph 29 are--

(a) in respect of a non-dependant aged 18 or over in remunerative work, the figures as provided for at 30 (1) (a) above;

(b) in respect of a non-dependant aged 18 or over to whom paragraph (a) does not apply, the figures as provided for at 30 (1) (b) above.

(2) In the case of a non-dependant aged 18 or over to whom sub-paragraph (1)(a) applies, where it is shown to the appropriate authority that his normal gross weekly income is--

(a) less than the figures as provided for at 30 (2) (a) above, the deduction to be made under this paragraph is that specified in sub-paragraph (1)(b);

(b) in accordance with the figures as provided for at 30 (2) (b) above;

(c) in accordance with the figures as provided for at 30 (2) (c) above.

(3) Only one deduction is to be made under this paragraph in respect of a couple or, as the case may be, members of a polygamous marriage (other than where there is an award of universal credit) and, where, but for this paragraph, the amount that would fall to be deducted in respect of one member of a couple or polygamous marriage is higher than the amount (if any) that would fall to be deducted in respect of the other, or any other, member, the higher amount is to be deducted.

(4) In applying the provisions of sub-paragraph (2) in the case of a couple or, as the case may be, a polygamous marriage, regard must be had, for the purpose of that sub-paragraph, to the couple's or, as the case may be, all members of the polygamous marriage's joint weekly gross income.

(5) Where in respect of a day--

(a) a person is a resident in a dwelling but is not himself liable for council tax in respect of that dwelling and that day;

(b) other residents in that dwelling (the liable persons) have joint and several liability for council tax in respect of that dwelling and that day otherwise than by virtue of section 9 of the 1992 Act (liability of spouses and civil partners); and

(c) the person to whom paragraph (a) refers is a non-dependant of two or more of the liable persons,

the deduction in respect of that non-dependant must be apportioned equally between those liable persons.

(6) No deduction is to be made in respect of any non-dependants occupying an applicant's dwelling if the applicant or his partner is--

(a) blind or treated as blind by virtue of paragraph 10 of Schedule 3 (additional condition for the disability premium); or

(b) receiving in respect of himself--

(i) attendance allowance, or would be receiving that allowance but for--

(aa) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or

(bb) an abatement as a result of hospitalisation; or

(ii) the care component of the disability living allowance, or would be receiving that component but for--

(aa) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or

(bb) an abatement as a result of hospitalisation; or

(iii) the daily living component of personal independence payment, or would be receiving that allowance but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients); or

(iv) an AFIP, or would be receiving that payment but for a suspension of it in accordance with any terms of the armed and reserve forces compensation scheme which allows for asuspension because a person is undergoing medical treatment in a hospital or similar institution.

(7) No deduction is to be made in respect of a non-dependant if--

(a) although he resides with the applicant, it appears to the authority that his normal home is elsewhere; or

(b) he is in receipt of a training allowance paid in connection with youth training established under section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990; or

(c) he is a full-time student within the meaning of Part 11 (students); or

(d) he is not residing with the applicant because he has been a patient for a period in excess of 52 weeks, and for these purposes--

(i) "patient" has the meaning given in paragraph 19(6), and

(ii) where a person has been a patient for two or more distinct periods separated by one or more intervals each not exceeding 28 days, he is to be treated as having been a patient continuously for a period equal in duration to the total of those distinct periods.

(8) No deduction is to be made in respect of a non-dependant--

(a) who is on income support, state pension credit, an income-based jobseeker's allowance or an income-related employment and support allowance; or

(b) to whom Schedule 1 to the 1992 Act applies (persons disregarded for purposes of discount) but this paragraph does not apply to a non-dependant who is a student to whom paragraph 4 of that Schedule refers.

(9) In the application of sub-paragraph (2) there is to be disregarded from the non-dependant's weekly gross income--

(a) any attendance allowance, disability living allowance, personal independence payment or an AFIP received by him;

(b) any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006) which, had his income fallen to be calculated under paragraph 54 (calculation of income other than earnings: persons who are not pensioners), would have been disregarded under paragraph 28 of Schedule 8 (income in kind); and

(c) any payment which, had his income fallen to be calculated under paragraph 54, would have been disregarded under paragraph 41 of Schedule 8 (payments made under certain trusts and certain other payments).

Part 8
Alternative Maximum Council Tax Reduction for the Purposes of Calculating Eligibility for a Reduction Under this Scheme and Amount of Reduction

Alternative maximum council tax reduction under this scheme: pensioners and persons who are not pensioners

31

(1) Subject to sub-paragraphs (2) and (3), the alternative maximum council tax reduction in respect of a day where the conditions set out in paragraph 15 (alternative maximum council tax reduction: pensioners) or 18 (alternative maximum council tax reduction: persons who are not pensioners) are fulfilled, is the amount determined in accordance with Schedule 4 (amount of alternative council tax reduction).

(2) Subject to sub-paragraph (3), where an applicant is jointly and severally liable for council tax in respect of a dwelling in which he is resident with one or more other persons, in determining the alternative maximum council tax reduction in his case, the amount determined in accordance with Schedule 4 must be divided by the number of persons who are jointly and severally liable for that tax.

(3) Where an applicant is jointly and severally liable for council tax in respect of a dwelling with only his partner, solely by virtue of section 9 of the 1992 Act (liability of spouses and civil partners), sub-paragraph (2) does not apply in his case.

Part 9
Amount of Reduction Under this Scheme

Amount of reduction under this scheme: Classes A to F

32

(1) Where a person is entitled to a reduction under this scheme in respect of a day, the amount of the reduction to which he is entitled is as follows.

(2) Where the person is within class A or D, that amount is the amount which is the maximum council tax reduction in respect of the day in the applicant's case.

(3) Where the person is within class B or E, that amount is the amount found by deducting amount B from amount A, where "amount A" and "amount B" have the meanings given in paragraph 14(f) or 17(f), as the case may be.

(4) Where the person is within class C or F, that amount is the amount which is the alternative maximum council tax reduction in respect of the day in the applicant's case.

(5) Sub-paragraph (6) applies where both--

(a) sub-paragraph (2) or sub-paragraph (3), and

(b) sub-paragraph (4),

apply to a person.

(6) The amount of the reduction to which the person is entitled is whichever is the greater of--

(a) the amount of the reduction given by sub-paragraph (2) or sub-paragraph (3), as the case may be, and

(b) the amount of the reduction given by sub-paragraph (4).

(6A) In determining the amount of any reduction to which a person is entitled, any payment made under the Energy Rebate Scheme 2022 is to be disregarded.

(6B) In determining the amount of any reduction to which a person is entitled, any payment made in connection with the Homes for Ukraine scheme is to be disregarded.

Part 10
Income and Capital for the Purposes of Calculating Eligibility for a Reduction Under this Scheme and Amount of Reduction

Chapter 1
Income and Capital: General

Calculation of income and capital: applicant's family and polygamous marriages

33

(1) The income and capital of--

(a) an applicant; and

(b) any partner of that applicant,

is to be calculated in accordance with the provisions of this Part.

(2) The income and capital of any partner of the applicant is to be treated as income and capital of the applicant, and in this Part any reference to the applicant applies equally to any partner of that applicant.

(3) Except where paragraph 37 applies, where an applicant or the partner of an applicant is married polygamously to two or more members of his household--

(a) the applicant must be treated as possessing capital and income belonging to each such member; and

(b) the income and capital of that member is to be calculated in accordance with the following provisions of this Part in like manner as for the applicant.

Circumstances in which income and capital of non-dependant is to be treated as applicant's

34

(1) Sub-paragraph (2) applies where it appears to the authority that a non-dependant and an applicant have entered into arrangements in order to take advantage of this scheme and the non-dependant has more income and capital than the applicant.

(2) Except where--

(a) the applicant is a pensioner and is on a guarantee credit, or

(b) the applicant is not a pensioner and is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance,

the authority must treat the applicant as possessing income and capital belonging to that non-dependant and, in such a case, any income and capital which the applicant does possess is to be disregarded.

(3) Where an applicant is treated as possessing income and capital belonging to a non-dependant under sub-paragraph (2) the income and capital of that non-dependant must be calculated in accordance with the following provisions of this Part in like manner as for the applicant and, except where the

context otherwise requires, any reference to the "applicant" is to be construed for the purposes of this Part as if it were a reference to that non-dependant.

Chapter 2
Income and Capital: Pensioners in Receipt of Guarantee Credit or Savings Credit

Applicant in receipt of guarantee credit: pensioners

35

In the case of an applicant who is a pensioner and who is in receipt, or whose partner is in receipt, of a guarantee credit, the whole of his capital and income must be disregarded.

Calculation of applicant's income and capital in savings credit only cases: pensioners

36

(1) In determining the income and capital of an applicant who is a pensioner and who has, or whose partner has, an award of state pension credit comprising only the savings credit, subject to the following provisions of this paragraph, the authority must use the calculation or estimate of the applicant's or as the case may be, the applicant's partner's income and capital made by the Secretary of State for the purpose of determining the award of state pension credit.

(2) Where the calculation or estimate provided by the Secretary of State includes the amount taken into account in that determination in respect of net income, the authority may only adjust that amount so far as necessary to take into account--

(a) the amount of any savings credit payable;

(b) in respect of any dependent children of the applicant, child care charges taken into account under paragraph 57(1)(c) (calculation of income on a weekly basis);

(c) the higher amount disregarded under this scheme in respect of--

(i) lone parent's earnings; or

(ii) payments of maintenance, whether under a court order or not, which is made or due to be made by--

(aa) the applicant's former partner, or the applicant's partner's former partner; or

(bb) the parent of a child or young person where that child or young person is a member of the applicant's family except where that parent is the applicant or the applicant's partner;

(d) any amount to be disregarded by virtue of paragraph 10(1) of Schedule 5 (sums disregarded from applicant's earnings: pensioners);

(e) the income and capital of any partner of the applicant who is treated as a member of the applicant's household under paragraph 8, to the extent that it is not taken into account in determining the net income of the person claiming state pension credit;

(f) paragraph 34 (circumstances in which capital and income of a non-dependant is to be treated as applicant's), if the authority determines that that provision applies in the applicant's case;

(g) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act (power of billing authority to reduce amount of council tax payable);

(h) any amount to be disregarded by virtue of paragraph 6 of Schedule 5 (exempt work).

(3) Paragraphs 39 to 46 (calculation of income: pensioners) and 57 to 61 (calculation of income: pensioners and persons who are not pensioners) do not apply to the amount of the net income to be taken into account under sub-paragraph (1), but do apply (so far as relevant) for the purpose of determining any adjustments to that amount which the authority makes under sub-paragraph (2).

(4) If sub-paragraph (5) applies, the authority must calculate the applicant's capital in accordance with paragraphs 63, 65 to 68 and 70 (calculation of capital: pensioners).

(5) This sub-paragraph applies if--

(a) the Secretary of State notifies the authority that the applicant's capital has been determined as being £16,000 or less or the authority determines his capital as being £16,000 or less;

(b) subsequent to that determination the applicant's capital rises to more than £16,000; and

(c) the increase occurs whilst there is in force an assessed income period within the meaning of sections 6 and 9 of the State Pension Credit Act 2002.

Chapter 3
Income and Capital Where there is an Award of Universal Credit

Calculation of income and capital: persons who are not pensioners who have an award of

universal credit

37

(1) In determining the income of an applicant--

(a) who has, or

(b) who (jointly with his partner) has,

an award of universal credit the authority must, subject to the following provisions of this paragraph, use the calculation or estimate of the amount of the income of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.

(2) The authority must adjust the amount of the income referred to in sub-paragraph (1) by multiplying the amount by 12 and dividing the product by 52.

(3) The authority may only adjust the amount of the income as adjusted in accordance with sub-paragraph (2) so far as necessary to take into account--

(a) the amount of the award of universal credit, determined in accordance with sub-paragraph (3);

(b) paragraph 34 (circumstances in which income and capital of non-dependant is to be treated as applicant's), if the authority determines that the provision applies in the applicant's case;

(c) such further reduction (if any) as the authority thinks fit under section 13A(1)(c) of the 1992 Act (power of billing authority to reduce amount of council tax payable).

(4) The amount for the award of universal credit to be taken into account for the purposes of sub-paragraph (3)(a) is to be determined by multiplying the amount of the award of universal credit by 12 and dividing the product by 52.

(5) Paragraph 34 (income and capital of non-dependant to be treated as applicant's) applies for the purpose of determining any adjustments which fall to be made to the figure for income under sub-paragraph (3).

(6) In determining the capital of an applicant--

(a) who has, or

(b) who (jointly with his partner) has,

an award of universal credit, the authority must use the calculation or estimate of the capital of the applicant, or the applicant and his partner jointly (as the case may be), made by the Secretary of State for the purpose of determining the award of universal credit.

Chapter 4
Income: Other Pensioners

Calculation of income and capital where state pension credit is not payable: pensioners

38

Where neither paragraph 35 (applicant in receipt of guarantee credit: pensioners) nor 36 (applicant in receipt of savings credit only: pensioners) applies in the applicant's case, his income and capital is to be calculated or estimated in accordance with paragraphs 39 to 46 and 57 to 62 (calculation of income) and Chapter 7 of this Part (calculation of capital).

Meaning of "income": pensioners

39

(1) For the purposes of classes A to C in this scheme, "income" means income of any of the following descriptions--

(a) earnings;

(b) working tax credit;

(c) retirement pension income within the meaning of the State Pension Credit Act 2002;

(d) income from annuity contracts (other than retirement pension income);

(e) a war disablement pension or war widow's or widower's pension;

(f) a foreign war disablement pension or war widow's or widower's pension;

(g) a guaranteed income payment;

(h) a payment made under article 29(1)(c) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011, in any case where article 31(2)(c) applies;

(i) income from capital other than capital disregarded under Part 1 of Schedule 9;

(j) social security benefits, other than retirement pension income or any of the following benefits--

(zi) universal credit;

(i) disability living allowance;

(ii) personal independence payment;

(iia) adult disability payment;

(iii) an AFIP;

(iv) attendance allowance payable under section 64 of the SSCBA (entitlement to attendance allowance);

(v) an increase of disablement pension under section 104 (increase for constant attendance) or 105 of that Act (increase for exceptionally severe disablement);

(vi) child benefit;

(vii) any guardian's allowance payable under section 77 of the SSCBA (guardian's allowance);

(viii) any increase for a dependant, other than the applicant's partner, payable in accordance with Part 4 of that Act (increases for dependants);

(ix) any--

(aa) social fund payment made under Part 8 of the SSCBA (the social fund), or

(bb) occasional assistance;

(x) Christmas bonus payable under Part 10 of that Act (Christmas bonus for pensioners);

(xi) housing benefit;

(xii) council tax benefit;

(xiii) bereavement support payment under section 30 of the Pensions Act 2014;

(xiv) statutory sick pay;

(xv) statutory maternity pay;

(xvi) statutory paternity pay payable under Part 12ZA of the SSCBA;

(xvia) statutory shared parental pay payable under Part 12ZC of the SSCBA;

(xvib) statutory parental bereavement pay under Part 12ZD of that Act

(xviii) statutory adoption pay payable under Part 12ZB of that Act (statutory adoption pay);

(xix) [omitted]

(xx) carer's allowance supplement payable under section 81 of the Social Security (Scotland) Act 2018;

(xxi) early years assistance given in accordance with section 32 of the Social Security (Scotland) Act 2018;

(xxii) funeral expense assistance given in accordance with section 34 of that Act;

(xxiii) any Scottish child payment assistance given in accordance with section 79 of that Act;

(xxiv) any assistance given in accordance with the Carer's Assistance (Young Carer Grants) (Scotland) Regulations 2019;

(xxv) short-term assistance given in accordance with regulations under section 36 of the Social Security (Scotland) Act 2018;

(xxvi) winter heating assistance given in accordance with regulations under section 30 of that Act;

(xxvii) any benefit similar to those mentioned in the preceding provisions of this paragraph payable under legislation having effect in Northern Ireland;

(k) all foreign social security benefits which are similar to the social security benefits mentioned above;

(l) a payment made--

(i) under article 30 of the Naval, Military and Air Forces Etc (Disablement and Death) Service Pensions Order 2006 (award for children who have reached the child's age limit), in any case where article 30(1)(b) applies; or

(ii) under article 12(8) of that Order (unemployability allowances: children who have reached the child's age limit), in any case where sub-paragraph (b) of that article applies;

(m) a pension paid by a government to victims of National Socialist;

(n) payments under a scheme made under the Pneumoconiosis etc (Worker's Compensation) Act 1979;

(o) payments made towards the maintenance of the applicant by his spouse, civil partner, former spouse or former civil partner or towards the maintenance of the applicant's partner by his spouse, civil partner, former spouse or former civil partner, including payments made--

(i) under a court order;

(ii) under an agreement for maintenance; or

(iii) voluntarily;

(p) payments due from any person in respect of board and lodging accommodation provided by the applicant;

(q) royalties or other sums paid as a consideration for the use of, or the right to use, any copyright, design, patent or trade mark;

(r) 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;

(s) any payment, other than a payment ordered by a court or made in settlement of a claim, made by or on behalf of a former employer of a person on account of the early retirement of that person on grounds of ill-health or disability;

(t) any sum payable by way of pension out of money provided under--

(i) the Civil List Act 1837,

(ii) the Civil List Act 1937,

(iii) the Civil List Act 1952,

(iv) the Civil List Act 1972, or

(v) the Civil List Act 1975;

(u) any income in lieu of that specified in paragraphs (a) to (r);

(v) any payment of rent made to an applicant who--

(i) owns the freehold or leasehold interest in any property or is a tenant of any property;

(ii) occupies part of the property; and

(iii) has an agreement with another person allowing that person to occupy that property on payment of rent;

(w) any payment made at regular intervals under an equity release scheme;

(x) PPF periodic payments within the meaning of section 17(1) of the State Pension Credit Act 2002.

(2) Where the payment of any social security benefit referred to in sub-paragraph (1), or retirement pension income to which section 16(1)(za) to (e) f the State Pension Credit Act 2002 applies, is subject to any deduction (other than an adjustment specified in sub-paragraph (4)) the amount to be taken into account under sub-paragraph (1) is to be the amount before the deduction is made.

(3) Where an award of any working tax credit or child tax credit is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under sub-paragraph (1) is to be the amount of working tax credit or child tax credit awarded less the amount of that deduction.

(4) The adjustments specified in this sub-paragraph are those made in accordance with--

(a) the Social Security (Overlapping Benefits) Regulations 1979;

(b) the Social Security (Hospital In-Patients) Regulations 1975;

(c) section 30DD or section 30E of the SSCBA (reductions in incapacity benefit in respect of pensions and councillor's allowances);

(d) section 3 of the Welfare Reform Act 2007 (deductions from contributory employment and support allowance in respect of pensions and councillor's allowances) and regulations made under it;

(e) section 14 of the Pensions Act 2014 (pension sharing: reduction in sharer's section 4 pension);

(f) section 45B or 55B of the Social Security Contributions and Benefits Act 1992 (reduction in additional pension in Category A retirement pension and shared additional pension: pension sharing).

(5) In sub-paragraph (1)(w), "equity release scheme" means a loan--

(a) made between a person ("the lender") and the applicant;

(b) by means of which a sum of money is advanced by the lender to the applicant by way of payments at regular intervals; and

(c) which is secured on a dwelling in which the applicant owns an estate or interest and which he occupies as his home.

Calculation of weekly income: pensioners

40

(1) Except in a case within sub-paragraph (2), (3A), or (4A) or (5), for the purposes of calculating the weekly income of an applicant who is a pensioner, where the period in respect of which a payment is made--

(a) does not exceed a week, the whole of that payment is to be included in the applicant's weekly income;

(b) exceeds a week, the amount to be included in the applicant's weekly income is to 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;

(iii) in a case where that period is a year, 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 of days in the period in respect of which it is made.

(2) Sub-paragraph (3) applies where--

(a) the applicant's regular pattern of work is such that he does not work the same hours every week; or

(b) the amount of the applicant's income fluctuates and has changed more than once.

(3) The weekly amount of that applicant's income is to be determined--

(a) if, in a case to which sub-paragraph (2)(a) applies, there is a recognised cycle of work, by reference to his average weekly income over the period of the complete cycle (including, where the cycle involves periods in which the applicant does no work, those periods but disregarding any other absences); or

(b) in any other case, on the basis of--

(i) the last two payments if those payments are one month or more apart;

(ii) the last four payments if the last two payments are less than one month apart; or

(iii) calculating or estimating such other payments as may, in the particular circumstances of

the case, enable the applicant's average weekly income to be determined more accurately.

(3A) Income calculated pursuant to sub-paragraphs (2) and (3) must be taken into account—

(a) in the case of an application, on the date on which the application was made or treated as made, and the first day of each reduction week thereafter;

(b) in the case of an application or a reduction under a scheme where the applicant commences employment, the first day of the reduction week following the date the applicant commences that employment, and the first day of each reduction week thereafter; or

(c) in the case of an application or a reduction under a scheme where the applicant's average weekly earnings from employment change, the first day of the reduction week following the date the applicant's earnings from employment change so as to require recalculation under this paragraph, and the first day of each reduction week thereafter,

regardless of whether those earnings were actually received in that reduction week.

(4) For the purposes of sub-paragraph (3)(b) the last payments are the last payments before the date the application was made or treated as made.

(4A) An applicant's earnings from employment as an employed earner not calculated pursuant to sub-paragraphs (2) and (3) must be taken into account—

(a) in the case of an application, on the date on which the application was made or treated as made, and the first day of each reduction week thereafter;

(b) in the case of an application or a reduction under a scheme where the applicant commences employment, the first day of the reduction week following the date the applicant commences that employment, and the first day of each reduction week thereafter; or

(c) in the case of an application or a reduction under a scheme where the applicant's average weekly earnings from employment change, the first day of the reduction week following the date of the change, and the beginning of each reduction week thereafter,

regardless of whether those earnings were actually received in that reduction week.

(5) If the applicant is entitled to receive a payment to which sub-paragraph (6) applies, the amount of that payment is to be treated as if made in respect of a period of a year.

(6) This sub-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;

(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; and

(c) any payment which is made on an occasional basis.

(7) The period under which any benefit under the benefit Acts is to be taken into account is to be the period in respect of which that benefit is payable.

(8) Where payments are made in a currency other than Sterling, the value of the payment is to be determined by taking the Sterling equivalent on the date the payment is made.

(9) The sums specified in Schedule 5 are to be disregarded in calculating--

(a) the applicant's earnings; and

(b) any amount to which sub-paragraph (6) applies where the applicant is the first owner of the copyright, design, patent or trademark, or an original contributor to the book or work referred to in sub-paragraph (6)(b).

(10) For the purposes of sub-paragraph (9)(b), and for that purpose only, the amounts specified in sub-paragraph (6) is to be treated as though they were earnings.

(11) Income specified in Schedule 6 is to be disregarded in the calculation of the applicant's income.

(12) Schedule 9 (capital disregards: pensioners) has effect so that--

(a) the capital specified in Part 1 is disregarded for the purpose of determining an applicant's income; and

(b) the capital specified in Part 2 is disregarded for the purpose of determining an applicant's income under paragraph 71 (calculation of tariff income from capital: pensioners).

(13) In the case of any income taken into account for the purpose of calculating a person's income any amount payable by way of tax is disregarded.

Earnings of employed earners: pensioners

41

(1) Subject to sub-paragraph (2), "earnings", in the case of employment as an employed earner who is a pensioner, means 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 an applicant on account of the termination of his employment by reason of redundancy;

(c) any payment in lieu of notice;

(d) any holiday pay;

(e) any payment by way of a retainer;

(f) any payment made by the applicant'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 applicant's employer in respect of--

(i) travelling expenses incurred by the applicant between his home and place of employment;

(ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;

(g) 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 Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001;

(h) statutory sick pay and statutory maternity pay payable by the employer under the SSCBA;

(i) statutory paternity pay payable under Part 12ZA of that Act;

(ia) statutory shared parental pay payable under Part 12ZC of the SSCBA;

(j) statutory adoption pay payable under Part 12ZB of that Act;

(ja) statutory shared parental pay under Part 12ZC of that Act;

(jb) statutory parental bereavement pay under Part 12ZD of that Act;

(l) statutory adoption pay payable under Part 12ZB of that Act;
(m) any sums payable under a contract of service—
(i) for incapacity for work due to sickness or injury; or
(ii) by reason of pregnancy or confinement.

(2) Earnings does not include--

(a) subject to sub-paragraph (3), any payment in kind;

(b) any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment;

(c) any occupational pension;

(d) any lump sum payment made under the Iron and Steel Re-adaptation Benefits Scheme;

(e) any payment of compensation made pursuant to an award by an employment tribunal established under the Employment Tribunals Act 1996 in respect of unfair dismissal or unlawful discrimination;

(f) any payment in respect of expenses arising out of the applicant participating as a service user.

(3) Sub-paragraph (2)(a) does not apply in respect of any non-cash voucher referred to in sub-paragraph (1)(g).

Calculation of net earnings of employed earners: pensioners

42

(1) For the purposes of paragraph 57 (calculation of income on a weekly basis), the earnings of an applicant who is a pensioner derived or likely to be derived from employment as an employed earner to be taken into account must, subject to paragraph 40(5) and Schedule 5 (sums to be disregarded from earnings: pensioners), be his net earnings.

(2) For the purposes of sub-paragraph (1) net earnings must, except where sub-paragraph (5) applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less--

(a) any amount deducted from those earnings by way of--

(i) income tax;

(ii) primary Class 1 contributions under the SSCBA;

(b) one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;

(c) one-half of the amount calculated in accordance with sub-paragraph (4) in respect of any qualifying contribution payable by the applicant; and

(d) where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay, statutory shared parental pay, statutory parental bereavement pay; or statutory adoption pay, any amount deducted from those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions un- der the SSCBA.

(3) In this paragraph "qualifying contribution" means any sum which is payable periodically as a contribution towards a personal pension scheme.

(4) The amount in respect of any qualifying contribution is to be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this paragraph the daily amount of the qualifying contribution is to be determined--

(a) where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;

(b) in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.

(5) Where the earnings of an applicant are determined under paragraph 40(2)(b) (calculation of weekly income: pensioners) his net earnings is to be calculated by taking into account those earnings over the assessment period, less--

(a) an amount in respect of income tax equivalent to an amount calculated by applying to those earnings the basic rate, or in the case of a Scottish taxpayer, the Scottish basic rate, of tax applicable to the assessment period less only the personal reliefs to which the applicant 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 assessment period is less than a year, the earnings to which the basic rate, or the Scottish basic rate, of tax is to be applied and the amount of the personal reliefs deductible under this sub- paragraph is to be calculated on a pro rata basis;

(b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the SSCBA in respect of those earnings if such contributions were payable; and

(c) one-half of any sum which would be payable by the applicant by way of a contribution towards an occupational or personal pension scheme, if the earnings so estimated were actual earnings.

Calculation of earnings of self-employed earners: pensioners

43

(1) Where the earnings of an applicant who is a pensioner consist of earnings from employment as a self-employed earner, the weekly amount of his earnings is to be determined by reference to his average weekly earnings from that employment--

(a) over a period of one year; or

(b) where the applicant 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 ("computation period") as may, in the particular case, enable the weekly amount of his earnings to be determined more accurately.

(2) For the purposes of determining the weekly amount of earnings of an applicant to whom sub-paragraph (1)(b) applies, his earnings over the computation period are to be divided by the number equal to the number of days in that period and the product multiplied by 7.

(3) The period over which the weekly amount of an applicant's earnings is calculated in accordance with this paragraph is to be his assessment period.

Earnings of self-employers earners: pensioners

44

(1) Subject to sub-paragraph (2), "earnings", in the case of employment as a self-employed earner who is a pensioner, means the gross income of the employment.

(2) "Earnings" in the case of employment as a self-employed earner does not include--

(a) where an applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation for which payment is made, those payments;

(b) any payment made by a local authority to an applicant--

(i) with whom a person is accommodated by virtue of arrangements made under section 22C of the Children Act 1989 or, as the case may be, section 26 or 26A of the Children (Scotland) Act 1995 or in Wales placed with the applicant or the applicant's partner by a local authority under section 81 of the Social Services and Well-being (Wales) Act 2014; or

(ii) with whom a local authority fosters a child under the Looked After Children (Scotland) Regulations 2009 or who is a kinship carer under those Regulations;

(c) any payment made by a voluntary organisation in accordance with section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations);

(d) any payment made to the applicant or his partner for a person ("the person concerned") who is not normally a member of the applicant's household but is temporarily in his care, by--

(i) a local authority but excluding payments of housing benefit made in respect of the person concerned;

(ii) a voluntary organisation;

(iii) the person concerned where the payment is for the provision of accommodation in respect of the meeting of that person's needs under section 18 or 19 of the Care Act 2014 (duty and power to meet needs for care and support);

(iv) the National Health Service Commissioning Board or an integrated care board established under Chapter A3 of Part 2 of the National Health Service Act 2006;

(v) a Local Health Board established under section 11 of the National Health Service (Wales) Act 2006; or

(vi) the persons concerned where the payment is for the provision of accommodation to meet that person's needs for care and support under section 35 or 36 of the Social Services and Well-being (Wales) Act 2014 (respectively, duty and power to meet care and support needs of an adult);

(da) any payment or part of a payment made by a local authority in accordance with section 26A of the Children (Scotland) Act 1995 (duty to provide continuing care) to a person (“A”) which A passes on to the applicant where A—

(i) was formerly in the applicant's care;

(ii) is aged 16 or over; and

(iii) continues to live with the applicant;

(db) any payments made to an applicant under section 73(1)(b) of the Children and Young People (Scotland) Act 2014 (kinship care assistance: further provisions);

(e) any sports award.

Notional income: pensioners

45

(1) An applicant who is a pensioner is to be treated as possessing--

(a) subject to sub-paragraph (2), the amount of any retirement pension income--

(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 applicant elected to defer.

(2) Sub-paragraph (1)(a) does not apply to the following where entitlement has been deferred--

(a) a Category A or Category B retirement pension payable under sections 43 to 55 of the SSCBA;

(b) a shared additional pension payable under section 55A or 55AA of the SSCBA;

(c) graduated retirement benefit payable under sections 36 and 37 of the National Insurance Act 1965;

(d) a state pension under Part 1 of the Pensions Act 2014.

(3) For the purposes of sub-paragraph (2), entitlement has been deferred--

(a) in the case of a Category A or Category B pension, in the circumstances specified in section 55(3) of the SSCBA;

(b) in the case of a shared additional pension, in the circumstances specified in section 55C(3) of the SSCBA;

(c) in the case of graduated retirement benefit, in the circumstances specified in section 36(4) and (4A) of the National Insurance Act 1965;

(d) in the case of a state pension under Part 1 of the Pensions Act 2014, in the circumstances specified in section 17(7) and (8) of that Act.

(4) This sub-paragraph applies where a person 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.

(5) Where sub-paragraph (4) applies, the amount of any income foregone is to 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.

(6) The amount of any income foregone in a case where sub-paragraph (4)(c)(i) or (ii) applies is to be the rate of the annuity which may have been purchased with the fund and must be determined by the authority, taking account of information provided by the pension fund holder.

(7) The amount of any income foregone in a case where sub-paragraph (4)(c)(iii) applies is to be the income that the applicant could have received without purchasing an annuity had the funds held under the relevant scheme been held under a personal pension scheme or occupational pension scheme where income withdrawal was available and is to be determined in the manner specified in sub-paragraph (6).

(8) In sub-paragraph (4), "money purchase benefits" has the same meaning as in the Pension Schemes Act 1993.

(9) Subject to sub-paragraphs (10), (11A), (11B) and (12), a person is to be treated as possessing income of which he has deprived himself for the purpose of securing entitlement to a reduction under this scheme or increasing the amount of the reduction.

(10) Sub-paragraph (9) does not apply in respect of the amount of an increase of pension or benefit where a person, having made an election in favour of that increase of pension or benefit under Schedule 5 or 5A to the SSCBA or under Schedule 1 to the Social Security (Graduated Retirement Benefit) Regulations 2005, changes that election in accordance with regulations made under Schedule 5 or 5A to that Act in favour of a lump sum.

(11) In sub-paragraph (10), "lump sum" means a lump sum under Schedule 5 or 5A to the SSCBA or under Schedule 1 to the Social Security (Graduated Retirement Benefit) Regulations 2005.

(11A) Sub-paragraph (9) does not apply in respect of the amount of an increase of pension where a person, having made a choice in favour of that increase of pension under section 8(2) of the Pensions Act 2014, alters that choice in accordance with Regulations made under section 8(7) of that Act in favour of a lump sum.

(11B) Sub-paragraph (9) does not apply in respect of the amount of an increase of pension where a person, having made a choice in favour of that increase of pension in accordance with Regulations made under section 10 of the Pensions Act 2014, which include provision corresponding or similar to section 8(2) of that Act, alters that choice in favour of a lump sum, in accordance with Regulations made under section 10 of that Act, which include provision corresponding or similar to Regulations made under section 8(7) of that Act.

(11C) In sub-paragraph (11A), “lump sum” means a lump sum under section 8 of the Pensions Act 2014.

(11D) In sub-paragraph (11B), “lump sum” means a lump sum under Regulations made under section 10 of the Pensions Act 2014 which include provision corresponding or similar to section 8 of that Act.

(12) Sub-paragraph (9) does not apply in respect of any amount of income other than earnings, or earnings of an employed earner, arising out of the applicant participating as a service user.

(13) Where an applicant is in receipt of any benefit under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter, the authority must treat the applicant as possessing such benefit at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority selects to apply, to the date on which the altered rate is to take effect.

(14) In the case of an applicant who has, or whose partner has, an award of state pension credit comprising only the savings credit, where the authority treats the applicant as possessing any benefit at the altered rate in accordance with sub-paragraph (13), the authority must--

(a) determine the income and capital of that applicant in accordance with paragraph 36(1) (calculation of applicant's income in savings credit only cases: pensioners) where the calculation or estimate of that income and capital is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter; and

(b) treat that applicant as possessing such income and capital at the altered rate by reference to the date selected by the relevant authority to apply in its area, for the purposes of establishing the period referred to in sub-paragraph (13).

(15) For the purposes of sub-paragraph (9), a person is not to be regarded as depriving himself of income where--

(a) his rights to benefits under a registered pension scheme are extinguished and in consequence of this he receives a payment from the scheme, and

(b) that payment is a trivial commutation lump sum within the meaning given by paragraph 7 of Schedule 29 to the Finance Act 2004.

(16) In sub-paragraph (15), "registered pension scheme" has the meaning given in section 150(2) of the Finance Act 2004.

Income paid to third parties: pensioners

46

(1) Any payment of income, other than a payment specified in sub-paragraph (2) or (3), to a third party in respect of an applicant who is a pensioner is to be treated as possessed by the applicant.

(2) Sub-paragraph (1) does not apply in respect of a payment of income made under an occupational pension scheme, 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--

(a) 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;

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

(c) the person referred to in paragraph (a) and his partner does not possess, or is not treated as possessing, any other income apart from that payment.

(3) Sub-paragraph (1) does not apply in respect of any payment of income other than earnings, or earnings derived from employment as an employed earner, arising out of the applicant participating as a service user.

Chapter 5
Income: Persons Who are Not Pensioners

Average weekly earnings of employed earners: persons who are not pensioners

47

(1) Where the income of an applicant who is not a pensioner consists of earnings from employment as an employed earner his average weekly earnings must be estimated by reference to his earnings from that employment--

(a) over a period immediately preceding the reduction week in which the application is made or treated as made and being a period of--

(i) 5 weeks, if he is paid weekly; or

(ii) 2 months, if he is paid monthly; or

(b) whether or not paragraph (a)(i) or (ii) applies, where an applicant's earnings fluctuate, over such other period preceding the reduction week in which the application is made or treated as made as may, in any particular case, enable his average weekly earnings to be estimated more accurately.

(2) Where the applicant has been in his employment for less than the period specified in sub-para-

graph (1)(a)(i) or (ii)--

(a) if he has received any earnings for the period that he has been in that employment and those earnings are likely to represent his average weekly earnings from that employment his average weekly earnings must be estimated by reference to those earnings;

(b) in any other case, the authority must estimate the applicant's average weekly earnings.

(3) Where the amount of an applicant's earnings changes the authority must estimate his average weekly earnings by reference to his likely earnings from the employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period must not in any case exceed 52 weeks.

(4) For the purposes of this paragraph the applicant's earnings are to be calculated in accordance with paragraphs 51 and 52 (earnings of employed earners: persons who are not pensioners).

Average weekly earnings of self-employed earners: persons who are not pensioners

48

(1) Where the income of an applicant who is not a pensioner consists of earnings from employment as a self-employed earner his average weekly earnings must be estimated by reference to his earnings from that employment over such period as is appropriate in order that his average weekly earnings may be estimated accurately but the length of the period must not in any case exceed a year.

(2) For the purposes of this paragraph the applicant's earnings must be calculated in accordance with paragraphs 53, 61 and 62 (earnings, and net profit, of self-employed earners).

Average weekly income other than earnings: persons who are not pensioners

49

(1) The income of an applicant who is not a pensioner which does not consist of earnings must, except where sub-paragraph (2) applies, be estimated over such period as is appropriate in order that his average weekly income may be estimated accurately but the length of the period must not in any case exceed 52 weeks; and nothing in this paragraph authorises an authority to disregard any such income other than that specified in Schedule 8 (sums disregarded in the calculation of income other than earnings: persons who are not pensioners).

(2) The period over which any benefit under the benefit Acts is to be taken into account is to be the period in respect of which that benefit is payable.

(3) For the purposes of this paragraph income other than earnings is to be calculated in accordance with paragraph 54 (calculation of income other than earnings: persons who are not pensioners).

Calculation of weekly income of employed earners: persons who are not pensioners

50

(1) For the purposes of paragraphs 47 (average weekly earnings of employed earners), 49 (average weekly income other than earnings) and 59 (calculation of average weekly income from tax credits), where the period in respect of which a payment is made--

(a) does not exceed a week, the weekly amount is to be the amount of that payment;

(b) exceeds a week, the weekly amount is to 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 any other case, by dividing the amount of the payment by the number equal to the number of days in the period to which it relates and multiplying the product by 7.

(2) For the purposes of paragraph 48 (average weekly earnings of self-employed earners) the weekly amount of earnings of an applicant is to be determined by dividing his earnings over the as- sessment period by the number equal to the number of days in that period and multiplying the product by 7.

Earnings of employed earners: persons who are not pensioners

51

(1) Subject to sub-paragraph (2), "earnings", in the case of employment as an employed earner of a person who is not a pensioner, means 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 an applicant on account of the termination of his employment by reason of redundancy;

(c) any payment in lieu of notice or any lump sum payment intended as compensation for the loss of employment but only in so far as it represents loss of income;

(d) any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;

(e) any payment by way of a retainer;

(f) any payment made by the applicant'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 applicant's employer in respect of--

(i) travelling expenses incurred by the applicant between his home and place of employment;

(ii) expenses incurred by the applicant under arrangements made for the care of a member of his family owing to the applicant's absence from home;

(g) any award of compensation made under section 112(4) or 117(3)(a) of the Employment Rights Act 1996 (remedies and compensation for unfair dismissal);

(h) 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);

(i) any such sum as is referred to in section 112 of the SSCBA (certain sums to be earnings for social security purposes);

(j) any statutory sick pay, statutory maternity pay, statutory paternity pay, statutory shared parental pay or statutory adoption pay, or a corresponding payment under any enactment having effect in Northern Ireland;

(k) any remuneration paid by or on behalf of an employer to the applicant who for the time being is on maternity leave, paternity leave, shared parental leave or adoption leave or is absent from work because he is ill;

(l) 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 Part 5 of Schedule 3 to the Social Security (Contributions) Regulations 2001.

(2) Earnings does not include--

(a) subject to sub-paragraph (3), any payment in kind;

(b) any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment;

(c) any occupational pension;

(d) any payment in respect of expenses arising out of the applicant's participation in a service user group.

(3) Sub-paragraph (2)(a) does not apply in respect of any non-cash voucher referred to in sub-paragraph (1)(l).

Calculation of net earnings of employed earners: persons who are not pensioners

52

(1) For the purposes of paragraph 47 (average weekly earnings of employed earners: persons who are not pensioners), the earnings of an applicant who is not a pensioner derived or likely to be derived from employment as an employed earner to be taken into account must, subject to sub-paragraph (2), be his net earnings.

(2) There is to be disregarded from an applicant's net earnings, any sum, where applicable, specified in paragraphs 1 to 16 of Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners).

(3) For the purposes of sub-paragraph (1) net earnings must, except where sub-paragraph (6) applies, be calculated by taking into account the gross earnings of the applicant from that employment over the assessment period, less--

(a) any amount deducted from those earnings by way of--

(i) income tax;

(ii) primary Class 1 contributions under the SSCBA;

(b) one-half of any sum paid by the applicant by way of a contribution towards an occupational pension scheme;

(c) one-half of the amount calculated in accordance with sub-paragraph (5) in respect of any qualifying contribution payable by the applicant; and

(d) where those earnings include a payment which is payable under any enactment having effect in Northern Ireland and which corresponds to statutory sick pay, statutory maternity pay, statutory paternity pay, statutory shared parental pay, or statutory adoption pay, any amount deducted from those earnings by way of any contributions which are payable under any enactment having effect in Northern Ireland and which correspond to primary Class 1 contributions under the SSCBA.

(4) In this paragraph "qualifying contribution" means any sum which is payable periodically as a contribution towards a personal pension scheme.

(5) The amount in respect of any qualifying contribution is to be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this paragraph the daily amount of the qualifying contribution is to be determined--

(a) where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;

(b) in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.

(6) Where the earnings of an applicant are estimated under paragraph 47(2)(b) (average weekly earnings of employed earners: classes D to F), his net earnings is to be calculated by taking into account those earnings over the assessment period, less--

(a) an amount in respect of income tax equivalent to an amount calculated by applying to those

earnings the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 35 to 37 of the Income Tax Act 2007 (personal allowances) as is appropriate to his circumstances but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph is to be calculated on a pro rata basis;

(b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the SSCBA in respect of those earnings if such contributions were payable; and

(c) one-half of any sum which would be payable by the applicant by way of a contribution towards an occupational or personal pension scheme, if the earnings so estimated were actual earnings.

Earnings of self-employed earners: persons who are not pensioners

53

(1) Subject to sub-paragraph (2), "earnings", in the case of employment as a self-employed earner of a person who is not a pensioner, means the gross income of the employment.

(2) "Earnings" does not include any payment to which paragraph 31 or 32 of Schedule 8 refers (payments in respect of a person accommodated with the applicant under arrangements made by a local authority or voluntary organisation and payments made to the applicant by a health authority, local authority or voluntary organisation in respect of persons temporarily in the applicant's care) nor does it include any sports award.

(3) 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 applicant is the first owner of the copyright, design, patent or trade mark, or an original contributor to the book or work concerned.

(4) Where the applicant's earnings consist of any items to which sub-paragraph (3) applies, those earnings must be taken into account over a period equal to such number of weeks as is equal to the number obtained (and any fraction is to be treated as a corresponding fraction of a week) by dividing the earnings by--

(a) the amount of reduction under this scheme to which the applicant would have been entitled had the payment not been made, plus

(b) an amount equal to the total of the sums which would fall to be disregarded from the payment under Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners) as appropriate in the applicant's case.

Calculation of income other than earnings: persons who are not pensioners

54

(1) For the purposes of paragraph 49 (average weekly income other than earnings: persons who are not pensioners), the income of an applicant who is not a pensioner which does not consist of earnings to be taken into account must, subject to sub-paragraphs (2) to (8), be his gross income and any capital treated as income under paragraph 55 (capital treated as income: persons who are not pensioners).

(2) There is to be disregarded from the calculation of an applicant's gross income under sub-para-

graph (1), any sum, where applicable, specified in Schedule 8.

(3) Where the payment of any benefit under the benefit Acts is subject to any deduction by way of recovery the amount to be taken into account under sub-paragraph (1) must be the gross amount payable.

(4) Where the applicant or, where he is a member of a couple, his partner is receiving a contributory employment and support allowance and that benefit has been reduced under regulation 63 of the Employment and Support Allowance Regulations 2008, the amount of that benefit to be taken into account is the amount as if it had not been reduced.

(5) Where an award of any working tax credit or child tax credit under the Tax Credits Act 2002 is subject to a deduction by way of recovery of an overpayment of working tax credit or child tax credit which arose in a previous tax year the amount to be taken into account under sub-paragraph (1) is to be the amount of working tax credit or child tax credit awarded less the amount of that deduction.

(6) Sub-paragraphs (7) and (8) 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.

(7) 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 sub-paragraph (1) in respect of a person to whom sub-paragraph (7) applies, is to be calculated by applying the formula--

$(A - (B \times C)) / D$

Where

(a) 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 paragraph 81(5) (costs of travel, books and equipment);

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

(c) 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 paragraph 81(2) (treatment of student loans) had the person not abandoned or been dismissed from, his course and, in the case of a person who was not entitled to a reduction under this scheme immediately before he abandoned or was dismissed from his course, had that person, at that time, been entitled to housing benefit;

(d) D = the number of reduction weeks in the assessment period.

(8) 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 sub-paragraph (1) in respect of a person to whom sub-paragraph (7) applies, is to be calculated by applying the formula in sub-paragraph (8) 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 paragraph 81(5).

(9) In this paragraph--

"academic year" and "student loan" have the same meanings as in Part 11 (students);

"assessment period" means--

(a) in a case where a relevant payment is made quarterly, the period beginning with the reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction 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 reduction week which includes the day on which the person abandoned, or was dismissed from, his course and ending with the reduction 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;

"quarter" in relation to an assessment period means a period in that year beginning on--

(c) 1st January and ending on 31st March;

(d) 1st April and ending on 30th June;

(e) 1st July and ending on 31st August; or

(f) 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 paragraph 76(7) or both.

(10) For the avoidance of doubt there must be included as income to be taken into account under sub-paragraph (1)--

(a) any payment to which paragraph 41(2) or 51(2) (payments not earnings) applies; or

(b) in the case of an applicant who is receiving support under section 95 or 98 of the Immigration and Asylum Act 1999 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 applicant and his dependants (if any) as is specified in regulations made under paragraph 3 of Schedule 8 to the Immigration and Asylum Act 1999.

Capital treated as income: persons who are not pensioners

55

(1) Any capital payable by instalments which are outstanding at the date on which the application is made or treated as made, or, at the date of any subsequent revision or supersession, must, if the aggregate of the instalments outstanding and the amount of the applicant's capital otherwise calculated in accordance with Chapter 7 of this Part exceeds £10,000, be treated as income.

(2) Any payment received under an annuity is to be treated as income.

(3) Any earnings to the extent that they are not a payment of income is to be treated as income.

(4) Any Career Development Loan paid pursuant to section 2 of the Employment and Training Act 1973 is to be treated as income.

(5) Where an agreement or court order provides that payments must be made to the applicant in consequence of any personal injury to the applicant and that such payments are to be made, wholly or partly, by way of periodic payments, any such periodic payments received by the applicant (but not a payment which is treated as capital by virtue of this Part), is to be treated as income.

Notional income: persons who are not pensioners

56

(1) An applicant who is not a pensioner is to be treated as possessing income of which he has deprived

himself for the purpose of securing entitlement to a reduction under a council tax reduction scheme or increasing the amount of the reduction.

(2) Except in the case of--

(a) a discretionary trust;

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

(c) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund where the applicant has not attained the qualifying age for state pension credit;

(d) any sum to which paragraph 50(2)(a) of Schedule 10 (capital disregards: persons who are not pensioners) applies which is administered in the way referred to in paragraph 50(1)(a);

(e) any sum to which paragraph 51(a) of Schedule 10 refers;

(f) rehabilitation allowance made under section 2 of the Employment and Training Act 1973;

(g) child tax credit;

(h) working tax credit, or

(i) any sum to which sub-paragraph (11) applies,

any income which would become available to the applicant upon application being made, but which has not been acquired by him, is to be treated as possessed by the applicant but only from the date on which it could be expected to be acquired were an application made.

(3) Any payment of income, other than a payment of income specified in sub-paragraph (4), made--

(a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) must, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;

(b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) must, where it is not a payment referred to in paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;

(c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of that family) must be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

(4) Sub-paragraph (3) does not apply in respect of a payment of income made--

(a) under or by the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006);

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

(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;

(iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;

(iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regula-

tions; or

(v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;

(d) in respect of a person's participation in the Work for Your Benefit Pilot Scheme;

(e) in respect of a person's participation in the Mandatory Work Activity Scheme;

(f) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;

(g) under an occupational pension scheme, 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 sub-paragraph (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

(5) Where an applicant is in receipt of any benefit under the benefit Acts and the rate of that benefit is altered with effect from a date on or after 1st April in any year but not more than 14 days thereafter, the authority must treat the applicant as possessing such benefit at the altered rate from either 1st April or the first Monday in April in that year, whichever date the authority selects, to the date on which the altered rate is to take effect.

(6) Subject to sub-paragraph (7), where--

(a) an applicant 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 authority must treat the applicant as possessing such earnings (if any) as is reasonable for that employment unless the applicant satisfies the authority that the means of that person are insufficient for him to pay or to pay more for the service.

(7) Sub-paragraph (6) does not apply--

(a) to an applicant who is engaged by a charitable or voluntary organisation or who is a volunteer if the authority is satisfied in any of those cases that it is reasonable for him to provide those services free of charge; or

(b) in a case where the service is performed in connection with--

(i) the applicant's participation in an employment or training programme in accordance with regulation 19(1)(q) of the Jobseeker's Allowance Regulations 1996, other than where the service is performed in connection with the applicant's participation in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations; or

(ii) the applicant's or the applicant'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 an applicant 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.

(8) In sub-paragraph (7)(c) "work placement" means practical work experience which is not undertaken in expectation of payment.

(9) Where an applicant is treated as possessing any income under any of sub-paragraphs (1) to (8), the foregoing provisions of this Part 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.

(10) Where an applicant is treated as possessing any earnings under sub-paragraph (6) the foregoing provisions of this Part 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 42(2) or 52(3) (calculation of net earnings of employed earners: pensioners and persons who are not pensioners, respectively) do not apply and his net earnings are to be calculated by taking into account those 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 the basic rate of tax applicable to the assessment period less only the personal relief to which the applicant is entitled under sections 35 to 37 of the Income Tax Act 2007 (personal allowances) as is appropriate to his circumstances; but, if the assessment period is less than a year, the earnings to which the basic rate of tax is to be applied and the amount of the personal relief deductible under this sub-paragraph is to be calculated on a pro rata basis;

(b) an amount equivalent to the amount of the primary Class 1 contributions that would be payable by him under the SSCBA in respect of those earnings if such contributions were payable; and

(c) one-half of any sum payable by the applicant by way of a contribution towards an occupational or personal pension scheme.

(11) Sub-paragraphs (1), (2), (3) and (6) do not apply in respect of any amount of income other than earnings, or earnings of an employed earner, arising out of the applicant's participation in a service user group.

Chapter 6
Income: Further Provisions Applying to Pensioners and Persons Who are Not Pensioners

Calculation of income on a weekly basis

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(1) Subject to paragraph 60 (disregard of changes in tax, etc), the income of an applicant is to be calculated on a weekly basis--

(a) by estimating the amount which is likely to be his average weekly income in accordance with this Part;

(b) by adding to that amount the weekly income calculated--

(i) if the applicant is a pensioner, under paragraph 71 (tariff income: pensioners);

(ii) if the applicant is a person who is not a pensioner, under paragraph 72 (tariff income: persons who are not pensioners); and

(c) deducting from the sum of paragraphs (a) and (b) any relevant child care charges to which paragraph 58 (treatment of child care charges) applies from any earnings which form part of the average weekly income or, in a case where the conditions in sub-paragraph (2) are met, from those earnings plus whichever credit specified in paragraph (b) of that sub-paragraph is appropriate, up to a maximum deduction in respect of the applicant's family of whichever of the sums specified in sub-paragraph (3) applies in his case.

(2) The conditions of this paragraph are that--

(a) the applicant's earnings which form part of his average weekly income are less than the lower of either his relevant child care charges or whichever of the deductions specified in sub-paragraph (3) otherwise applies in his case; and

(b) that applicant or, if he is a member of a couple either the applicant or his partner, is in receipt of either working tax credit or child tax credit.

(3) The maximum deduction to which sub-paragraph (1)(c) above refers is to be--

(a) where the applicant's family includes only one child in respect of whom relevant child care charges are paid, £175.00 per week;

(b) where the applicant's family includes more than one child in respect of whom relevant child care charges are paid, £300 per week.

Treatment of child care charges: pensioners

58

(1) This paragraph applies where an applicant (within the meaning in this paragraph) is incurring relevant child care charges and--

(a) is a lone parent and is engaged in remunerative work;

(b) is a member of a couple both of whom are engaged in remunerative work; or

(c) is a member of a couple where one member is engaged in remunerative work and the other--

(i) is incapacitated;

(ii) is an in-patient in hospital; or

(iii) is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).

(2) For the purposes of sub-paragraph (1) and subject to sub-paragraph (4), a person to whom sub-paragraph (3) applies must be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he--

(a) is paid statutory sick pay;

(b) is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the SSCBA;

(c) is paid an employment and support allowance;

(d) is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support (General) Regulations 1987; or

(e) is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.

(3) This sub-paragraph applies to a person who was engaged in remunerative work immediately before--

(a) the first day of the period in respect of which he was first paid statutory sick pay, short-term incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or

(b) the first day of the period in respect of which earnings are credited,

as the case may be.

(4) In a case to which sub-paragraph (2)(d) or (e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.

(5) Relevant child care charges are those charges for care to which sub-paragraphs (6) and (7) apply, and are to be calculated on a weekly basis in accordance with sub-paragraph (9).

(6) The charges are paid by the applicant for care which is provided--

(a) in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or

(b) in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.

(7) The charges are paid for care which is provided by one or more of the care providers listed in sub-paragraph (8) and are not paid--

(a) in respect of the child's compulsory education;

(b) by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible in accordance with paragraph 7 (circumstances in which a person is treated as responsible or not responsible for another); or

(c) in respect of care provided by a relative of the child wholly or mainly in the child's home.

(8) The care to which sub-paragraph (7) refers may be provided--

(a) out of school hours, by a school on school premises or by a local authority--

(i) for children who are not disabled in respect of the period beginning on their eighth birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or

(ii) for children who are disabled in respect of the period beginning on their eighth birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or

(b) by a child care provider approved in accordance with the Tax Credit (New Category of Child Care Provider) Regulations 1999; or

(c) by persons registered under Part 2 of the Children and Families (Wales) Measure 2010; or

(d) by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) Order 2010; or

(e) by--

(i) persons registered under section 59(1) of the Public Services Reform (Scotland) Act 2010; or

(ii) local authorities registered under section 83(1) of that Act,

where the care provided is child minding or day care of children within the meaning of that Act; or

(f) by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act 2002; or

(g) by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or

(h) by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of

section 34(2) of that Act; or

(i) by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or

(j) by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of "childcare" for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or

(k) by a foster parent or kinship carer under the Fostering Services Regulations 2011 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering or kinship carer is looking after; or

(ka) by a foster parent under the Fostering Panels (Establishment and Functions) (Wales) Regulations 2018 or a person with whom a child is placed under regulation 26 of the Care Planning, Placement and Case Review (Wales) Regulations 2015 (temporary approval of a relative, friend or other person connected with the child) or regulation 28 of those Regulations (temporary approval of a particular prospective adopter) in relation to a child other than one whom the foster parent is fostering or the person is looking after; or

(l) by a provider of personal care within the meaning of paragraph 1 of Schedule 1 to the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010 and being a regulated activity prescribed by those Regulations or by a person who is employed, or engaged under a contract for services, to provide care and support by the provider of a domiciliary support service within the meaning of Part 1 of the Regulations and Inspection of Social Care (Wales) Act 2016; or

(m) by a person who is not a relative of the child wholly or mainly in the child's home.

(9) Relevant child care charges must be estimated over such period, not exceeding a year, as is appropriate in order that the average weekly charge may be estimated accurately having regard to information as to the amount of that charge provided by the child minder or person providing the care.

(10) For the purposes of sub-paragraph (1)(c) the other member of a couple is incapacitated where--

(a) he is aged not less than 80;

(b) he is aged less than 80, and--

(i) an additional condition specified in paragraph 10 of Schedule 3 (additional condition for the disability premium) to this scheme is treated as applying in his case; and

(ii) he satisfies that conditions or would satisfy it but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the SSCBA;

(c) the other member of the couple would be a member of the support group or a member of the work-related activity group but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008 or the Employment and Support Allowance Regulations 2013;

(d) he is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the SSCBA (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days must be treated as one continuous period;

(e) he is, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations 2008 [or the Employment and Support Allowance Regulations 2013] for a continuous period of not less than 196 days and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;

(f) there is payable in respect of him one or more of the following pensions or allowances--

(i) long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the SSCBA;

(ii) attendance allowance under section 64 of the SSCBA;

(iii) severe disablement allowance under section 68 of the SSCBA;

(iv) disability living allowance under section 71 of the SSCBA;

(v) personal independence payment;

(vi) an AFIP;

(vii) increase of disablement pension under section 104 of the SSCBA;

(viii) a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under sub-paragraph (ii), (iv), (v) or (vii) above;

(ix) main phase employment and support allowance;

(x) adult disability payment;

(g) a pension or allowance or payment to which sub-paragraph (v), (vii) or (viii) of paragraph (f) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this paragraph means a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005;

(h) an attendance allowance under section 64 of the SSCBA or disability living allowance would be payable to that person but for--

(i) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or

(ii) an abatement as a consequence of hospitalisation;

(i) the daily living component of personal independence payment would be payable to that person but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);

(j) an AFIP would be payable to that person but for any suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;

(k) paragraph (f), (g), (h) or (i) would apply to him if the legislative provisions referred to in those paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or

(l) he has an invalid carriage or other vehicle provided to him by the Secretary of State or an integrated care board under paragraph 9 of Schedule 1 to the National Health Service Act 2006 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.

(11) For the purposes of sub-paragraph (10), once sub-paragraph (10)(d) applies to the person, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that sub-paragraph is, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter to apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.

(12) For the purposes of sub-paragraph (10), once sub-paragraph (10)(e) applies to the person, if he

then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter to apply to him for so long as he has, or is treated as having, limited capability for work.

(13) For the purposes of sub-paragraphs (6) and (8)(a), a person is disabled if he is a person--

(a) to whom an attendance allowance or the care component of disability allowance is payable or would be payable but for--

(i) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or

(ii) an abatement as a consequence of hospitalisation;

(aa) in respect of whom child disability payment is payable;

(b) to whom the daily living component of personal independence payment is payable or has ceased to be payable by virtue of a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);

(ba) in respect of whom adult disability payment is payable, or has ceased to be payable solely by virtue of regulation 28 (effect of admission to hospital on ongoing entitlement to Adult Disability Payment) of the DAWAP Regulations;

(c) who is registered as severely sight-impaired in a register kept under section 77(1) of the Care Act 2014 (registers of sight-impaired adults), in Scotland has been certified as blind and in consequence he is registered as blind in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994 or is registered as severely sight-impaired in a register kept by a local authority in Wales under section 18(1) of the Social Services and Well-being (Wales) Act 2014; or

(d) who ceased to be registered as blind or severely sight-impaired in such a register within the period beginning 28 weeks before the first Monday in September following that person's fifteenth birthday and ending on the day preceding that person's sixteenth birthday.

(14) For the purposes of sub-paragraph (1) a person on maternity leave, paternity leave, shared parental leave, parental bereavement leave or adoption leave is to be treated as if he is engaged in remunerative work for the period specified in sub-paragraph (15) (“the relevant period”) provided that—

(a) in the week before the period of maternity leave, paternity leave, shared parental leave, parental bereavement leave or adoption leave began he was in remunerative work;

(b) the applicant is incurring relevant child care charges within the meaning of sub-paragraph (5); and

(c) he is entitled to either statutory maternity pay under section 164 of the SSCBA, statutory paternity pay by virtue of section 171ZA or 171ZB of that Act, statutory adoption pay by virtue of section 171ZL of that Act, maternity allowance under section 35 of that Act, statutory shared parental pay by virtue of section 171ZU or 171ZV of that Act, statutory parental bereavement pay by virtue of section 171ZZ6 of that Act or qualifying support.

(15) For the purposes of sub-paragraph (14) the relevant period begins on the day on which the person's maternity, paternity leave, shared parental leave, parental bereavement leave or adoption leave commences and ends on—

(a) the date that leave ends;

(b) if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay, ordinary or additional statutory paternity pay or statutory shared parental pay, statutory parental bereavement pay or statutory

adoption pay ends, the date that entitlement ends; or

(c) if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance or qualifying support, statutory maternity pay, ordinary or additional statutory paternity pay, statutory shared parental pay, statutory parental bereavement pay or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credit ends,

whichever shall occur first.

(16) In sub-paragraphs (14) and (15)--

(a) "qualifying support" means income support to which that person is entitled by virtue of paragraph 14B of Schedule 1B to the Income Support (General) Regulations 1987; and

(b) "child care element" of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act 2002 (child care element).

(17) In sub-paragraphs (6), (8)(a) and (13)(d), “the first Monday in September” means the Monday which first occurs in the month of September in any year.

Treatment of child care charges: persons who are not pensioners

58A

(1) This paragraph applies where an applicant (within the meaning in this paragraph) is incurring relevant child care charges and--

(a) is a lone parent and is engaged in remunerative work;

(b) is a member of a couple both of whom are engaged in remunerative work; or

(c) is a member of a couple where one member is engaged in remunerative work and the other--

(i) is incapacitated;

(ii) is an in-patient in hospital; or

(iii) is in prison (whether serving a custodial sentence or remanded in custody awaiting trial or sentence).

(2) For the purposes of sub-paragraph (1) and subject to sub-paragraph (4), a person to whom sub-paragraph (3) applies must be treated as engaged in remunerative work for a period not exceeding 28 weeks during which he--

(a) is paid statutory sick pay;

(b) is paid short-term incapacity benefit at the lower rate under sections 30A to 30E of the SSCBA;

(c) is paid an employment and support allowance;

(d) is paid income support on the grounds of incapacity for work under regulation 4ZA of, and paragraph 7 or 14 of Schedule 1B to, the Income Support (General) Regulations 1987; or

(e) is credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.

(3) This sub-paragraph applies to a person who was engaged in remunerative work immediately before--

(a) the first day of the period in respect of which he was first paid statutory sick pay, short-term

incapacity benefit, an employment and support allowance or income support on the grounds of incapacity for work; or

(b) the first day of the period in respect of which earnings are credited,

as the case may be.

(4) In a case to which sub-paragraph (2)(d) or (e) applies, the period of 28 weeks begins on the day on which the person is first paid income support or on the first day of the period in respect of which earnings are credited, as the case may be.

(5) Relevant child care charges are those charges for care to which sub-paragraphs (6) and (7) apply, and are to be calculated on a weekly basis in accordance with sub-paragraph (10).

(6) The charges are paid by the applicant for care which is provided--

(a) in the case of any child of the applicant's family who is not disabled, in respect of the period beginning on that child's date of birth and ending on the day preceding the first Monday in September following that child's fifteenth birthday; or

(b) in the case of any child of the applicant's family who is disabled, in respect of the period beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday.

(7) The charges are paid for care which is provided by one or more of the care providers listed in sub-paragraph (8) and are not paid--

(a) in respect of the child's compulsory education;

(b) by an applicant to a partner or by a partner to an applicant in respect of any child for whom either or any of them is responsible in accordance with paragraph 7 (circumstances in which a person is treated as responsible or not responsible for another); or

(c) in respect of care provided by a relative of the child wholly or mainly in the child's home.

(8) The care to which sub-paragraph (7) refers may be provided--

(a) out of school hours, by a school on school premises or by a local authority--

(i) for children who are not disabled in respect of the period beginning on their eighth birthday and ending on the day preceding the first Monday in September following their fifteenth birthday; or

(ii) for children who are disabled in respect of the period beginning on their eighth birthday and ending on the day preceding the first Monday in September following their sixteenth birthday; or

(b) by a child care provider approved in accordance with the Tax Credit (New Category of Child Care Provider) Regulations 1999; or

(c) by persons registered under Part 2 of the Children and Families (Wales) Measure 2010; or

(d) by a person who is excepted from registration under Part 2 of the Children and Families (Wales) Measure 2010 because the child care that person provides is in a school or establishment referred to in article 11, 12 or 14 of the Child Minding and Day Care Exceptions (Wales) Order 2010; or

(e) by--

(i) persons registered under section 59(1) of the Public Services Reform (Scotland) Act 2010; or

(ii) local authorities registered under section 83(1) of that Act,

where the care provided is child minding or day care of children within the meaning of that Act; or

(f) by a person prescribed in regulations made pursuant to section 12(4) of the Tax Credits Act

2002; or

(g) by a person who is registered under Chapter 2 or 3 of Part 3 of the Childcare Act 2006; or

(h) by any of the schools mentioned in section 34(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 2 of Part 3 of that Act does not apply by virtue of section 34(2) of that Act; or

(i) by any of the schools mentioned in section 53(2) of the Childcare Act 2006 in circumstances where the requirement to register under Chapter 3 of Part 3 of that Act does not apply by virtue of section 53(2) of that Act; or

(j) by any of the establishments mentioned in section 18(5) of the Childcare Act 2006 in circumstances where the care is not included in the meaning of "childcare" for the purposes of Part 1 and Part 3 of that Act by virtue of that subsection; or

(k) by a foster parent or kinship carer under the Fostering Services Regulations 2011, the Fostering Services (Wales) Regulations 2003 or the Looked After Children (Scotland) Regulations 2009 in relation to a child other than one whom the foster parent is fostering or kinship carer is looking after; or

(l) by a provider of personal care within the meaning of paragraph 1 of Schedule 1 to the Health and Social Care Act 2008 (Regulated Activities) Regulations 2010 and being a regulated activity prescribed by those Regulations; or

(m) by a person who is not a relative of the child wholly or mainly in the child's home.

(9) In sub-paragraphs (6) and (8)(a), "the first Monday in September" means the Monday which first occurs in the month of September in any year.

(10) Relevant child care charges must be estimated over such period, not exceeding a year, as is appropriate in order that the average weekly charge may be estimated accurately having regard to information as to the amount of that charge provided by the child minder or person providing the care.

(11) For the purposes of sub-paragraph (1)(c) the other member of a couple is incapacitated where--

(a) the applicant is a pensioner and the other member of the couple is aged not less than 80;

(b) the applicant is a pensioner and the other member of the couple is aged less than 80, and--

(i) the additional condition specified in paragraph 10 of Schedule 3 (additional condition for the disability premium) to this scheme is treated as applying in his case; and

(ii) he satisfies that conditions or would satisfy it but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the SSCBA;

(c) the applicant is not a pensioner, the applicant's applicable amount includes a disability premium on account of the other member's incapacity or the support component or the other member is a member of the work-related activity group on account of his having limited capability for work;

(d) the applicant is not a pensioner, the applicant's applicable amount would include a disability premium on account of the other member's incapacity but for that other member being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the SSCBA;

(e) the other member of the couple would be a member of the support group or a member of the work-related activity group but for that other member being treated as not having limited capability for work by virtue of a determination made in accordance with the Employment and Support Allowance Regulations 2008 or the Employment and Support Allowance Regulations 2013;

(f) he is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of

the SSCBA (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days must be treated as one continuous period;

(g) he is, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations 2008 or the Employment and Support Allowance Regulations 2013 for a continuous period of

not less than 196 days and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;

(h) there is payable in respect of him one or more of the following pensions or allowances--

(i) long-term incapacity benefit or short-term incapacity benefit at the higher rate under Schedule 4 to the SSCBA;

(ii) attendance allowance under section 64 of the SSCBA;

(iii) severe disablement allowance under section 68 of the SSCBA;

(iv) disability living allowance under section 71 of the SSCBA;

(v) personal independence payment;

(vi) an AFIP;

(vii) increase of disablement pension under section 104 of the SSCBA;

(viii) a pension increase paid as part of a war disablement pension or under an industrial injuries scheme which is analogous to an allowance or increase of disablement pension under sub- paragraph (ii), (iv), (v) or (vii) above;

(ix) main phase employment and support allowance;

(i) a pension or allowance or payment to which sub-paragraph (v), (vii) or (viii) of paragraph (h) above refers was payable on account of his incapacity but has ceased to be payable in consequence of his becoming a patient, which in this paragraph means a person (other than a person who is serving a sentence of imprisonment or detention in a youth custody institution) who is regarded as receiving free in-patient treatment within the meaning of regulation 2(4) and (5) of the Social Security (Hospital In-Patients) Regulations 2005;

(j) an attendance allowance under section 64 of the SSCBA or disability living allowance would be payable to that person but for--

(i) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or

(ii) an abatement as a consequence of hospitalisation;

(k) the daily living component of personal independence payment would be payable to that person but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);

(l) an AFIP would be payable to that person but for any suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;

(m) paragraph (h), (i), (j) or (k) would apply to him if the legislative provisions referred to in those paragraphs were provisions under any corresponding enactment having effect in Northern Ireland; or

(n) he has an invalid carriage or other vehicle provided to him by the Secretary of State or an integrated care board under paragraph 9 of Schedule 1 to the National Health Service Act 2006 or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972.

(12) For the purposes of sub-paragraph (11), once sub-paragraph (11)(f) applies to the person, if he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that sub-paragraph is, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter to apply to him for so long as he remains incapable, or is treated as remaining incapable, of work.

(13) For the purposes of sub-paragraph (11), once sub-paragraph (11)(g) applies to the person, if he then ceases, for a period of 84 days or less, to have, or to be treated as having, limited capability for work, that paragraph is, on his again having, or being treated as having, limited capability for work at the end of that period, immediately thereafter to apply to him for so long as he has, or is treated as having, limited capability for work.

(14) For the purposes of sub-paragraphs (6) and (8)(a), a person is disabled if he is a person--

(a) to whom an attendance allowance or the care component of disability allowance is payable or would be payable but for--

(i) a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA; or

(ii) an abatement as a consequence of hospitalisation;

(b) to whom the daily living component of personal independence payment is payable or has ceased to be payable by virtue of a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012 (hospital in-patients);

(c) who is registered as blind in a register compiled under section 29 of the National Assistance Act 1948 (welfare services) or, in Scotland, has been certified as blind and in consequence he is registered as blind in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or

(d) who ceased to be registered as blind in such a register within the period beginning 28 weeks before the first Monday in September following that person's fifteenth birthday and ending on the day preceding that person's sixteenth birthday.

(15) For the purposes of sub-paragraph (1) a person on maternity leave, paternity leave, shared parental leave or adoption leave is to be treated as if he is engaged in remunerative work for the period specified in sub-paragraph (16) ("the relevant period") provided that--

(a) in the week before the period of maternity leave, paternity leave, shared parental leave or adoption leave began he was in remunerative work;

(b) the applicant is incurring relevant child care charges within the meaning of sub-paragraph (5); and

(c) he is entitled to either statutory maternity pay under section 164 of the SSCBA, statutory paternity pay by virtue of section 171ZA or 171ZB of that Act, statutory adoption pay by of section 171ZL of that Act, maternity allowance under section 35 of that Act, statutory shared parental pay by virtue of section 171ZU or 171ZV of that Act or qualifying support.

(16) For the purposes of sub-paragraph (15) the relevant period begins on the day on which the person's maternity, paternity leave, shared parental leave or adoption leave commences and ends on--

(a) the date that leave ends;

(b) if no child care element of working tax credit is in payment on the date that entitlement to maternity allowance, qualifying support, statutory maternity pay, ordinary or additional statutory paternity pay, statutory shared parental pay or statutory adoption pay ends, the date that entitlement ends; or

(c) if a child care element of working tax credit is in payment on the date that entitlement to maternity allowance or qualifying support, statutory maternity pay, ordinary or additional statutory

paternity pay, statutory shared parental pay or statutory adoption pay ends, the date that entitlement to that award of the child care element of the working tax credit ends,

whichever occurs first.

(17) In sub-paragraphs (15) and (16)--

(a) "qualifying support" means income support to which that person is entitled by virtue of paragraph 14B of Schedule 1B to the Income Support (General) Regulations 1987; and

(b) "child care element" of working tax credit means the element of working tax credit prescribed under section 12 of the Tax Credits Act 2002 (child care element).

(18) In this paragraph "applicant" does not include an applicant--

(a) who has, or

(b) who (jointly with his partner) has,

an award of universal credit.

Calculation of average weekly income from tax credits

59

(1) This paragraph applies where an applicant receives a tax credit.

(2) Where this paragraph applies, the period over which a tax credit is to be taken into account is the period set out in sub-paragraph (3).

(3) Where the instalment in respect of which payment of a tax credit is made is--

(a) a daily instalment, the period is 1 day, being the day in respect of which the instalment is paid;

(b) a weekly instalment, the period is 7 days, ending on the day on which the instalment is due to be paid;

(c) a two weekly instalment, the period is 14 days, commencing 6 days before the day on which the instalment is due to be paid;

(d) a four weekly instalment, the period is 28 days, ending on the day on which the instalment is due to be paid.

(4) For the purposes of this paragraph "tax credit" means child tax credit or working tax credit.

Disregard of changes in tax, contributions etc

60

In calculating the applicant's income the authority may disregard any legislative change--

(a) in the basic or other rates of income tax;

(aa) in the Scottish basic or other rates of income tax;

(b) in the amount of any personal tax reliefs under Chapters 2, 3, and 3A of Part 3 of the Income Tax Act 2007;

(c) in the rates of national insurance contributions payable under the SSCBA or in the lower earnings limit or upper earnings limit for Class 1 contributions under that Act, the lower or upper limits

applicable to Class 4 contributions under that Act or the amount specified in section 11(4) of that Act (lower profits threshold in relation to Class 2 contributions);

(d) in the amount of tax payable as a result of an increase in the weekly rate of Category A, B, C or D retirement pension or any addition thereto or any graduated pension payable under the SSCBA or a state pension under Part 1 of the Pensions Act 2014;

(e) in the maximum rate of child tax credit or working tax credit,

for a period not exceeding 30 reduction weeks beginning with the reduction week immediately following the date from which the change is effective.

Calculation of net profit of self-employed earners

61

(1) For the purposes of paragraphs 48 (average weekly earnings of self-employed earners: persons who are not pensioners) and 57 (calculation of income on a weekly basis) the earnings of an applicant to be taken into account must 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 who is a pensioner whose employment is carried on in partnership, his share of the net profit derived from that employment, less--

(i) an amount in respect of income tax and of national insurance contributions payable under the SSCBA calculated in accordance with paragraph 62 (deduction of tax and contributions of self-employed earners); and

(ii) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium;

(c) in the case of a self-employed earner who is not a pensioner 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, his share of the net profit derived from that employment, less--

(i) an amount in respect of income tax and of national insurance contributions payable under the SSCBA calculated in accordance with paragraph 62 (deduction of tax and contributions for self-employed earners); and

(ii) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.

(2) There must be disregarded from the net profit of an applicant who is not a pensioner, any sum, where applicable, specified in paragraphs 1 to 16 of Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners).

(3) For the purposes of sub-paragraph (1)(a) the net profit of the employment must, except where sub-paragraph (9) applies, be calculated by taking into account the earnings of the employment over the assessment period less--

(a) subject to sub-paragraphs (5) to (8), any expenses wholly and exclusively incurred 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 SSCBA,

calculated in accordance with paragraph 62 (deduction of tax and contributions for self-employed

earners); and

(c) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.

(4) For the purposes of sub-paragraph (1)(b) the net profit of the employment is to be calculated by taking into account the earnings of the employment over the assessment period less, subject to sub-paragraphs (5) to (8), any expenses wholly and exclusively incurred in that period for the purposes of the employment.

(5) Subject to sub-paragraph (6), no deduction is to be made under sub-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;

(d) any loss incurred before the beginning of the assessment period;

(e) the repayment of capital on any loan taken out for the purposes of the employment;

(f) any expenses incurred in providing business entertainment; and

(g) in the case of an applicant who is not a pensioner, any debts, except bad debts proved to be such, but this paragraph does not apply to any expenses incurred in the recovery of a debt.

(6) A deduction is to be made under sub-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; or

(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) The authority must refuse to make a deduction in respect of any expenses under sub-paragraph (3)(a) or (4) where it is not satisfied given the nature and the amount of the expense that it has been reasonably incurred.

(8) For the avoidance of doubt--

(a) a deduction must not be made under sub-paragraph (3)(a) or (4) in respect of any sum unless it has been expended for the purposes of the business;

(b) a deduction must be made thereunder in respect of--

(i) the excess of any value added tax paid over value added tax received in the assessment period;

(ii) any income expended in the repair of an existing business 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 an applicant is engaged in employment as a child minder the net profit of the employment is to be one-third of the earnings of that employment, less--

(a) an amount in respect of--

(i) income tax; and

(ii) national insurance contributions payable under the SSCBA,

calculated in accordance with paragraph 62 (deduction of tax and contributions for self-employed

earners); and

(b) one-half of the amount calculated in accordance with sub-paragraph (11) in respect of any qualifying premium.

(10) For the avoidance of doubt where an applicant 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 must not be offset against his earnings in any other of his employments.

(11) The amount in respect of any qualifying premium is to be calculated by multiplying the daily amount of the qualifying premium by the number equal to the number of days in the assessment period; and for the purposes of this paragraph the daily amount of the qualifying premium must be determined--

(a) where the qualifying premium is payable monthly, by multiplying the amount of the qualifying premium by 12 and dividing the product by 365;

(b) in any other case, by dividing the amount of the qualifying premium by the number equal to the number of days in the period to which the qualifying premium relates.

(12) In this paragraph, "qualifying premium" means any premium which is payable periodically in respect of a personal pension scheme and is so payable on or after the date of application.

Calculation of deduction of tax and contributions of self-employed earners

62

(1) The amount to be deducted in respect of income tax under paragraph 61(1)(b)(i), (3)(b)(i) or (9)(a)(i) (calculation of net profit of self-employed earners) must be calculated--

(a) on the basis of the amount of chargeable income, and

(b) as if that income were assessable to income tax at the basic rate, or in the case of a Scottish taxpayer, the Scottish basic rate, of tax applicable to the assessment period less only the personal reliefs to which the applicant is entitled under Chapters 2, 3 and 3A of Part 3 of the Income Tax Act 2007 as are appropriate to his circumstances.

(2) But, if the assessment period is less than a year, the earnings to which the basic rate, or the Scottish basic rate, of tax is to be applied and the amount of the personal reliefs deductible under this paragraph must be calculated on a pro rata basis.

(3) The amount to be deducted in respect of national insurance contributions under paragraph 60(1)(b)(i), (3)(b)(ii) or (9)(a)(ii) is the total of--

(a) the amount of Class 2 contributions payable under section 11(2) or, as the case may be, 11(8) of the SSCBA at the rate applicable to the assessment period except where the applicant's chargeable income is less than the amount specified in section 11(4) of that Act (lower profits threshold) for the tax year applicable to the assessment period; but if the assessment period is less than a year, the amount specified for that tax year must be reduced pro rata; and

(b) the amount of Class 4 contributions (if any) which would be payable under section 15 of the SSCBA (Class 4 contributions recoverable under the Income Tax Acts) at the percentage rate applicable to the assessment period 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 applicable to the as- sessment period; but if the assessment period is less than a year, those limits must be reduced pro rata.

(4) In this paragraph "chargeable income" means--

(a) except where paragraph (b) applies, the earnings derived from the employment less any expenses deducted under sub-paragraph (3)(a) or, as the case may be, (5) of paragraph 61;

(b) in the case of employment as a child minder, one-third of the earnings of that employment.

Chapter 7
Capital

Calculation of capital

63

(1) The capital of an applicant to be taken into account must be, subject to sub-paragraph (2), the whole of his capital calculated in accordance with this Part and (in the case of persons who are not pensioners) any income treated as capital under paragraph 64 (income treated as capital: persons who are not pensioners).

(2) There must be disregarded from the calculation of an applicant's capital under sub-paragraph (1), any capital, where applicable, specified in--

(a) Schedule 9, in relation to pensioners;

(b) Schedule 10, in relation to persons who are not pensioners.

(3) In the case of an applicant who is a pensioner, his capital is to be treated as including any payment made to him by way of arrears of--

(a) child tax credit;

(b) working tax credit;

(c) state pension credit,

if the payment was made in respect of a period for the whole or part of which a reduction under this scheme was allowed before those arrears were paid.

(4) The capital of a child or young person who is a member of the family of an applicant who is not a pensioner must not be treated as capital of the applicant.

Income treated as capital: persons who are not pensioners

64

(1) This paragraph applies in relation to persons who are not pensioners.

(2) Any bounty derived from employment to which paragraph 9 of Schedule 7 (sums disregarded in the calculation of earnings: persons who are not pensioners) applies and paid at intervals of at least one year is to be treated as capital.

(3) Any amount by way of a refund of income tax deducted from profits or emoluments chargeable to income tax under Schedule D or E is to be treated as capital.

(4) Any holiday pay which is not earnings under paragraph 41(1)(d) or 51(1)(d) (earnings of employed earners) is to be treated as capital.

(5) Except any income derived from capital disregarded under paragraphs 4, 5, 7, 11, 17, 30 to 33, 50 or 51 of Schedule 10 (capital disregards: persons who are not pensioners), any income derived from capital is to be treated as capital but only from the date it is normally due to be credited to the applicant's account.

(6) In the case of employment as an employed earner, any advance of earnings or any loan made by the applicant's employer is to be treated as capital.

(7) Any charitable or voluntary payment which is not made or due to be made at regular intervals, other than a payment which is made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Independent Living Fund (2006) or the London Bombings Charitable Relief Fund, is to be treated as capital.

(8) There is to be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under the self-employment route, but only in so far as those receipts were payable into a special account during the period in which that person was receiving such assistance.

(9) Any arrears of subsistence allowance which are paid to an applicant as a lump sum must be treated as capital.

(10) Any arrears of working tax credit or child tax credit must be treated as capital.

Calculation of capital in the United Kingdom

65

Capital which an applicant possesses in the United Kingdom is to be calculated at its current market or surrender value less--

(a) where there would be expenses attributable to the sale, 10 per cent; and

(b) the amount of any encumbrance secured on it.

Calculation of capital outside the United Kingdom

66

Capital which an applicant possesses in a country outside the United Kingdom must be calculated--

(a) in a case where 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 encumbrances secured on it.

Notional capital

67

(1) An applicant is to be treated as possessing capital of which he has deprived himself for the purpose of securing entitlement to a reduction or increasing the amount of that reduction except to the ex- tent that that capital is reduced in accordance with paragraph 68 (diminishing notional capital rule).

(2) A person who is a pensioner who disposes of capital for the purpose of--

(a) reducing or paying a debt owed by the applicant; or

(b) purchasing goods or services if the expenditure was reasonable in the circumstances of the applicant's case,

is to be regarded as not depriving himself of it.

(3) Sub-paragraphs (4) to (6) apply in relation to applicants who are not pensioners.

(4) Except in the case of--

(a) a discretionary trust; or

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

(c) any loan which would be obtained only if secured against capital disregarded under Schedule 9; or

(d) a personal pension scheme, occupational pension scheme or a payment made by the Board of the Pension Protection Fund; or

(e) any sum to which paragraph 50(2)(a) of Schedule 10 (capital disregards: persons who are not pensioners) applies which is administered in the way referred to in paragraph 50(1)(a); or

(f) any sum to which paragraph 51(a) of Schedule 10 refers; or

(g) child tax credit; or

(h) working tax credit,

any capital which would become available to the applicant upon application being made, but which has not been acquired by him, is to be treated as possessed by him but only from the date on which it could be expected to be acquired were an application made.

(5) Any payment of capital, other than a payment of capital specified in sub-paragraph (6), made--

(a) to a third party in respect of a single applicant or a member of the family (but not a member of the third party's family) must, where that payment is a payment of an occupational pension, a pension or other periodical payment made under a personal pension scheme or a payment made by the Board of the Pension Protection Fund, be treated as possessed by that single applicant or, as the case may be, by that member;

(b) to a third party in respect of a single applicant or in respect of a member of the family (but not a member of the third party's family) must, where it is not a payment referred to in paragraph (a), be treated as possessed by that single applicant or by that member to the extent that it is used for the food, ordinary clothing or footwear, household fuel or rent of that single applicant or, as the case may be, of any member of that family or is used for any council tax or water charges for which that applicant or member is liable;

(c) to a single applicant or a member of the family in respect of a third party (but not in respect of another member of the family) must be treated as possessed by that single applicant or, as the case may be, that member of the family to the extent that it is kept or used by him or used by or on behalf of any member of the family.

(6) Sub-paragraph (5) does not apply in respect of a payment of capital made--

(a) under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, 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;

(iii) in the Intense Activity Period specified in regulation 75(1)(a)(iv) of those Regulations;

(iv) in a qualifying course within the meaning specified in regulation 17A(7) of those Regulations; or

(v) in the Flexible New Deal specified in regulation 75(1)(a)(v) of those Regulations;

(c) in respect of a person's participation in the Work for Your Benefit Pilot Scheme;

(d) in respect of a person's participation in the Mandatory Work Activity Scheme;

(e) in respect of an applicant's participation in the Employment, Skills and Enterprise Scheme;

(f) under an occupational pension scheme, 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 sub-paragraph (i) and any member of his family does not possess, or is not treated as possessing, any other income apart from that payment.

(7) Where an applicant 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 may 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 must, notwithstanding paragraph 63 (calculation of capital) be disregarded; and

(b) he must, subject to sub-paragraph (8), 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 apply for the purposes of calculating that amount as if it were actual capital which he does possess.

(8) For so long as the applicant undertakes activities in the course of the business of the company, the amount which he is treated as possessing under sub-paragraph (7) is to be disregarded.

(9) Where an applicant is treated as possessing capital under any of sub-paragraphs (1), (4) or (5) the foregoing provisions of this Chapter apply for the purposes of calculating its amount as if it were actual capital which he does possess.

Diminishing notional capital rule: pensioners

68

(1) Where an applicant who is a pensioner is treated as possessing capital under paragraph 67(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 sub-paragraph (2) are satisfied; or

(ii) a week which follows that relevant week and which satisfies those conditions,

is to be reduced by an amount determined under sub-paragraph (3);

(b) in the case of a week in respect of which sub-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 sub-paragraph (4) is satisfied,

is to be reduced by the amount determined under sub-paragraph (5).

(2) This sub-paragraph applies to a reduction week where the applicant satisfies the conditions that--

(a) he is in receipt of a reduction under this scheme; and

(b) but for paragraph 67(1), he would have received a greater reduction in council tax under this scheme in that week.

(3) In a case to which sub-paragraph (2) applies, the amount of the reduction in the amount of capital he is treated as possessing for the purposes of sub-paragraph (1)(a) must be equal to the aggregate of--

(a) an amount equal to the additional amount of the reduction in council tax to which sub-paragraph (2)(b) refers;

(b) where the applicant has also claimed state pension credit, the amount of any state pension credit or any additional amount of state pension credit to which he would have been entitled in respect of the reduction week to which sub-paragraph (2) refers but for the application of regulation 21(1) of the State Pension Credit Regulations 2002 (notional capital);

(c) where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of housing benefit to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 47(1) of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 (notional capital);

(d) where the applicant has also claimed a jobseeker's allowance, the amount of an income-based jobseeker's allowance to which he would have been entitled in respect of the reduction week to which sub-paragraph (2) refers but for the application of regulation 113 of the Jobseeker's Allowance Regulations 1996 (notional capital); and

(e) where the applicant has also claimed an employment and support allowance, the amount of an income-related employment and support allowance to which he would have been entitled inrespect of the reduction week to which sub-paragraph (2) refers but for the application of regulation 115 of the Employment and Support Allowance Regulations 2008 (notional capital).

(4) Subject to sub-paragraph (7), for the purposes of sub-paragraph (1)(b) the condition is that the applicant is a pensioner and would have been entitled to a reduction in council tax under this scheme in the relevant week but for paragraph 67(1).

(5) In such a case the amount of the reduction in the amount of capital he is treated as possessing for the purposes of sub-paragraph (1)(b) is equal to the aggregate of--

(a) the amount of the reduction in council tax to which the applicant would have been entitled in the relevant week but for paragraph 67(1);

(b) if the applicant would, but for regulation 21 of the State Pension Credit Regulations 2002, have been entitled to state pension credit in respect of the benefit week, within the meaning of regulation 1(2) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled;

(c) if the applicant would, but for regulation 47(1) of the Housing Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the benefit week which includes the last day of the relevant week, the amount which is equal to--

(i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or

(ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled;

(d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations 1996, have been entitled to an income-based jobseeker's allowance in respect of the benefit week, within the meaning of regulation 1(3) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled; and

(e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations 2008, have been entitled to an income-related employment and support allowance in respect of the benefit week, within the meaning of regulation 2(1) of those Regulations (interpretation),

which includes the last day of the relevant week, the amount to which he would have been entitled.

(6) But if the amount mentioned in paragraph (a), (b), (c), (d) or (e) of sub-paragraph (5) ("the relevant amount") is in respect of a part-week, the amount that is to be taken into account under that paragraph is to be determined by--

(a) dividing the relevant amount by the number equal to the number of days in that part-week, and

(b) multiplying the result of that calculation by 7.

(7) The amount determined under sub-paragraph (5) is to be re-determined under that sub-paragraph if the applicant makes a further application and the conditions in sub-paragraph (8) are satisfied, and in such a case--

(a) paragraphs (a) to (e) of sub-paragraph (5) apply as if for the words "relevant week" there were substituted the words "relevant subsequent week"; and

(b) subject to sub-paragraph (9), the amount as re-determined has effect from the first week following the relevant subsequent week in question.

(8) The conditions are that--

(a) a further application is made 26 or more weeks after--

(i) the date on which the applicant made an application in respect of which he was first treated as possessing the capital in question under paragraph 67(1);

(ii) in a case where there has been at least one re-determination in accordance with sub-paragraph (11), the date on which he last made an application which resulted in the weekly amount being re-determined, or

(iii) the date on which he last ceased to be entitled to a reduction under this scheme,

whichever last occurred; and

(b) the applicant would have been entitled to a reduction under this scheme but for paragraph 67(1).

(9) The amount as re-determined pursuant to sub-paragraph (7) must 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 must continue to have effect.

(10) For the purposes of this paragraph--

"part-week"--

(a) in relation to an amount mentioned in sub-paragraph (5)(a), means a period of less than a week for which a reduction in council tax under this scheme is allowed;

(b) in relation to an amount mentioned in sub-paragraph (5)(b), means a period of less than a week for which housing benefit is payable;

(c) in relation to an amount mentioned in sub-paragraph (5)(c), (d) or (e), means--

(i) a period of less than a week which is the whole period for which income support, an income-related employment and support allowance or, as the case may be, an income-based jobseeker's allowance is payable; and

(ii) any other period of less than a week for which it is payable;

"relevant week" means the reduction week or part-week in which the capital in question of which the applicant has deprived himself within the meaning of paragraph 67(1)--

(a) was first taken into account for the purpose of determining his entitlement to a reduction; or

(b) was taken into account on a subsequent occasion for the purpose of determining or re-determining his entitlement to a reduction on that subsequent occasion and that determination or re-determination resulted in his beginning to receive, or ceasing to receive, a reduction;

and where more than one reduction week is identified by reference to paragraphs (a) and (b) of this definition, the later or latest such reduction week or, as the case may be, the later or latest such part-week is the relevant week;

"relevant subsequent week" means the reduction week or part-week which includes the day on which the further application or, if more than one further application has been made, the last such application was made.

Diminishing notional capital rule: persons who are not pensioners

69

(1) Where an applicant who is not a pensioner is treated as possessing capital under paragraph 67(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 sub-paragraph (2) are satisfied; or

(ii) a week which follows that relevant week and which satisfies those conditions,

is to be reduced by an amount determined under sub-paragraph (3);

(b) in the case of a week in respect of which sub-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 sub-paragraph (4) is satisfied,

is to be reduced by the amount determined under sub-paragraph (5).

(2) This sub-paragraph applies to a reduction week (or, in the case of persons who are not pensioners, part-week) where the applicant satisfies the conditions that--

(a) he is in receipt of a reduction in council tax under this scheme; and

(b) but for paragraph 67(1), he would have received a greater reduction in council tax under this scheme in that week.

(3) In a case to which sub-paragraph (2) applies, the amount of the reduction in the amount of capital he is treated as possessing for the purposes of sub-paragraph (1)(a) is equal to the aggregate of--

(a) an amount equal to the additional amount of the reduction in council tax to which sub-paragraph (2)(b) refers;

(b) where the applicant has also claimed housing benefit, the amount of any housing benefit or any additional amount of that benefit to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 49(1) of the Housing Benefit Regulations 2006 (notional capital);

(c) where the applicant has also claimed income support, the amount of income support to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 51(1) of the Income Support (General) Regula-

tions 1987 (notional capital);

(d) where the applicant has also claimed a jobseeker's allowance, the amount of an income-based jobseeker's allowance to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 113 of the Jobseeker's Allowance Regulations 1996 (notional capital); and

(e) where the applicant has also claimed an employment and support allowance, the amount of an income-related employment and support allowance to which he would have been entitled in respect of the whole or part of the reduction week to which sub-paragraph (2) refers but for the application of regulation 115 of the Employment and Support Allowance Regulations 2008 (notional capital).

(4) Subject to sub-paragraph (7), for the purposes of sub-paragraph (1)(b) the condition is that the applicant is not a pensioner and would have been entitled to a reduction in council tax in the relevant week but for paragraph 67(1).

(5) In such a case the amount of the reduction in the amount of capital he is treated as possessing must be equal to the aggregate of--

(a) the amount of council tax benefit to which the applicant would have been entitled in the relevant week but for paragraph 67(1);

(b) if the applicant would, but for regulation 49(1) of the Housing Benefit Regulations 2006, have been entitled to housing benefit or to an additional amount of housing benefit in respect of the benefit week which includes the last day of the relevant week, the amount which is equal to--

(i) in a case where no housing benefit is payable, the amount to which he would have been entitled; or

(ii) in any other case, the amount equal to the additional amount of housing benefit to which he would have been entitled;

(c) if the applicant would, but for regulation 51(1) of the Income Support (General) Regulations 1987, have been entitled to income support in respect of the benefit week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled;

(d) if the applicant would, but for regulation 113 of the Jobseeker's Allowance Regulations 1996, have been entitled to an income-based jobseeker's allowance in respect of the benefit week, within the meaning of regulation 1(3) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled; and

(e) if the applicant would, but for regulation 115 of the Employment and Support Allowance Regulations 2008, have been entitled to an income-related employment and support allowance in respect of the benefit week, within the meaning of regulation 2(1) of those Regulations (interpretation), which includes the last day of the relevant week, the amount to which he would have been entitled.

(6) But if the amount mentioned in paragraph (a), (b), (c), (d) or (e) of sub-paragraph (5) ("the relevant amount") is in respect of a part-week, the amount that is to be taken into account under that para- graph is to be determined by--

(a) dividing the relevant amount by the number equal to the number of days in that part-week, and

(b) multiplying the result of that calculation by 7.

(7) The amount determined under sub-paragraph (5) is to be re-determined under the appropriate sub-paragraph if the applicant makes a further application and the conditions in sub-paragraph (8) are satisfied, and in such a case--

(a) paragraphs (a) to (e) of sub-paragraph (5) apply as if for the words "relevant week" there were substituted the words "relevant subsequent week"; and

(b) subject to sub-paragraph (9), the amount as re-determined has effect from the first week following the relevant subsequent week in question.

(8) The conditions are that--

(a) a further application is made 26 or more weeks after--

(i) the date on which the applicant made an application for a reduction under this scheme in respect of which he was first treated as possessing the capital in question under paragraph 67(1);

(ii) in a case where there has been at least one re-determination in accordance with sub-paragraph (7), the date on which he last made an application under this scheme which resulted in the weekly amount being re-determined, or

(iii) the date on which he last ceased to be entitled to a reduction under this scheme,

whichever last occurred; and

(b) the applicant would have been entitled to a reduction under this scheme but for paragraph 67(1).

(9) The amount as re-determined pursuant to sub-paragraph (6) must 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 must continue to have effect.

(10) For the purposes of this paragraph--

"part-week"--

(a) in relation to an amount mentioned in sub-paragraph (5)(a), means a period of less than a week for which a reduction under this scheme is allowed;

(b) in relation to an amount mentioned in sub-paragraph (5)(b), means a period of less than a week for which housing benefit is payable;

(c) in relation to an amount mentioned in sub-paragraph (5)(c), (d) or (e), means--

(i) a period of less than a week which is the whole period for which income support, an income-related employment and support allowance or, as the case may be, an income-based jobseeker's allowance is payable; and

(ii) any other period of less than a week for which it is payable;

"relevant week" means the reduction week or part-week in which the capital in question of which the applicant has deprived himself within the meaning of paragraph 67(1)--

(a) was first taken into account for the purpose of determining his entitlement to a reduction; or

(b) was taken into account on a subsequent occasion for the purpose of determining or re-determining his entitlement to a reduction on that subsequent occasion and that determination or re- determination resulted in his beginning to receive, or ceasing to receive, a reduction,

and where more than one reduction week is identified by reference to paragraphs (a) and (b) of this definition, the later or latest such reduction week or, as the case may be, the later or latest such part-week is the relevant week;

"relevant subsequent week" means the reduction week or part-week which includes the day on which the further application or, if more than one further application has been made, the last such application was made.

Capital jointly held

70

Except where an applicant possesses capital which is disregarded under paragraph 67(7) (notional capital), where an applicant and one or more persons are beneficially entitled in possession to any capital asset they must be treated, in the absence of evidence to the contrary, as if each of them were entitled in possession to the whole beneficial interest therein in an equal share and the foregoing provisions of this Chapter apply for the purposes of calculating the amount of capital which the applicant is treated as possessing as if it were actual capital which the applicant does possess.

Calculation of tariff income from capital: pensioners

71

The capital of an applicant who is a pensioner, calculated in accordance with this Part, is to be treated as if it were a weekly income of--

(a) £1 for each £500 in excess of £10,000 but not exceeding £16,000; and

(b) £1 for any excess which is not a complete £500.

Calculation of tariff income from capital: persons who are not pensioners

72

The capital of an applicant who is not a pensioner, calculated in accordance with this Part, is to be treated as if it were a weekly income of--

(a) £1 for each £250 in excess of £6,000 but not exceeding £10,000;

(b) £1 for any excess which is not a complete £250.

Part 11
Students

Chapter 1
General

Interpretation

73

(1) In this Part--

"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 is to be considered to begin in the autumn rather than the summer;

"access funds" means--

(a) grants made under section 68 of the Further and Higher Education Act 1992 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;

(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, for the purpose of assisting students in financial difficulties;

(d) discretionary payments, known as "learner support funds", which are made available to students in further education by institutions out of funds provided by the Secretary of State under section 14 of the Education Act 2002, under sections 100 and 101 of the Apprenticeships, Skills, Children and Learning Act 2009; or

(e) Financial Contingency Funds made available by the Welsh Ministers;

"college of further education" means a college of further education within the meaning of Part 1 of the Further and Higher Education (Scotland) Act 1992;

"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 considers 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;

"course of study" means any course of study, whether or not it is a sandwich course and whether or not a grant is made for attending or undertaking it;

"covenant income" means the gross income payable to a full-time student under a Deed of Covenant by his

parent;

"education authority" means a government department, a local authority as defined in section 579 of the Education Act 1996 (interpretation), 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, any body which is a research council for the purposes of the Science and Technology Act 1965 or any analogous government department, authority, board or body, of the Channel Islands, Isle of Man or any other country outside Great Britain;

"full-time course of study" means a full-time course of study which--

(a) is not funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, or under section 100 of the Apprenticeships, Skills, Children and Learning Act 2009 or by the Welsh Ministers or a full-time course of study which is not funded in whole or in part by the 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 Scottish Ministers;

(b) is funded in whole or in part by the Secretary of State under section 14 of the Education Act 2002, or under section 100 of the Apprenticeships, Skills, Children and Learning Act 2009 or by the 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) in the case of a course funded by the Secretary of State, in the student's learning agreement signed on behalf of the establishment which is funded by the Secretary of State for the delivery of that course; or

(ii) in the case of a course funded by the 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 Scottish Ministers at a college of further education and 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 additional hours using structured learning packages supported by the teaching staff where the combined total of hours exceeds 21 hours per week, according to the number of hours set out in a document signed on behalf of the college;

"full-time student" means a person attending or undertaking a full-time course of study and includes a student on a sandwich course;

"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 or any payment to which paragraph 16 of Schedule 8 or paragraph 55 of Schedule 10 (allowances and payments for courses of study) applies;

"grant income" means--

(a) any income by way of a grant;

(b) any contribution whether or not it is paid;

"higher education" means higher education within the meaning of Part 2 of the Further and Higher Education (Scotland) Act 1992;

"last day of the course" means--

(a) in the case of a qualifying course, the date on which the last day of that course falls or the date on which the final examination relating to that course is completed, whichever is the later;

(b) in any other case, 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 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, 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) 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) 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;

"periods of experience" means periods of work experience which form part of a sandwich course;

"qualifying course" means a qualifying course as defined for the purposes of Parts 2 and 4 of the Jobseeker's Allowance Regulations 1996;

"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 or regulation 2(8) of the Education (Student Support) Regulations (Northern Ireland) 2007, as the case may be;

"standard maintenance grant" means--

(a) except where paragraph (b) or (c) applies, in the case of a student attending 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 2003 ("the 2003 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 thereof;

(c) in the case of a student receiving an allowance or bursary under the Education (Scotland) Act 1980, the amount of money specified as "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 equivalent in the case of a bursary provided by a college of further education or a local education authority;

(d) in any other case, the amount specified in paragraph 2(2) of Schedule 2 to the 2003 Regulations other than in sub-paragraph (a) or (b) thereof;

"student" means a person, other than a person in receipt of a training allowance, who is attending or undertaking--

(a) a course of study at an educational establishment; or

(b) a qualifying course;

"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 (Scot-

land) Act 1980 or Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 and includes, in Scotland, a young student's bursary paid under regulation 4(1)(c) of the Students' Allowances (Scotland) Regulations 2007.

(2) For the purposes of the definition of "full-time student" in sub-paragraph (1), a person must be regarded as attending or, as the case may be, undertaking a full-time course of study or as being on a sandwich course--

(a) subject to sub-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 purposes of paragraph (a) of sub-paragraph (2), the period referred to in that paragraph includes--

(a) where a person has failed examinations or has failed successfully to 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 sub-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.

Treatment of students

74

This scheme has effect in relation to students who are not pensioners subject to the following provisions of this Part.

Students who are excluded from entitlement to a reduction under this scheme

75

(1) The students who are excluded from entitlement to a reduction under this scheme are, subject to sub-paragraphs (2) and (7)--

(a) full-time students, and

(b) students who are persons treated as not being in Great Britain.

(2) Sub-paragraph (1)(b) does not apply to a student--

(a) who is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance;

(b) who is a lone parent;

(c) whose applicable amount would, but for this paragraph, include the disability premium or severe disability premium;

(d) whose applicable amount would include the disability premium but for his being treated as capable of work by virtue of a determination made in accordance with regulations made under section 171E of the SSCBA;

(e) who is, or is treated as, incapable of work and has been so incapable, or has been so treated as incapable, of work in accordance with the provisions of, and regulations made under, Part 12A of the SSCBA (incapacity for work) for a continuous period of not less than 196 days; and for this purpose any two or more separate periods separated by a break of not more than 56 days must be treated as one continuous period;

(f) who has, or is treated as having, limited capability for work and has had, or been treated as having, limited capability for work in accordance with the Employment and Support Allowance Regulations 2008 for a continuous period of not less than 196 days, and for this purpose any two or more separate periods separated by a break of not more than 84 days must be treated as one continuous period;

(g) who has a partner who is also a full-time student, if he or that partner is treated as responsible for a child or young person;

(h) who is a single applicant with whom a child is placed by a local authority or voluntary organisation within the meaning of the Children Act 1989 or, in Scotland, boarded out within the meaning of the Social Work (Scotland) Act 1968;

(i) who is--

(i) aged under 21 and whose course of study is not a course of higher education,

(ii) aged 21 and attained that age during a course of study which is not a course of higher education, or

(iii) a qualifying young person or child within the meaning of section 142 of the SSCBA (child and qualifying young person);

(j) in respect of whom--

(i) a supplementary requirement has been determined under paragraph 9 of Part 2 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003;

(ii) an allowance, or as the case may be, bursary has been granted which includes a sum under paragraph (1)(d) of regulation 4 of the Students' Allowances (Scotland) Regulations 1999 or, as the case may be, under paragraph (1)(d) of regulation 4 of the Education Authority (Bursaries) (Scotland) Regulations 1995, in respect of expenses incurred;

(iii) a payment has been made under or by virtue of regulations made under the Teaching and Higher Education Act 1998;

(iv) a grant has been made under regulation 13 of the Education (Student Support) Regulations 2005 or under regulation 13 of the Education (Student Support) Regulations (Northern Ireland) 2000; or

(v) a supplementary requirement has been determined under paragraph 9 of Schedule 6 to the Students Awards Regulations (Northern Ireland) 1999 or a payment has been made under Article 50(3) of the Education and Libraries (Northern Ireland) Order 1986,

on account of his disability by reason of deafness.

(3) Sub-paragraph (2)(i)(ii) only applies to an applicant until the end of the course during which the applicant attained the age of 21.

(4) For the purposes of sub-paragraph (2), once sub-paragraph (2)(e) applies to a full-time student, if

he then ceases, for a period of 56 days or less, to be incapable, or to be treated as incapable, of work, that sub-paragraph must, on his again becoming so incapable, or so treated as incapable, of work at the end of that period, immediately thereafter apply to him for so long as he remains incapable or is treated as remaining incapable, of work.

(5) In sub-paragraph (2)(i) the reference to a course of higher education is a reference to a course of any description mentioned in Schedule 6 to the Education Reform Act 1988.

(6) A full-time student to whom sub-paragraph (2)(i) applies must be treated as satisfying that sub-paragraph from the date on which he made a request for the supplementary requirement, allowance, bursary or payment as the case may be.

(7) Sub-paragraph (1)(b) does not apply to a full-time student for the period specified in sub-paragraph (8) if--

(a) at any time during an academic year, with the consent of the relevant educational establishment, he ceases to attend or undertake a course because he is--

(i) engaged in caring for another person; or

(ii) ill;

(b) he has subsequently ceased to be engaged in caring for that person or, as the case may be, he has subsequently recovered from that illness; and

(c) he is not eligible for a grant or a student loan in respect of the period specified in sub-paragraph (8).

(8) The period specified for the purposes of sub-paragraph (7) is the period, not exceeding one year, beginning on the day on which he ceased to be engaged in caring for that person or, as the case may be, the day on which he recovered from that illness and ending on the day before--

(a) the day on which he resumes attending or undertaking the course; or

(b) the day from which the relevant educational establishment has agreed that he may resume attending or undertaking the course,

whichever first occurs.

Chapter 2
Income

Calculation of grant income

76

(1) The amount of a student's grant income to be taken into account in assessing his income must, subject to sub-paragraphs (2) and (3), be the whole of his grant income.

(2) There must be excluded from a student's grant income any payment--

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

(b) in respect of the student's disability;

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

(d) on account of the student maintaining a home at a place other than that at which he resides during his course;

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

(f) intended to meet the cost of books and equipment;

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

(h) intended for the child care costs of a child dependant;

(i) of higher education bursary for care leavers made under Part 3 of the Children Act 1989.

(3) Where a student does not have a student loan and is not treated as possessing such a loan, there must be excluded from the student's grant income--

(a) the sum of £303 per academic year in respect of travel costs; and

(b) the sum of £390 per academic year towards the costs of books and equipment,

whether or not any such costs are incurred.

(4) There must also be excluded from a student's grant income the grant for dependants known as the parents' learning allowance paid pursuant to regulations made under Article 3 of the Education (Student Support) (Northern Ireland) Order 1998 or section 22 of the Teaching and Higher Education Act 1998.

(5) Subject to sub-paragraphs (6) and (7), a student's grant income must be apportioned--

(a) subject to sub-paragraph (8), in a case where it is attributable to the period of study, equally between the weeks in that period beginning with the reduction week, the first day of which coincides with, or immediately follows, the first day of the period of study and ending with the reduction 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 beginning with the reduction 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 reduction week, the last day of which coincides with, or immediately precedes, the last day of the period for which it is payable.

(6) Any grant in respect of dependants 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 dependants under Part 3 of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 must be apportioned equally over the period of 52 weeks or, if there are 53 reduction weeks (including part-weeks) in the year, 53.

(7) 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 dependants to which neither sub-paragraph (6) nor paragraph 80(2) (other amounts to be disregarded) applies, must be apportioned over the same period as the student's loan is apportioned or, as the case may be, would have been apportioned.

(8) In the case of a student on a sandwich course, any periods of experience within the period of study must be excluded and the student's grant income must be apportioned equally between the weeks in the period beginning with the reduction week, the first day of which immediately follows the last day of the period of experience and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the period of study.

Calculation of covenant income where a contribution is assessed

77

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

(2) The weekly amount of the student's covenant must be determined--

(a) by dividing the amount of income which falls to be taken into account under sub-paragraph (1) by 52 or 53, whichever is reasonable in the circumstances; and

(b) by disregarding £5 from the resulting amount.

(3) For the purposes of sub-paragraph (1), the contribution must be treated as increased by the amount (if any) by which the amount excluded under paragraph 76(2)(g) falls short of the amount specified in paragraph 7(2) of Schedule 2 to the Education (Mandatory Awards) Regulations 2003 (travel expenditure).

Covenant income where no grant income or no contribution is assessed

78

(1) Where a student is not in receipt of income by way of a grant the amount of his covenant income must be calculated as follows--

(a) any sums intended for any expenditure specified in paragraph 76(2)(a) to (e) necessary as a result of his attendance on the course must be disregarded;

(b) any covenant income, up to the amount of the standard maintenance grant, which is not so disregarded, must be apportioned equally between the weeks of the period of study;

(c) there must be disregarded from the amount so apportioned the amount which would have been disregarded under paragraph 76(2)(f) and (3) had the student been in receipt of the standard maintenance grant; and

(d) the balance, if any, must be divided by 52 or 53 whichever is reasonable in the circumstances and treated as weekly income of which £5 must 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 covenanted income must be calculated in accordance with paragraphs (a) to (d) of sub-paragraph (1), except that--

(a) the value of the standard maintenance grant must be abated by the amount of such grant income less an amount equal to the amount of any sums disregarded under paragraph 76(2)(a) to (e); and

(b) the amount to be disregarded under sub-paragraph (1)(c) must be abated by an amount equal to the amount of any sums disregarded under paragraph 76(2)(f) and (g) and (3).

Relationship with amounts to be disregarded under Schedule 8

79

No part of a student's covenant income or grant income is to be disregarded under paragraph 19 of Schedule 8 (disregard of certain charitable and voluntary, etc, payments).

Other amounts to be disregarded

80

(1) For the purposes of ascertaining income other than grant income, covenant income and loans treated as income in accordance with paragraph 81 (treatment of student loans), any amounts intended for any expenditure specified in paragraph 76(2) (calculation of grant income), necessary as a result of his attendance on the course must be disregarded.

(2) But sub-paragraph (1) applies only if, and to the extent that, the necessary expenditure exceeds or is likely to exceed the amount of the sums disregarded under paragraph 76(2) or (3), 77(3), 78(1)(a) or (c) or 81(5) (calculation of grant income, covenant income and treatment of student loans) on like expenditure.

Treatment of student loans

81

(1) A student loan is to be treated as income.

(2) In calculating the weekly amount of the loan to be taken into account as income--

(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 is to be apportioned equally between the weeks in the period beginning with--

(i) except in a case where sub-paragraph (ii) applies, the reduction 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 less than an academic year's duration, the reduction week, the first day of which coincides with, or immediately follows, the first day of the course,

and ending with the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;

(b) 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 is to be apportioned equally between the weeks in the period--

(i) beginning with the reduction week, the first day of which coincides with or immediately follows, the first day of that academic year, and

(ii) ending with the reduction week, the last day of which coincides with or immediately precedes, the last day of that academic year,

but excluding any reduction weeks falling entirely within the quarter during which, in the opinion of the authority, the longest of any vacation is taken and for the purposes of this paragraph, "quarter" has the same meaning as for the purposes of the Education (Student Support) Regulations 2005;

(c) 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 is to be apportioned equally between the weeks in the period beginning with--

(i) except in a case where sub-paragraph (ii) applies, the reduction week, the first day of which coincides with, or immediately follows, the first day of that academic year;

(ii) where the final academic year starts on 1st September, the reduction 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 the reduction week, the last day of which coincides with, or immediately precedes, the last day of the course;

(d) in any other case, the loan is to be apportioned equally between the weeks in the period beginning with the earlier of--

(i) the first day of the first reduction week in September; or

(ii) the reduction week, the first day of which coincides with, or immediately follows the first day of the autumn term,

and ending with the reduction 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 £10 is to be disregarded.

(3) A student is to be treated as possessing a student loan in respect of an academic year where--

(a) a student loan has been made to him in respect of that year; or

(b) he could acquire such a loan in respect of that year by taking reasonable steps to do so.

(4) Where a student is treated as possessing a student loan under sub-paragraph (3), the amount of the student loan to be taken into account as income must be, subject to sub-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--

(i) the maximum student loan he is able to acquire in respect of that year by taking reasonable steps to do so; and

(ii) any contribution whether or not it has 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.

(5) There must be deducted from the amount of income taken into account under sub-paragraph (4)--

(a) the sum of £303 per academic year in respect of travel costs; and

(b) the sum of £390 per academic year towards the cost of books and equipment,

whether or not any such costs are incurred.

(6) 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.

Treatment of payments from access funds

82

(1) This paragraph applies to payments from access funds that are not payments to which paragraph 85(2) or (3) (income treated as capital) applies.

(2) A payment from access funds, other than a payment to which sub-paragraph (3) applies, must be disregarded as income.

(3) Subject to sub-paragraph (4) of this paragraph and paragraph 40 of Schedule 8 (disregards in the calculation of income other than earnings: persons who are not pensioners)--

(a) any payments from access funds which are intended and used for an item of food, ordinary clothing or footwear, household fuel, or rent of a single applicant or, as the case may be, of the applicant or any other member of his family, and

(b) any payments from access funds which are used for any council tax or water charges for which that applicant or member is liable,

must be disregarded as income to the extent of £20 per week.

(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 must be disregarded as income.

Disregard of contribution

83

Where the applicant or his partner is a student and, for the purposes of assessing a contribution to the student's grant or student loan, the other partner's income has been taken into account, an amount equal to that contribution must be disregarded for the purposes of assessing that other partner's income.

Further disregard of student's income

84

Where any part of a student's income has already been taken into account for the purposes of assessing his entitlement to a grant or student loan, the amount taken into account must be disregarded in assessing that student's income.

Income treated as capital

85

(1) Any amount by way of a refund of tax deducted from a student's covenant income must be treated as capital.

(2) An amount paid from access funds as a single lump sum must 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, household fuel or rent, or which is used for an item other than any council tax or water charges for which that applicant or member is liable, must be disregarded as capital but only for a period of 52 weeks from the date of the payment.

Disregard of changes occurring during summer vacation

86

In calculating a student's income the authority must disregard 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 to the end of that vacation.

Part 12
Extended Reductions

Chapter 1
Extended Reductions: Pensioners

Extended reductions: pensioners

87

Paragraphs 88 to 93 apply in relation to applicants who are pensioners.

Extended reductions (qualifying contributory benefits): pensioners

88

(1) Except in the case of an applicant who is in receipt of state pension credit, an applicant who is entitled to a reduction under this scheme by virtue of falling within any of classes A to C is entitled to an extended reduction (qualifying contributory benefits) where--

(a) the applicant or the applicant's partner was entitled to a qualifying contributory benefit;

(b) entitlement to a qualifying contributory benefit ceased because the applicant or the applicant's partner--

(i) commenced employment as an employed or self-employed earner;

(ii) increased their earnings from such employment; or

(iii) increased the number of hours worked in such employment,

and that employment is or, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more;

(c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and

(d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.

(2) An applicant must be treated as entitled to a reduction under this scheme by virtue of falling within any of classes A to C where--

(a) the applicant ceased to be entitled to a reduction under this scheme because the applicant vacated the dwelling in which the applicant was resident;

(b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying contributory benefit ceased, or in the preceding week; and

(c) entitlement to the qualifying contributory benefit ceased in any of the circumstances listed in sub-paragraph (1)(b).

Duration of extended reduction period (qualifying contributory benefits): pensioners

89

(1) Where an applicant is entitled to an extended reduction (qualifying contributory benefits), the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying contributory benefit.

(2) For the purpose of sub-paragraph (1), an applicant or an applicant's partner ceases to be entitled to a qualifying contributory benefit on the day immediately following the last day of entitlement to that benefit.

(3) The extended reduction period ends--

(a) at the end of a period of four weeks; or

(b) on the date on which the applicant who is receiving the extended reduction (qualifying contributory benefits) has no liability for council tax, if that occurs first.

Amount of extended reduction (qualifying contributory benefits): pensioners

90

(1) For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) the applicant is entitled to is the greater of--

(a) the amount of council tax reduction to which the applicant was entitled by virtue of falling within any of classes A to C in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;

(b) the amount of reduction under this scheme to which the applicant would be entitled under by virtue of falling within any of classes A to C for any reduction week during the extended reduction period, if paragraph 88 (extended reductions (qualifying contributory benefits): pensioners) did not apply to the applicant; or

(c) the amount of reduction under this scheme to which the applicant's partner would be entitled by virtue of falling within any of classes A to C, if paragraph 88 did not apply to the applicant.

(2) Sub-paragraph (1) does not apply in the case of a mover.

(3) Where an applicant is in receipt of an extended reduction (qualifying contributory benefits) under this paragraph and the applicant's partner makes an application for a reduction under this scheme, the authority must not award a reduction in pursuance of that application during the extended reduction period.

Extended reductions (qualifying contributory benefits)--movers: pensioners

91

(1) This paragraph applies--

(a) to a mover; and

(b) from the Monday following the day of the move.

(2) The amount of the extended reduction (qualifying contributory benefits) awarded from the Monday from which this paragraph applies until the end of the extended reduction period is to be the amount of reduction under this scheme which was payable to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

(3) Where a mover's liability to pay council tax in respect of the new dwelling is to a second authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from this authority to--

(a) the second authority; or

(b) the mover directly.

Relationship between extended reduction (qualifying contributory benefits) and entitlement to a reduction by virtue of classes A to C

92

(1) Where an applicant's reduction under this scheme would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 88(1)(b), that reduction does not cease to have effect until the end of the extended reduction period.

(2) Part 13 (when entitlement begins and change of circumstances) does not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 90(1)(a) or paragraph 91(2) (amount of extended reduction--movers: pensioners).

Continuing reductions where state pension credit claimed: pensioners

93

(1) This paragraph applies where--

(a) the applicant is entitled to a reduction under this scheme;

(b) sub-paragraph (2) is satisfied; and

(c) either--

(i) the applicant has attained the qualifying age for state pension credit; or

(ii) the applicant's partner has actually claimed state pension credit.

(2) This sub-paragraph is only satisfied if the Secretary of State has certified to the authority that the applicant's partner has actually claimed state pension credit or that--

(a) the applicant's award of--

(i) income support has terminated because the applicant has attained the qualifying age for state pension credit; or

(ii) income-based jobseeker's allowance or income-related employment and support allowance has terminated because the applicant has attained the qualifying age for state pension credit; and

(b) the applicant has claimed or is treated as having claimed or is required to make a claim for state pension credit.

(3) Subject to sub-paragraph (4), in a case to which this paragraph applies, a person continues to be entitled to a reduction under this scheme for the period of 4 weeks beginning on the day following the day the applicant's entitlement to income support or, as the case may be, income-based jobseeker's allowance, income-related employment and support allowance, ceased, if and for so long as the applicant otherwise satisfies the conditions for entitlement to a reduction under this scheme.

(4) Where a reduction under this scheme is awarded for the period of 4 weeks in accordance with sub-paragraph (3) above, and the last day of that period falls on a day other than the last day of a reduction week, then a reduction under this scheme must continue to be awarded until the end of the reduction week in which the last day of that period falls.

(5) Throughout the period of 4 weeks specified in sub-paragraph (3) and any further period specified in sub-paragraph (4)--

(a) the whole of the income and capital of the applicant is to be disregarded;

(b) the maximum council tax reduction amount of the applicant is to be that which was applicable in his case immediately before that period commenced.

(6) The maximum reduction is to be calculated in accordance with paragraph 29(1) if, since the date it was last calculated--

(a) the applicant's council tax liability has increased; or

(b) a change in the deduction under paragraph 30 falls to be made.

Chapter 2
Extended Reductions: Persons Who are Not Pensioners

Extended reductions: persons who are not pensioners

94

Paragraphs 95 to 104 apply in relation to applicants who are not pensioners.

Extended reductions: persons who are not pensioners

95

(1) An applicant who is entitled to a reduction under this scheme by virtue of falling within any of classes D to F is entitled to an extended reduction where--

(a) the applicant or the applicant's partner was entitled to a qualifying income-related benefit;

(b) entitlement to a qualifying income-related benefit ceased because the applicant or the applicant's partner--

(i) commenced employment as an employed or self-employed earner;

(ii) increased their earnings from such employment; or

(iii) increased the number of hours worked in such employment,

and that employment is or, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more; and

(c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying income-related benefit, jobseeker's allowance or a combination of those benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying income-related benefit ceased.

(2) For the purpose of sub-paragraph (1)(c), an applicant or an applicant's partner is to be treated as having been entitled to and in receipt of a qualifying income-related benefit or jobseeker's allowance during any period of less than five weeks in respect of which the applicant or the applicant's partner was not entitled to any of those benefits because the applicant or the applicant's partner was engaged in remunerative work as a consequence of their participation in an employment zone programme.

(3) For the purpose of this paragraph, where an applicant or an applicant's partner is entitled to and in receipt of joint-claim jobseeker's allowance they must be treated as being entitled to and in receipt of jobseeker's allowance.

(4) An applicant must be treated as entitled to a reduction under this scheme by virtue of falling

within any of classes D to F where--

(a) the applicant ceased to be entitled to a reduction under this scheme because the applicant vacated the dwelling in which the applicant was resident;

(b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying income-related benefit ceased, or in the preceding week; and

(c) entitlement to the qualifying income-related benefit ceased in any of the circumstances listed in sub-paragraph (1)(b).

(5) This paragraph does not apply where, on the day before an applicant's entitlement to income support ceased, regulation 6(5) of the Income Support (General) Regulations 1987 (remunerative work: housing costs) applied to that applicant.

Duration of extended reduction period: persons who are not pensioners

96

(1) Where an applicant is entitled to an extended reduction, the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying income-related benefit.

(2) For the purpose of sub-paragraph (1), an applicant or an applicant's partner ceases to be entitled to a qualifying income-related benefit on the day immediately following the last day of entitlement to that benefit.

(3) The extended reduction period ends--

(a) at the end of a period of four weeks; or

(b) on the date on which the applicant to whom the extended reduction is payable has no liability for council tax, if that occurs first.

Amount of extended reduction: persons who are not pensioners

97

(1) For any week during the extended reduction period the amount of the extended reduction to which an applicant is entitled is to be the higher of--

(a) the amount of the reduction under this scheme to which the applicant was entitled by virtue of falling within any of classes D to F in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying income-related benefit;

(b) the amount of reduction under this scheme to which the applicant would be entitled by virtue of falling within any of classes D to F for any reduction week during the extended reduction period, if paragraph 95 (extended reductions: persons who are not pensioners) did not apply to the applicant; or

(c) the amount of reduction under this scheme to which the applicant's partner would be entitled by virtue of falling within any of classes D to F, if paragraph 95 did not apply to the applicant.

(2) Sub-paragraph (1) does not apply in the case of a mover.

(3) Where an applicant is in receipt of an extended reduction under this paragraph and the applicant's partner makes an application for a reduction under this scheme, no amount of reduction under this scheme is to be awarded by the authority during the extended reduction period.

Extended reductions--movers: persons who are not pensioners

98

(1) This paragraph applies--

(a) to a mover; and

(b) from the Monday following the day of the move.

(2) The amount of the extended reduction awarded from the Monday from which this paragraph applies until the end of the extended reduction period is to be the amount of reduction under this scheme to which the mover would have been entitled had they, or their partner, not ceased to be entitled to a qualifying income-related benefit.

(3) Where a mover's liability to pay council tax in respect of the new dwelling is to a second authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from this authority to--

(a) the second authority; or

(b) the mover directly.

Relationship between extended reduction and entitlement to a reduction by virtue of classes D to F

99

(1) Where an applicant's entitlement to a reduction under this scheme would have ended when the applicant ceased to be entitled to a qualifying income-related benefit in the circumstances listed in paragraph 95(1)(b), that entitlement does not cease until the end of the extended reduction period.

(2) Paragraphs 106 and 107 do not apply to any extended reduction payable in accordance with paragraph 95(1)(a) or 98(2) (amount of extended reduction--movers: persons who are not pensioners).

Extended reductions (qualifying contributory benefits): persons who are not pensioners

100

(1) An applicant who is entitled to a reduction under this scheme by virtue of falling within any of classes D to F is entitled to an extended reduction (qualifying contributory benefits) where--

(a) the applicant or the applicant's partner was entitled to a qualifying contributory benefit;

(b) entitlement to a qualifying contributory benefit ceased because the applicant or the applicant's partner--

(i) commenced employment as an employed or self-employed earner;

(ii) increased their earnings from such employment; or

(iii) increased the number of hours worked in such employment,

and that employment is or, as the case may be, those increased earnings or increased number of hours are expected to last five weeks or more;

(c) the applicant or the applicant's partner had been entitled to and in receipt of a qualifying contributory benefit or a combination of qualifying contributory benefits for a continuous period of at least 26 weeks before the day on which the entitlement to a qualifying contributory benefit ceased; and

(d) the applicant or the applicant's partner was not entitled to and not in receipt of a qualifying income-related benefit in the last reduction week in which the applicant, or the applicant's partner, was entitled to a qualifying contributory benefit.

(2) An applicant must be treated as entitled to a reduction under this scheme by virtue of falling within any of classes D to F where--

(a) the applicant ceased to be entitled to a reduction under this scheme because the applicant vacated the dwelling in which the applicant was resident;

(b) the day on which the applicant vacated the dwelling was either in the week in which entitlement to a qualifying contributory benefit ceased, or in the preceding week; and

(c) entitlement to the qualifying contributory benefit ceased in any of the circumstances listed in sub-paragraph (1)(b).

Duration of extended reduction period (qualifying contributory benefits): persons who are not pensioners

101

(1) Where an applicant is entitled to an extended reduction (qualifying contributory benefits), the extended reduction period starts on the first day of the reduction week immediately following the reduction week in which the applicant, or the applicant's partner, ceased to be entitled to a qualifying contributory benefit.

(2) For the purpose of sub-paragraph (1), an applicant or an applicant's partner ceases to be entitled to a qualifying contributory benefit on the day immediately following the last day of entitlement to that benefit.

(3) The extended reduction period ends--

(a) at the end of a period of four weeks; or

(b) on the date on which the applicant entitled to the extended reduction (qualifying contributory benefits) has no liability for council tax, if that occurs first.

Amount of extended reduction (qualifying contributory benefits): persons who are not pensioners

102

(1) For any week during the extended reduction period the amount of the extended reduction (qualifying contributory benefits) payable to an applicant is to be the greater of--

(a) the amount of reduction under this scheme to which the applicant was entitled by virtue of falling within any of classes D to F in the last reduction week before the applicant or the applicant's partner ceased to be entitled to a qualifying contributory benefit;

(b) the amount of reduction under this scheme to which the applicant would be entitled by virtue of falling within any of classes D to F for any reduction week during the extended reduction period, if paragraph 100 (extended reductions (qualifying contributory benefits): persons who are not pensioners) did not apply to the applicant; or

(c) the amount of reduction under this scheme to which the applicant's partner would be entitled by virtue of falling within any of classes D to F, if paragraph 100 did not apply to the applicant.

(2) Sub-paragraph (1) does not apply in the case of a mover.

(3) Where an applicant is in receipt of an extended reduction (qualifying contributory benefits) under this paragraph and the applicant's partner makes an application for a reduction under this scheme, no amount of reduction may be allowed by the appropriate authority during the extended reduction period.

Extended reductions (qualifying contributory benefits)--movers: persons who are not pensioners

103

(1) This paragraph applies--

(a) to a mover; and

(b) from the Monday following the day of the move.

(2) The amount of the extended reduction (qualifying contributory benefit) payable from the Monday from which this paragraph applies until the end of the extended reduction period is to be the amount of reduction under this scheme which was awarded to the mover for the last reduction week before the mover, or the mover's partner, ceased to be entitled to a qualifying contributory benefit.

(3) Where a mover's liability to pay council tax in respect of the new dwelling is to a second authority, the extended reduction (qualifying contributory benefits) may take the form of a payment from this authority to--

(a) the second authority; or

(b) the mover directly.

Relationship between extended reduction (qualifying contributory benefits) and entitlement to reduction by virtue of classes D to F

104

(1) Where an applicant's reduction under this scheme would have ended when the applicant ceased to be entitled to a qualifying contributory benefit in the circumstances listed in paragraph 100(1)(b), that reduction does not cease until the end of the extended reduction period.

(2) Paragraphs 106 and 107 (dates on which entitlement begins and change of circumstances take effect) do not apply to any extended reduction (qualifying contributory benefits) payable in accordance with paragraph 102(1)(a) or 103(2) (amount of extended reduction--movers: persons who a re not pensioners).

Chapter 3
Extended Reductions: Movers in the Authority's Area

Extended reductions: applicant moving into the authority's area

105

Where--

(a) an application is made to the authority ("the current authority") for a reduction under this scheme, and

(b) the applicant, or the partner of the applicant, is in receipt of an extended reduction from--

(i) another billing authority in England; or

(ii) a billing authority in Wales,

the current authority must reduce any reduction to which the applicant is entitled under this scheme by the amount of that extended reduction.

Part 13
When Entitlement Begins and Change of Circumstances

Date on which entitlement begins

106

(1) Subject to sub-paragraph (2), any person by whom or in respect of whom an application for a reduction under this scheme is made and who is otherwise entitled to that reduction is so entitled from the reduction week following the date on which that application is made or is treated as made.

(2) Where a person is otherwise entitled to a reduction under this scheme and becomes liable for the first time for the authority's council tax in respect of a dwelling of which he is a resident in the reduction week in which his application is made or is treated as made, he is so entitled from that reduction week.

Tolerance for changes in circumstances for working age claimants

106A

Where any change of circumstances occurs which would result in an increase or decrease in a working age claimant's entitlement of less than £3.25 per week, no change in council tax reduction will be effected until such time as the total changes cumulatively amount to at least £3.25 per week. Where this occurs, the change will be effective from the date of the last change.

Date on which change of circumstances is to take effect

107

(1) Except in cases where paragraph 60 (disregard of changes in tax, contributions, etc) applies and subject to the following provisions of this paragraph and (in the case of applicants who are pensioners) paragraph 108 (change of circumstance where state pension credit in payment), a change of circumstances which affects entitlement to, or the amount of, a reduction under this scheme ("change of circumstances"), takes effect from the first day of the reduction week following the date on which the change actually occurs.

(2) Where that change is cessation of entitlement to any benefit under the benefit Acts, the date on which the change actually occurs is the day immediately following the last day of entitlement to that benefit.

(3) Subject to sub-paragraph (4), where the change of circumstances is a change in the amount of council tax payable, it takes effect from the day on which it actually occurs.

(4) Where the change of circumstances is a change in the amount a person is liable to pay in respect of council tax in consequence of regulations under section 13 of the 1992 Act (reduced amounts of council tax) or changes in the discount to which a dwelling may be subject under section 11 or 11A of that Act (discounts), it takes effect from the day on which the change in amount has effect.

(5) Where the change of circumstances is the applicant's acquisition of a partner, the change takes effect on the day on which the acquisition takes place.

(6) Where the change of circumstances is the death of an applicant's partner or their separation, it takes effect on the day the death or separation occurs.

(7) If two or more changes of circumstances occurring in the same reduction week would, but for this paragraph, take effect in different reduction weeks in accordance with sub-paragraphs (1) to (6) they take effect from the day to which the appropriate sub-paragraph from (3) to (6) above refers, or, where

more than one day is concerned, from the earlier day.

(8) Where the change of circumstances is that income, or an increase in the amount of income, other than a benefit or an increase in the amount of a benefit under the SSCBA, is paid in respect of a past period and there was no entitlement to income of that amount during that period, the change of circumstances takes effect from the first day on which such income, had it been paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

(9) Without prejudice to sub-paragraph (8), where the change of circumstances is the payment of income, or arrears of income, in respect of a past period, the change of circumstances takes effect from the first day on which such income, had it been timeously paid in that period at intervals appropriate to that income, would have fallen to be taken into account for the purposes of this scheme.

(10) Sub-paragraph (11) applies if--

(a) the applicant or his partner has attained the age of 65; and

(b) either--

(i) a non-dependant took up residence in the applicant's dwelling; or

(ii) there has been a change of circumstances in respect of a non-dependant so that the amount of the deduction which falls to be made under paragraph 30 increased.

(11) Where this sub-paragraph applies, the change of circumstances referred to in sub-paragraph (10)(b) takes effect from the effective date.

(12) In sub-paragraph (11), but subject to sub-paragraph (13), "the effective date" means--

(a) where more than one change of a kind referred to in sub-paragraph (10)(b) relating to the same non-dependant has occurred since--

(i) the date on which the applicant's entitlement to a reduction under this scheme first began; or

(ii) the date which was the last effective date in respect of such a change,

whichever is the later, the date which falls 26 weeks after the date on which the first such change occurred;

(b) where paragraph (a) does not apply, the date which falls 26 weeks after the date on which the change referred to in sub-paragraph (10)(b) occurred.

(13) If in any particular case the date determined under sub-paragraph (12) is not the first day of a reduction week, the effective date in that case is to be the first day of the next reduction week to commence after the date determined under that sub-paragraph.

(14) Sub-paragraphs (15) to (19) apply to persons who fall within classes D, E and F.

(15) Where–

(a) the change of circumstances is a change of circumstances that is required by this scheme to be notified, and

(b) that change of circumstances is notified more than one month after it occurs, or such longer period as may be allowed under sub-paragraph (16), and

(c) the superseding decision is advantageous to the claimant

the date of notification of the change of circumstances shall be treated as the date on which the change of circumstances occurred.

(16) Subject to sub-paragraph (18), for the purposes of making a decision under this scheme a

longer period of time may be allowed for the notification of a change of circumstances in so far as it affects the effective date of the change where the conditions specified in sub-paragraph (17) are satisfied. An application for the purposes of this sub-paragraph shall include:

(a) particulars of the change of circumstances and the reasons for the failure to notify the change of circumstances on an earlier date, and

(b) be made within 3 months of the date on which the change occurred.

(17) In determining whether it is reasonable to grant an application for the purposes of sub-paragraph (16), the authority shall have regard to the principle that the greater the amount of time that has elapsed between the date one month after the change of circumstances occurred and the date the application for a superseding decision is made, the more compelling should be the special circumstances on which the application is based. An application shall not be granted unless the authority is satisfied that–

(a) it is reasonable to grant the application;

(b) that change of circumstances notified by the applicant is relevant to the decision which is to be superseded; and

(c) special circumstances are relevant and as a result of those special circumstances it was not practicable for the applicant to notify the change of circumstances within one month of the change occurring.

(18) In determining whether it is reasonable to grant an application, no account shall be taken of the following–

(a) that the applicant was unaware of, or misunderstood, the law applicable to his case (including ignorance or misunderstanding of the time limits imposed by this scheme); or

(b) that the Valuation Tribunal or a court has taken a different view of the law from that previously understood and applied.

(19) An application under this part which has been refused may not be renewed.

Change of circumstances where state pension credit in payment

108

(1) Sub-paragraphs (2) and (3) apply where--

(a) the applicant is in receipt of state pension credit;

(b) the amount of state pension credit awarded to him is changed in consequence of a change in the applicant's circumstances or the correction of an official error; and

(c) the change in the amount of state pension credit payable to the applicant results in a change in the amount of a reduction he receives under this scheme.

(2) Where the change of circumstance is that an increase in the amount of state pension credit payable to the applicant results in--

(a) an increase in the reduction he receives under this scheme, the change takes effect from the first day of the reduction week in which state pension credit becomes payable at the increased rate; or

(b) a decrease in the reduction he receives under this scheme, the change takes effect from the first day of the reduction week next following the date on which--

(i) the local authority receives notification from the Secretary of State of the increase in the

amount of state pension credit; or

(ii) state pension credit is increased,

whichever is the later.

(3) Where the change of circumstance ("the relevant change") is that the applicant's state pension credit has been reduced and in consequence the reduction the applicant receives under this scheme reduces--

(a) in a case where the applicant's state pension credit has been reduced because the applicant failed to notify the Secretary of State timeously of a change of circumstances, the relevant change takes effect from the first day of the reduction week from which state pension credit was reduced; or

(b) in any other case the relevant change takes effect from the first day of the reduction week next following the date on which--

(i) the authority receives notification from the Secretary of State of the reduction in the amount of state pension credit; or

(ii) state pension credit is reduced,

whichever is the later.

(4) Where the change of circumstance is that state pension credit is reduced and in consequence of the change, the amount of a reduction he receives under this scheme is increased, the change takes effect from the first day of the reduction week in which state pension credit becomes payable at the reduced rate.

(5) Where a change of circumstance occurs in that an award of state pension credit has been made to the applicant or his partner and this would result in a decrease in the amount of reduction he receives under this scheme, the change takes effect from the first day of the reduction week next following the date on which--

(a) the authority receives notification from the Secretary of State of the award of state pension credit; or

(b) entitlement to state pension credit begins,

whichever is the later.

(6) Where, in the case of an applicant who, or whose partner, is or has been awarded state pension credit comprising only the savings credit, there is--

(a) a change of circumstances of a kind described in any of sub-paragraphs (2) to (5) which results from a relevant calculation or estimate; and

(b) a change of circumstances which is a relevant determination,

each of which results in a change in the amount of reduction the applicant receives under this scheme, the change of circumstances referred to in sub-paragraph (b) takes effect from the day specified in sub-paragraph (2), (3), (4) or (5) as the case may be, in relation to the change referred to in paragraph (a).

(7) Where a change of circumstance occurs in that a guarantee credit has been awarded to the applicant or his partner and this would result in an increase in the amount of a reduction the applicant receives under this scheme, the change takes effect from the first day of the reduction week next following the date in respect of which the guarantee credit is first payable.

(8) Where a change of circumstances would, but for this sub-paragraph, take effect under the preceding provisions of this paragraph within the 4 week period specified in paragraph 93 (continuing re-

ductions where state pension credit claimed), that change takes effect on the first day of the first reduction week to commence after the expiry of the 4 week period.

(9) In this paragraph--

"official error" means an error made by--

(a) the authority or a person--

(i) authorised to carry out any function of the authority relating to this scheme; or

(ii) providing services relating to this scheme directly or indirectly to the authority; or

(b) an officer of--

(i) the Department for Work and Pensions; or

(ii) the Commissioners of Inland Revenue,

acting as such,

but excludes any error caused wholly or partly by any person or body not specified in paragraph (a) or (b) of this definition and any error of law which is shown to have been an error only by virtue of a subsequent decision of the court;

"relevant calculation or estimate" means the calculation or estimate made by the Secretary of State of the applicant's or, as the case may be, the applicant's partner's income and capital for the purposes of the award of state pension credit;

"relevant determination" means a change in the determination by the authority of the applicant's income and capital using the relevant calculation or estimate, in accordance with paragraph 36(1).

Part 14
Applications (Including Duties to Notify Authority of Change of Circumstances)

Making an application

109

(1) In the case of--

(a) a couple or (subject to paragraph (b)) members of a polygamous marriage an application is to be made by whichever one of them they agree should so apply or, in default of agreement, by such one of them as the authority determines; or

(b) in the case of members of a polygamous marriage to whom paragraph 37 (income and capital: award of universal credit) applies, an application is to be made by whichever one of the parties to the earliest marriage that still subsists they agree should so apply or, in default of agreement, by such one of them as the authority determines.

(2) Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act, and--

(a) a deputy has been appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or

(b) in Scotland, his estate is being administered by a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on his behalf; or

(c) an attorney with a general power or a power to apply or, as the case may be, receive benefit,

has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of

Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,

that deputy, judicial factor, guardian or attorney, as the case may be, may make an application on behalf of that person.

(3) Where a person who is liable to pay council tax in respect of a dwelling is unable for the time being to act and sub-paragraph (2) does not apply to him, the authority may, upon written application made to them by a person who, if a natural person, is over the age of 18, appoint that person to exercise on behalf of the person who is unable to act, any right to which that person might be entitled under this scheme and to receive and deal on his behalf with any sums payable to him.

(4) Where a person who is liable to pay council tax in respect of a dwelling is for the time being unable to act and the Secretary of State has appointed a person to act on his behalf under regulation 33 of the Social Security (Claims and Payments) Regulations 1987 (persons unable to act), the authority may if that person agrees, treat him as if he had been appointed by them under sub-paragraph (3).

(5) Where the authority has made an appointment under sub-paragraph (3) or treated a person as an appointee under sub-paragraph (4)--

(a) it may at any time revoke the appointment;

(b) the person appointed may resign his office after having given 4 weeks notice in writing to the authority of his intention to do so;

(c) any such appointment must terminate when the authority is notified of the appointment of a person mentioned in sub-paragraph (2).

(6) Anything required by this scheme to be done by or to any person who is for the time being unable to act may be done by or to the persons mentioned in sub-paragraph (2) above or by or to the per- son appointed or treated as appointed under this paragraph and the receipt of any such person so ap- pointed shall be a good discharge to the authority for any sum paid.

(7) The authority must--

(a) inform any person making an application of the duty imposed by paragraph 115(1)(a);

(b) explain the possible consequences (including prosecution) of failing to comply with that duty; and

(c) set out the circumstances a change in which might affect entitlement to the reduction or its amount.

Date on which an application is made

110

(1) Subject to sub-paragraph (7), the date on which an application is made is--

(a) in a case where--

(i) an award of state pension credit which comprises a guarantee credit has been made to the applicant or his partner, and

(ii) the application is made within one month of the date on which the claim for that state pension credit which comprises a guarantee credit was received at the appropriate DWP office,

the first day of entitlement to state pension credit which comprises a guarantee credit arising from that claim;

(b) in a case where--

(i) an applicant or his partner is a person in receipt of a guarantee credit,

(ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling

which he occupies as his home, and

(iii) the application to the authority is received at the designated office within one month of the date of the change,

the date on which the change takes place;

(c) in a case where--

(i) an award of income support, an income-based jobseeker's allowance or an income-related employment and support allowance or an award of universal credit has been made to the applicant or his partner, and

(ii) the application is made within one month of the date on which the claim for that income support, jobseeker's allowance, employment and support allowance or universal credit was received,

the first day of entitlement to income support, an income-based jobseeker's allowance, an income-related employment and support allowance or universal credit arising from that claim;

(d) in a case where--

(i) an applicant or his partner is a person on income support, an income-based jobseeker's allowance or an income-related employment and support allowance or has an award of universal credit,

(ii) the applicant becomes liable for the first time to pay council tax in respect of the dwelling which he occupies as his home, and

(iii) the application to the authority is received at the designated office within one month of the date of the change,

the date on which the change takes place;

(e) in a case where--

(i) the applicant is the former partner of a person who was, at the date of his death or their separation, entitled to a reduction under this scheme, and

(ii) where the applicant makes an application for a reduction under this scheme within one month of the date of the death or the separation,

the date of the death or separation;

(f) except where paragraph (a), (b) or (e) is satisfied, in a case where a properly completed application is received within one month (or such longer period as the authority considers reasonable) of the date on which an application form was issued to the applicant following the applicant first notifying, by whatever means, the authority of an intention to make an application, the date of first notification;

(g) in any other case, the date on which the application is received at the designated office.

(2) For the purposes only of sub-paragraph (1)(c) a person who has been awarded an income-based jobseeker's allowance or an income-related employment and support allowance is to be treated as entitled to that allowance for any days which immediately precede the first day in that award and on which he would, but for regulations made under--

(a) in the case of income-based jobseeker's allowance, paragraph 4 of Schedule 1 to the Jobseekers Act 1995 (waiting days); or

(b) in the case of income-related employment and support allowance, paragraph 2 of Schedule 2 to the Welfare Reform Act 2007 (waiting days),

have been entitled to that allowance.

(3) Where the defect referred to in paragraph 7 of Schedule 1 to this scheme (application by telephone)--

(a) is corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance;

(b) is not corrected within one month (or such longer period as the authority considers reasonable) of the date the authority last drew attention to it, the authority must treat the application as if it had been duly made in the first instance where it considers it has sufficient information to decide on the application.

(4) The authority is to treat a defective application as if it had been validly made in the first instance if, in any particular case, the conditions specified in sub-paragraph (5)(a), (b) or (c) are satisfied.

(5) The conditions are that--

(a) where paragraph 4(a) of Schedule 1 (incomplete form) applies, the authority receives at its designated office the properly completed application or the information requested to complete it or the evidence within one month of the request, or such longer period as the authority may consider reasonable; or

(b) where paragraph 4(b) of Schedule 1 (application not on approved form or further information requested by authority) applies--

(i) the approved form sent to the applicant is received at the designated office properly completed within one month of it having been sent to him; or, as the case may be,

(ii) the applicant supplies whatever information or evidence was requested under paragraph 4 of that Schedule within one month of the request,

or, in either case, within such longer period as the authority may consider reasonable; or

(c) where the authority has requested further information, the authority receives at its designated office the properly completed application or the information requested to complete it within one month of the request or within such longer period as the authority considers reasonable.

(6) Except in the case of an application made by a person treated as not being in Great Britain, where a person has not become liable for council tax to the authority but it is anticipated that he will become so liable within the period of 8 weeks (the relevant period), he may apply for a reduction under this scheme at any time in that period in respect of that tax and, provided that liability arises within the relevant period, the authority is to treat the application as having been made on the day on which the liability for the tax arises.

(7) Except in the case of an application made by a person treated as not being in Great Britain, where the applicant is not entitled to a reduction under this scheme in the reduction week immediately following the date of his application but the authority is of the opinion that unless there is a change of circumstances he will be entitled to a reduction under this scheme for a period beginning not later than--

(a) in the case of an application made by--

(i) a pensioner, or

(ii) a person who has attained, or whose partner has attained, the age which is 17 weeks younger than the qualifying age for state pension credit,

the seventeenth reduction week following the date on which the application is made, or

(b) in the case of an application made by a person who is not a pensioner, the thirteenth reduction week following the date on which the application is made,

the authority may treat the application as made on a date in the reduction week immediately preceding the first reduction week of that period of entitlement and award a reduction accordingly.

(8) In this paragraph "appropriate DWP office" means an office of the Department for Work and Pensions dealing with state pension credit or an office which is normally open to the public for the receipt of claims for income support, a jobseeker's allowance or an employment and support allowance.

Back-dating of applications: pensioners

111

(1) Subject to sub-paragraph (2), the time for the making of an application under this scheme by a pensioner is as regards any day on which, apart from satisfying the condition of making an application, the applicant is entitled to such a reduction, that day and the period of three months immediately following it.

(2) In any case where paragraph 110(1)(a) applies, sub-paragraph (1) does not entitle a person to apply for a reduction under this scheme in respect of any day earlier than three months before the date on which the claim for state pension credit is made (or treated as made by virtue of any provision of the Social Security (Claims and Payments) Regulations 1987).

Back-dating of applications: persons who are not pensioners

112

(1) Where an applicant who is a person who is not a pensioner--

(a) makes an application under this scheme which includes (or which he subsequently requests should include) a period before the application is made; and

(b) from a day in that period, up to the date he made the application (or subsequently requested that the application should include a past period), the applicant had continuous good cause for failing to make an application (or request that the application should include that period),

the application is to be treated as made on the date determined in accordance with sub-paragraph (2).

(2) That date is the latest of--

(a) the first day from which the applicant had continuous good cause;

(b) the day 12 months before the date the application was made;

(c) the day 12 months before the date when the applicant requested that the application should in- clude a past period.

Information and evidence

113

(1) Subject to sub-paragraph (3), a person who makes an application for a reduction under this scheme must satisfy sub-paragraph (2) in relation both to himself and to any other person in respect of whom he is making the application.

(2) This sub-paragraph is satisfied in relation to a person if--

(a) the application is accompanied by--

(i) a statement of the person's national insurance number and information or evidence establishing that that number has been allocated to the person; or

(ii) information or evidence enabling the authority to ascertain the national insurance number that has been allocated to the person; or

(b) the person has made an application for a national insurance number to be allocated to him and the application for the reduction is accompanied by--

(i) evidence of the application for a national insurance number to be so allocated; and

(ii) the information or evidence enabling it to be so allocated.

(3) Sub-paragraph (2) does not apply--

(a) in the case of a child or young person in respect of whom an application for a reduction is made;

(b) to a person who--

(i) is a person treated as not being in Great Britain for the purposes of this scheme;

(ii) is subject to immigration control within the meaning of section 115(9)(a) of the Immigration and Asylum Act 1999; and

(iii) has not previously been allocated a national insurance number.

(4) Subject to sub-paragraph (5), a person who makes an application, or a person to whom a reduction under this scheme has been awarded, must furnish such certificates, documents, information and evidence in connection with the application or the award, or any question arising out of the application or the award, as may reasonably be required by the authority in order to determine that person's entitlement to, or continuing entitlement to a reduction under this scheme and must do so within one month of the authority requiring him to do so or such longer period as the authority may consider reasonable.

(5) Nothing in this paragraph requires a person to furnish any certificates, documents, information or evidence relating to a payment to which sub-paragraph (7) applies.

(6) Where a request is made under sub-paragraph (4), the authority must--

(a) inform the applicant or the person to whom a reduction under this scheme has been awarded of his duty under paragraph 115 (duty to notify change of circumstances) to notify the authority of any change of circumstances; and

(b) without prejudice to the extent of the duty owed under paragraph 115, indicate to him either orally or by notice or by reference to some other document available to him on application and without charge, the kind of change of circumstances which is to be notified.

(7) This sub-paragraph applies to any of the following payments--

(a) a payment which is--

(i) disregarded under paragraph 28 of Schedule 8 (sums disregarded in the calculation of income other than earnings: persons who are not pensioners) or paragraph 38 of Schedule 10 (capital disregards: persons who are not pensioners); or

(ii) made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Windrush Compensation Scheme, the National Emergencies Trust or the London Bombings Relief Charitable Fund;

(aa) a Grenfell Tower support payment;

(b) a payment which is disregarded under paragraph 16 of Schedule 9 (payments made under

certain trusts and certain other payments), other than a payment under the Independent Living Fund (2006);

(c) a payment which is disregarded under paragraph 30(9)(b) or (c) (payment made under certain trusts etc) or paragraph 2(b) or (c) of Schedule 4 (payments made under certain trusts etc) other than a payment under the Independent Living Fund (2006).

(8) Where an applicant or a person to whom a reduction under this scheme has been awarded or any partner has attained the qualifying age for state pension credit and is a member of, or a person deriving entitlement to a pension under, a personal pension scheme, he must where the authority so requires furnish the following information--

(a) the name and address of the pension fund holder;

(b) such other information including any reference or policy number as is needed to enable the personal pension scheme to be identified.

Amendment and withdrawal of application

114

(1) A person who has made an application may amend it at any time before a decision has been made on it by a notice in writing delivered or sent to the designated office.

(2) Where the application was made by telephone in accordance with Part 1 of Schedule 1, the amendment may also be made by telephone.

(3) Any application amended in accordance with sub-paragraph (1) or (2) is to be treated as if it had been amended in the first instance.

(4) A person who has made an application may withdraw it by notice to the designated office at any time before a decision has been made on it.

(5) Where the application was made by telephone in accordance with Part 1 of Schedule 1, the withdrawal may also be made by telephone.

(6) Any notice of withdrawal given in accordance with sub-paragraph (4) or (5) has effect when it is received.

(7) Where a person, by telephone, amends or withdraws an application the person must (if required to do so by the authority) confirm the amendment or withdrawal by a notice in writing delivered or sent to the designated office.

Duty to notify changes of circumstances

115

(1) Subject to sub-paragraphs (3), and (9), the applicant (or any person acting on his behalf) must comply with sub-paragraph (2) if there is a relevant change of circumstances at any time--

(a) between the making of an application and a decision being made on it, or

(b) after the decision is made (where the decision is that the applicant is entitled to a reduction under this scheme) including at any time while the applicant is in receipt of such a reduction.

(2) The applicant (or any person acting on his behalf) must notify any change of circumstances which the applicant (or that person) might reasonably be expected to know might affect his entitlement to, or the amount of, a reduction under this scheme (a "relevant change of circumstances") by giving notice to the authority--

(a) in writing; or

(b) by telephone--

(i) where the authority has published a telephone number for that purpose or for the purposes of Part 1 of Schedule 1 unless the authority determines that in any particular case or class of case notification may not be given by telephone; or

(ii) in any case or class of case where the authority determines that notice may be given by telephone; or

(c) by any other means which the authority agrees to accept in any particular case,

within a period of 21 days beginning with the day on which the change occurs, or as soon as reasonably practicable after the change occurs, whichever is later.

(3) The duty imposed on a person by sub-paragraph (1) does not extend to notifying--

(a) changes in the amount of council tax payable to the authority;

(b) changes in the age of the applicant or that of any member of his family;

(c) in the case of an applicant in receipt of a relevant benefit, changes in circumstances which affect the amount of the benefit but not the amount of the reduction under this scheme to which he is entitled, other than the cessation of that entitlement to the benefit.

(4) For the purposes of sub-paragraph (3)(c) "relevant benefit" means income support, an income-based jobseeker's allowance or an income-related employment and support allowance or universal credit.

(5) Notwithstanding sub-paragraph (3)(b) or (c) an applicant is required by sub-paragraph (1) to notify the authority of any change in the composition of his family arising from the fact that a person who was a member of his family is now no longer such a person because he has ceased to be a child or young person.

(6) The duty imposed on a person by sub-paragraph (1) includes--

(a) in the case of a person falling within class C (pensioners: alternative maximum council tax reduction) giving written notice to the authority of changes which occur in the number of adults in the dwelling or in their total gross incomes and, where any such adult ceases to be in receipt of state pension credit, the date when this occurs;

(b) in the case of a person falling within class F (persons who are not pensioners: alternative maximum council tax reduction) giving written notice to the authority of changes which occur in the number of adults in the dwelling or in their total gross incomes and, where any such adult ceases to be in receipt of income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the date when this occurs.

(7) A person who has been awarded a reduction under this scheme who is also on state pension credit must report--

(a) changes affecting the residence or income of any non-dependant normally residing with the applicant or with whom the applicant normally resides;

(b) any absence from the dwelling which exceeds or is likely to exceed 13 weeks or where the absence is from Great Britain, which exceeds or is likely to exceed 4 weeks.

(8) In addition to the changes required to be reported under sub-paragraph (7), a person whose state pension credit comprises only the savings credit must also report--

(a) changes affecting a child living with him which may result in a change in the amount of reduction under this scheme allowed in his case, but not changes in the age of the child;

(b) any change in the amount of the applicant's capital to be taken into account which does or

may take the amount of his capital to more than £16,000;

(c) any change in the income or capital of--

(i) a non-dependant whose income and capital are treated as belonging to the applicant in accordance with paragraph 34 (circumstances in which income of a non-dependant is to be treated as applicant's); or

(ii) a person to whom paragraph 36(2)(e) (partner treated as member of the household under paragraph 8) refers,

and whether such a person or, as the case may be, non-dependant stops living or begins or resumes living with the applicant.

(9) A person who is entitled to a reduction under this scheme and on state pension credit need only report to the authority the changes specified in sub-paragraphs (7) and (8).

Part 15
Decisions by Authority

Decision by authority

116

The authority must make a decision on an application for a reduction under this scheme within 14 days of paragraphs 110 and 113 and Part 1 of Schedule 1 being satisfied, or as soon as reasonably practicable thereafter.

Notification of decision

117

(1) The authority must notify in writing any person affected by a decision made by it under this scheme--

(a) in the case of a decision on an application, forthwith or as soon as reasonably practicable thereafter;

(b) in any other case, within 14 days of that decision or as soon as reasonably practicable thereafter.

(2) Where the decision is to award a reduction the notification under sub-paragraph (1) must include a statement--

(a) informing the person affected of the duty imposed by paragraph 115(1)(b);

(b) explaining the possible consequences (including prosecution) of failing to comply with that duty; and

(c) setting out the circumstances a change in which might affect entitlement to the reduction or its amount.

(3) Where the decision is to award a reduction, the notification under sub-paragraph (1) must include a statement as to how that entitlement is to be discharged.

(4) In any case, the notification under sub-paragraph (1) must inform the person affected of the procedure by which an appeal may be made and must refer the person to the provisions in this scheme relating to the procedure for making an appeal.

(5) A person affected to whom the authority sends or delivers a notification of decision may, within one month of the date of the notification of that decision request in writing the authority to provide a

written statement setting out the reasons for its decision on any matter set out in the notice.

(6) The written statement referred to in sub-paragraph (5) must be sent to the person requesting it within 14 days or as soon as reasonably practicable thereafter.

(7) For the purposes of this paragraph a person is to be treated as a person affected by a decision of the authority under this scheme where the rights, duties or obligations of that person are affected by that decision and the person falls within sub-paragraph (8).

(8) This sub-paragraph applies to--

(a) the applicant;

(b) in the case of a person who is liable to pay council tax in respect of a dwelling and is unable for the time being to act--

(i) a deputy appointed by the Court of Protection with power to claim, or as the case may be, receive benefit on his behalf; or

(ii) in Scotland, a judicial factor or any guardian acting or appointed under the Adults with Incapacity (Scotland) Act 2000 who has power to apply or, as the case may be, receive benefit on the person's behalf; or

(iii) an attorney with a general power or a power to apply or, as the case may be, receive benefit, has been appointed by that person under the Powers of Attorney Act 1971, the Enduring Powers of Attorney Act 1985 or the Mental Capacity Act 2005 or otherwise,

(c) a person appointed by the authority under paragraph 109(3).

Part 16
Circumstances in Which a Payment May be Made

Payment where there is joint and several liability

118

(1) Where--

(a) a person is entitled to a reduction under this scheme in respect of his liability for the authority's council tax as it has effect in respect of a financial year;

(b) the person entitled to the reduction is jointly and severally liable for the council tax; and

(c) the authority determines that discharging his entitlement by reducing the amount of his liability to which regulation 20(2) of the Council Tax (Administration and Enforcement) Regulations 1992 refers would be inappropriate,

it may make a payment to him of the amount of reduction to which he is entitled, rounded where necessary to the nearest penny.

(2) Subject to sub-paragraph (3), any payment made under sub-paragraph (1) must be made to the person who is entitled to the reduction.

(3) Where a person other than the person who is entitled to the reduction under this scheme made the application for the reduction and that first person is a person acting pursuant to an appointment under paragraph 109(3) (persons appointed to act for a person unable to act) or is treated as having been so appointed by virtue of paragraph 109(5), the amount of the reduction may be paid to that person.

SCHEDULE 1
PROCEDURAL MATTERS

Paragraph 11

Part 1
Procedure for an Application for a Reduction Under this Scheme

Procedure by which a person may apply for a reduction under this scheme

1

Paragraphs 2 to 7 apply to an application for a reduction under this scheme.

2

An application may be made--

(a) in writing,

(b) by means of an electronic communication in accordance with Part 4 of this Schedule, or

(c) where the authority has published a telephone number for the purpose of receiving such applications, by telephone.

3

(1) An application which is made in writing must be made to the designated office on a properly completed form.

(2) The form must be provided free of charge by the authority for the purpose.

4

Where an application made in writing is defective because--

(a) it was made on the form supplied for the purpose but that form is not accepted by the authority as being properly completed; or

(b) it was made in writing but not on the form supplied for the purpose and the authority does not accept the application as being in a written form which is sufficient in the circumstances of the case having regard to the sufficiency of the written information and evidence,

the authority may, in a case to which sub-paragraph (a) applies, request the applicant to complete the defective application or, in the case to which sub-paragraph (b) applies, supply the applicant with the approved form or request further information and evidence.

(2) An application made on a form provided by the authority is properly completed if completed in accordance with the instructions on the form, including any instructions to provide information and evidence in connection with the application.

5

(1) If an application made by electronic communication is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by electronic communication is defective if the applicant does not provide all the information the authority requires.

6

In a particular case the authority may determine that an application made by telephone is only valid if the person making the application approves a written statement of his circumstances provided by the authority.

7

(1) If an application made by telephone is defective the authority must provide the person making the application with an opportunity to correct the defect.

(2) An application made by telephone is defective if the applicant does not provide all the information the authority requests during the telephone call.

Part 2
Procedure for Making an Appeal

Procedure by which a person may make an appeal against certain decisions of the authority

8

A person who is aggrieved by a decision of the authority which affects--

(a) the person's entitlement to a reduction under this scheme, or

(b) the amount of any reduction under this scheme,

may serve a written notice on the authority stating the matter by which, and the grounds on which, he is aggrieved.

9

The authority must--

(a) consider the matter to which the notice relates;

(b) notify the aggrieved person in writing--

(i) that the ground is not well founded, giving reasons for that belief; or

(ii) that steps have been taken to deal with the grievance, stating the steps taken.

10

Where, following notification under paragraph 9(b)(i) or (ii), the person is still aggrieved, or if the authority fails to notify the person aggrieved in accordance with paragraph 9(b) within two months of the service of his notice, he may appeal to a valuation tribunal under section 16 of the 1992 Act.

Part 3
Procedure for Applying for a Discretionary Reduction

Procedure for an application to the authority for a reduction under section 13A(1)(c) of the 1992 Act

11

(1) An application to the authority for a reduction under section 13A(1)(c) of the 1992 Act may be made--

(a) in writing;

(b) by means of an electronic communication in accordance with Part 4 of this Schedule; or

(c) where the authority has published a telephone number for the purposes of receiving such applications, by telephone.

(2) Where--

(a) the authority has made a determination under section 13A(1)(c) in relation to a class of case in which liability is to be reduced; and

(b) a person in that class would otherwise be entitled to a reduction under this scheme,

that person's application for a reduction under this scheme may also be treated as an application for a reduction under section 13A(1)(c).

Part 4
Electronic Communication

Interpretation

12

In this Part--

"information" includes an application, certificate, notice or other evidence;

"official computer system" means a computer system maintained by or on behalf of the authority for the sending, receiving, processing or storing of any information.

Conditions for the use of electronic communication

13

(1) The authority may use an electronic communication in connection with applications for, and awards of, reductions under this scheme.

(2) A person other than the authority may use an electronic communication in connection with the matters referred to in sub-paragraph (1) if the conditions specified in sub-paragraphs (3) to (6) are satisfied.

(3) The first condition is that the person is for the time being permitted to use an electronic communication by an authorisation given by means of a direction of the Chief Executive of the authority.

(4) The second condition is that the person uses an approved method of--

(a) authenticating the identity of the sender of the communication;

(b) electronic communication;

(c) authenticating any application or notice delivered by means of an electronic communication; and

(d) subject to sub-paragraph (7), submitting to the authority any information.

(5) The third condition is that any information sent by means of an electronic communication is in a form supplied for the purposes of this Part of this Schedule.

(6) The fourth condition is that the person maintains such records in written or electronic form as may be specified in a direction given by the Chief Executive of the authority.

(7) Where the person uses any method other than the method approved of submitting any information, that information is to be treated as not having been submitted.

(8) In this paragraph "approved" means approved by means of a direction given by the Chief Executive of the authority for the purposes of this Part of this Schedule.

Use of intermediaries

14

The authority may use intermediaries in connection with--

(a) the delivery of any information by means of an electronic communication; and

(b) the authentication or security of anything transmitted by such means,

and may require other persons to use intermediaries in connection with those matters.

Effect of delivering information by means of electronic communication

15

(1) Any information which is delivered by means of an electronic communication is to be treated as having been delivered in the manner or form required by any provision of this scheme, on the day the conditions imposed--

(a) by this Part; and

(b) by or under an enactment,

are satisfied.

(2) The authority may determine that any information is to be treated as delivered on a different day (whether earlier or later) from the day provided for in sub-paragraph (1).

(3) Information must not be taken to have been delivered to an official computer system by means of an electronic communication unless it is accepted by the system to which it is delivered.

Proof of identity of sender or recipient of information

16

If it is necessary to prove, for the purpose of any legal proceedings, the identity of--

(a) the sender of any information delivered by means of an electronic communication to an official

computer system; or

(b) the recipient of any such information delivered by means of an electronic communication from an official computer system,

the sender or recipient, as the case may be, is to be presumed to be the person whose name is recorded as such on that official computer system.

Proof of delivery of information

17

(1) If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any information this must be presumed to have been the case where--

(a) any such information has been delivered to the relevant authority, if the delivery of that information has been recorded on an official computer system; or

(b) any such information has been delivered by the relevant authority, if the delivery of that information has been recorded on an official computer system.

(2) If it is necessary to prove, for the purpose of any legal proceedings, that the use of an electronic communication has resulted in the delivery of any such information, this must be presumed not to be the case, if that information delivered to the relevant authority has not been recorded on an official computer system.

(3) If it is necessary to prove, for the purpose of any legal proceedings, when any such information sent by means of an electronic communication has been received, the time and date of receipt must be presumed to be that recorded on an official computer system.

Proof of content of information

18

If it is necessary to prove, for the purpose of any legal proceedings, the content of any information sent by means of an electronic communication, the content must be presumed to be that recorded on an official computer system.

SCHEDULE 2
APPLICABLE AMOUNTS: PENSIONERS

Paragraph 25

Part 1
Personal Allowances

Personal allowance

1

The amount specified in column (2) below in respect of each person or couple specified in column (1) is the amount specified for the purposes of paragraph 25(1)(a).

Column (1) *Person or couple*	*Column (2)* *Amount*
(1) Single applicant or lone parent who has attained pensionable age before 1st April 2021	£217.00
(2) Couple where one or both members have attained pensionable age before 1st April 2021	£324.70
(3) If the applicant is a member of a polygamous marriage and one or more of the members of the marriage has attained pensionable age before 1st April 2021— (a) for the applicant and the other party to the marriage; (b) for each additional spouse who is a member of the same household as the applicant.	 (a) £324.70 (b) £107.70.
(4) Single applicant or lone parent who has attained pensionable age on or after 1st April 2021	£201.05
(5) Couple where both members have attained pensionable age on or after 1st April 2021s	£306.85
(6) If the applicant is a member of a polygamous marriage and all members of the marriage have attained pensionable age on or after 1st April 2021— (a) for the applicant and the other party to the marriage; (b) for each additional spouse who is a member of the same household as the applicant	(a) £306.85 (b) £105.80

Child or young person amounts

2

(1) The amounts specified in column (2) below in respect of each person specified in column (1) are the amounts, for the relevant period specified in column (1), specified for the purposes of paragraph 25(1)(b).

Column (1) *Child or young person*	*Column (2)* *Amount*
Person in respect of the period-- (a) beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birthday;	(a) £77.78

(b) beginning on the first Monday in September following that person's sixteenth birthday and ending on the day preceding that person's twentieth birthday.	(b) £77.78

(2) In column (1) of the table "the first Monday in September" means the Monday which first occurs in the month of September in any year.

Part 2
Family Premium

Family premium

3

The amount for the purposes of paragraph 25(1)(c) in respect of a family of which at least one member is a child or young person —

(a) is £18.53 in respect of a reduction week which begins in the period beginning with 1st April 2016 and ending with 30th April 2016;

(b) is nil in respect of a reduction week which begins after 1st May 2016.

Transitional provision

3 A

(1) Subject to paragraph (2), paragraph 3 does not apply to a person who, on 30th April 2016, is liable to pay council tax at a reduced rate by virtue of a council tax reduction under the authority's scheme established under section 13A(2) of the Act and is—

(a) a member of a family of which at least one member is a child or young person; or

(b) a partner in a polygamous marriage, where he or she, or another partner of the polygamous marriage, is responsible for a child or young person who is a member of the same household.

(2) Paragraph (1) does not apply if—

(a) sub-paragraph (a) or (b) of that paragraph ceases to apply; or

(b) the person makes a new application for a reduction under the authority's scheme under section 13A(2) of the Act.

(3) For the purposes of this paragraph—

(a) “the Act” means the Local Government Finance Act 1992;

(b) “child”, “family”, “partner”, “polygamous marriage” and “young person” have the meanings given by Part 2 (‘Interpretation’) of this scheme.

Part 3
Premiums

4

The premiums specified in Part 4 are, for the purposes of paragraph 25(1)(d), applicable to an

applicant who satisfies the condition specified in this Part in respect of that premium.

5

(1) Subject to sub-paragraph (2), for the purposes of this Part of this Schedule, once a premium is applicable to an applicant under this Part, a person is to be treated as being in receipt of any benefit for--

(a) in the case of a benefit to which the Social Security (Overlapping Benefits) Regulations 1979 applies, any period during which, apart from the provision of those Regulations, he would be in receipt of that benefit; and

(b) any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the Employment and Training Act 1973, or by Skills Development Scotland, Scottish Enterprise or Highland and Islands Enterprise under section 2 of the Enterprise and New Towns (Scotland) Act 1990 or for any period during which he is in receipt of a training allowance.

(2) For the purposes of the carer premium under paragraph 9, a person is to be treated as being in receipt of a carer's allowance by virtue of sub- paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of—

(a) attendance allowance;
(b) the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA;
(c) the care component of child disability payment at the highest or middle rate in accordance with regulation 11(5) of the DACYP Regulations;
(d) the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012;
(e) the daily living component of adult disability payment at the standard or enhanced rate in accordance with regulation 5 of the DAWAP Regulations; or
(f) an AFIP.

Severe disability premium

6

(1) The condition is that the applicant is a severely disabled person.

(2) For the purposes of sub-paragraph (1), an applicant is to be treated as being a severely disabled person if, and only if--

(a) in the case of a single applicant, a lone parent or an applicant who is treated as having no partner in consequence of sub-paragraph (3)--

(i) he is in receipt of—

(aa) attendance allowance;

(bb) the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA;

(cc) the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012;

(dd) the daily living component of adult disability payment at the standard or enhanced rate in accordance with regulation 5 of the DAWAP Regulations; or

(ee) an AFIP; and

(ii) subject to sub-paragraph (6), he has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing; and

(iii) no person is entitled to, and in receipt of, a carer's allowance under section 70 of the SSCBA or has an award of universal credit which includes the carer element under regulation 29 of the Universal Credit Regulations 2013 in respect of caring for him;

(b) in the case of an applicant who has a partner--

(i) the applicant is in receipt of–

(aa) attendance allowance;

(bb) the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA;

(cc) the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012;

(dd) the daily living component of adult disability payment at the standard or enhanced rate in accordance with regulation 5 of the DAWAP Regulations; or

(ee) an AFIP;

(ii) his partner is also in receipt of such an allowance or, if he is a member of a polygamous marriage, each other member of that marriage is in receipt of such an allowance; and

(iii) subject to sub-paragraph (6), the applicant has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing,

and either a person is entitled to and in receipt of a carer's allowance or has an award of universal credit that includes the carer element in respect of caring for only one of the couple or, if he is a member of a polygamous marriage, for one or more but not all the members of the marriage, or as the case may be, no person is entitled to and in receipt of such an allowance or has such an award of universal credit in respect of caring for either member of a couple or any of the members of the marriage.

(3) Where an applicant has a partner who does not satisfy the condition in sub-paragraph (2)(b)(ii), and that partner is blind or is treated as blind within the meaning of sub-paragraph (4), that partner is to be treated for the purposes of sub-paragraph (2) as if he were not a partner of the applicant.

(4) For the purposes of sub-paragraph (3), a person is blind if he is registered as severely sight-impaired in a register kept by a local authority in England under section 77(1) of the Care Act 2014 (registers of sight-impaired adults), in Scotland, has been certified as blind and in consequence he is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994 or is registered as severely sight-impaired in a register kept by a local authority in Wales under section 18(1) of the Social Services and Well-being (Wales) Act 2014.

(5) For the purposes of sub-paragraph (4), a person who has ceased to be registered as blind on regaining his eyesight is nevertheless to be treated as blind and as satisfying the additional condition set out in that sub-paragraph for a period of 28 weeks following the date on which he ceased to be so registered.

(6) For the purposes of sub-paragraph (2)(a)(ii) and (2)(b)(iii) no account is to be taken of–

(a) A person receiving–

(i) attendance allowance;

(ii) the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA;

(iii) the daily living component of personal independence payment paid at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012;

(iv) the daily living component of adult disability payment at the standard or enhanced rate in accordance with regulation 5 of the DAWAP Regulations; or

(v) an AFIP; or

(b) a person who is blind or is treated as blind within the meaning of sub-paragraphs (4) and (5).

(7) For the purposes of sub-paragraph (2)(b) a person is to be treated--

(a) as being in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, if he would, but for his being a patient for a period exceeding 28 days, be so in receipt;

(b) as being in receipt of the daily living component of personal independence payment paid at the rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012 if he would, but for his being a patient for a period exceeding 28 days, be so in receipt, notwithstanding section 86 of that Act and regulations made thereunder;

(ba) as being in receipt of the daily living component of adult disability payment at the standard or enhanced rate in accordance with regulation 5 of the DAWAP Regulations, if they would, but for payment ceasing by virtue of regulation 28 (effect of admission to hospital on ongoing entitlement to Adult Disability Payment) of those Regulations, be so in receipt;

(c) as being in receipt of an AFIP if he would be so in receipt but for a suspension of payment in accordance with any terms of the armed and reserve forces compensation scheme which allow for a suspension because a person is undergoing medical treatment in a hospital or similar institution;

(d) as being entitled to and in receipt of a carer's allowance or having an award of universal credit which includes the carer element if he would, but for the person for whom he was caring being a patient in hospital for a period exceeding 28 days, be so entitled and in receipt or have such an award of universal credit.

(8) For the purposes of sub-paragraph (2)(a)(iii) and (b)--

(a) no account is to be taken of an award of carer's allowance to the extent that payment of such an award is back-dated for a period before the date on which the award is first paid; and

(b) a reference to a person being in receipt of a carer's allowance or as having an award of universal credit which includes the carer element include reference to a person who would have been in receipt of that allowance or had such an award of universal credit but for the application of a restriction under section 6B or 7 of the Social Security Fraud Act 2001 (loss of benefit).

Enhanced disability premium

7

(1) The condition is that--

(a) the care component of disability living allowance is, or would, but for a suspension of benefit in accordance with regulations under section 113(2) of the SSCBA or but for an abatement as a consequence of hospitalisation, be payable at the highest rate prescribed under section 73(2) of that Act;

(aa) the care component of child disability payment is payable at the highest rate in accordance with regulation 11(5) of the DACYP Regulations;

(ab) the daily living component of adult disability payment is payable, or has ceased to be payable by virtue of regulation 28 (effect of admission to hospital on ongoing entitlement to Adult Disability Payment) of the DAWAP Regulations, at the enhanced rate in accordance with regulation 5 of those Regulations;

(b) (as the case may be) the daily living component of personal independence payment is, or would, but for a suspension of benefit in accordance with regulations under section 86 of the Welfare Reform Act 2012, be payable at the enhanced rate prescribed in accordance with section 78(2) of that Act; or

(c) an AFIP is payable,

in respect of a child or young person who is a member of the applicant's family.

(2) Where the condition in sub-paragraph (1) ceases to be satisfied because of the death of a child or young person, the condition is that the applicant or partner is entitled to child benefit in respect of that person under section 145A of the SSCBA (entitlement after death of child or qualifying young person).

Disabled child premium

8

The condition is that a child or young person for whom the applicant or a partner of his is responsible and who is a member of the applicant's household--

(a) is in receipt of disability living allowance, personal independence payment or is no longer in receipt of such allowance or payment because he is a patient, provided that the child or young person continues to be a member of the family; or

(aa) is in receipt of child disability payment; or

(b) is blind within the meaning of paragraph 6(4) or treated as blind in accordance with paragraph 6(5); or

(c) is a child or young person in respect of whom section 145A of the SSCBA (entitlement after death of child or qualifying young person) applies for the purposes of entitlement to child benefit but only for the period prescribed under that section, and in respect of whom a disabled child premium was included in the applicant's applicable amount immediately before the death of that child or young person, or ceased to be included in the applicant's applicable amount because of that child or young person's death.

(d) is a young person who is in receipt of adult disability payment or who would, but for payment ceasing by virtue of regulation 28 (effect of admission to hospital on ongoing entitlement to Adult Disability Payment) of the DAWAP Regulations be so in receipt, provided that the young person continues to be a member of the family; or

(e) is a young person who is in receipt of an AFIP.

Carer premium

9

(1) The condition is that the applicant or his partner is, or both of them are, entitled to a carer's allowance.

(2) Where a carer premium has been awarded but--

(a) the person in respect of whose care the carer's allowance has been awarded dies; or

(b) the person in respect of whom the premium was awarded ceases to be entitled, or ceases to be treated as entitled, to a carer's allowance,

this paragraph is to be treated as satisfied for a period of eight weeks from the relevant date specified in sub-paragraph (3).

(3) The relevant date for the purposes of sub-paragraph (2) is–

(a) in a case within sub-paragraph (2)(a), the Sunday following the death of the person in respect of whose care the carer's allowance has been awarded (or beginning with the date of death if the date occurred on a Sunday);

(b) in a case within sub-paragraph (2)(b), the date on which that person who was entitled to a carer's allowance ceases to be entitled to it.

(4) For the purposes of this paragraph, a person is to be treated as being entitled to and in receipt of a carer's allowance for any period not covered by an award but in respect of which a payment is made in lieu of an award.

Persons in receipt of concessionary payments

10

For the purpose of determining whether a premium is applicable to a person under paragraphs 6 to 9, any concessionary payment made to compensate that person for the non-payment of any benefit mentioned in those paragraphs is to be treated as if it were a payment of that benefit.

Person in receipt of benefit

11

For the purposes of this Part of this Schedule, a person is to be regarded as being in receipt of any benefit if, and only if, it is paid in respect of him and is to be so regarded only for any period in respect of which that benefit is paid.

Part 4
Amounts of Premium Specified in Part 3

12

(1) Severe Disability Premium--

Provision	*Amount*
(a) where the applicant satisfies the condition in paragraph 6(2)(a);	(a) £76.40
(b) where the applicant satisfies the condition in paragraph 6(2)(b)--	(b)
(i) in a case where there is someone in receipt of a carer's allowance or who has an award of universal credit which includes the carer element under regulation 29 of the Universal Credit Regulations 2013 or if he or any partner satisfies that condition only by virtue of paragraph 6(7);	(i) £76.40
(ii) in a case where there is no-one in receipt of such an allowance or such an award of universal credit.	(ii) £152.80
(2) Enhanced disability premium.	(2) £30.17 in respect of each child or young person in respect of whom the conditions specified in paragraph 7 are satisfied.
(3) Disabled Child Premium.	(3) £74.69 in respect of each child or young person in respect of whom the condition specified in paragraph 8 is satisfied
(4) Carer Premium.	(4) £42.75 in respect of each person who satisfies the condition specified in paragraph 9.

SCHEDULE 3
APPLICABLE AMOUNTS: PERSONS WHO ARE NOT PENSIONERS

Paragraph 26

Part 1
Personal Allowances

1

The amounts specified in column (2) below in respect of each person or couple specified in column (1) are the amounts specified for the purposes of paragraphs 26(1)(a) and 27(1)(a) and (b)--

Column (1) *Person or couple*	*Column (2)* *Amount*
(1) A single applicant who-- (a) is entitled to main phase employment and support allowance; (b) is aged not less than 25; (c) is aged not less than 18 but less than 25. (2) Lone parent. (3) Couple.	*Amounts as specified in the Housing Benefit Regulations 2006 as amended from time to time*

2

For the purposes of paragraph 1 an applicant is entitled to main phase employment and support allowance if--

(a) paragraph 18 is satisfied in relation to the applicant; or

(b) the applicant is entitled to a converted employment and support allowance.

3

(1) The amounts specified in column (2) below in respect of each person specified in column (1) are, for the relevant period specified in column (1), the amounts specified for the purposes of paragraphs 26(1)(b) and 27(1)(c)--

Column (1) *Child or Young person*	*Column (2)* *Amount*
Person in respect of the period-- (a) beginning on that person's date of birth and ending on the day preceding the first Monday in September following that person's sixteenth birth-day; (b) beginning on the first Monday in September following that person's sixteenth birthday and ending on the day preceding that person's twenti-eth birthday.	*Amounts as specified in the Housing Benefit Regulations 2006 as amended from time to time*

(2) In column (1) of the table in sub-paragraph (1), "the first Monday in September" means the Mon-day which first occurs in the month of September in any year.

Part 2
Family Premium

4

(1) The amount for the purposes of paragraphs 26(1)(c) and 27(1)(d) in respect of a family of which at least one member is a child or young person is--

(a) where the applicant is a lone parent to whom sub-paragraph (2) applies,

(b) in any other case,

in both cases, the amounts as specified in the Housing Benefit Regulations 2006 as amended from time to time

(2) The amount in sub-paragraph (1)(a) is applicable to a lone parent--

(a) who was entitled to council tax benefit on 5th April 1998 and whose applicable amount on that date included the amount applicable under paragraph 3(1)(a) of Schedule 1 to the Council Tax Benefit (Persons who have attained the qualifying age for state pension credit) Regulations 2006 as in force on that date; or

(b) on becoming entitled to council tax benefit where that lone parent--

(i) had been treated as entitled to that benefit in accordance with sub-paragraph (3) as at the day before the date of claim for that benefit; and

(ii) was entitled to housing benefit as at the date of claim for council tax benefit or would have been entitled to housing benefit as at that date had that day not fallen during a rent free period as defined in regulation 81 of the Housing Benefit Regulations 2006,

and in respect of whom, all of the conditions specified in sub-paragraph (3) have continued to apply.

(3) The conditions specified for the purposes of sub-paragraph (2) are that, in respect of the period commencing on 6th April 1998--

(a) the applicant has not ceased to be entitled, or has not ceased to be treated as entitled, to

(i) council tax benefit (in relation to the period prior to 1st April 2013), and

(ii) a reduction under a scheme made by this authority (in relation to the period commencing on 1st April 2013);

(b) the applicant has not ceased to be a lone parent;

(c) where the applicant was entitled to income support or to an income-based jobseeker's allowance on 5th April 1998, he has continuously, since that date, been entitled to income support, an income-based jobseeker's allowance or income-related employment and support allowance or a combination of those benefits;

(d) where the applicant was not entitled to income support or to an income-based jobseeker's allowance on 5th April 1998, he has not become entitled to income support, an income-based jobseeker's allowance or an income-related employment and support allowance; and

(e) a premium under paragraph 9 or a component under paragraph ~~21 or~~ 22 has not become applicable to the applicant.

(4) For the purposes of sub-paragraphs (2)(b)(i) and (3)(a), an applicant is to be treated as entitled to council tax benefit during any period where he was not, or had ceased to be, so entitled and--

(a) throughout that period, he had been awarded housing benefit and his applicable amount included the amount applicable under paragraph 3(1)(a) of Schedule 3 to the Housing Benefit Regulations 2006 (lone parent rate of family premium); or

(b) he would have been awarded housing benefit during that period had that period not been a rent free period as defined in regulation 81 of the Housing Benefit Regulations 2006 and his applicable amount throughout that period would have included the amount applicable under paragraph 3(1)(a) of Schedule 3 to those Regulations.

Part 3
Premiums

5

Except as provided in paragraph 6, the premiums specified in Part 4 are, for the purposes of paragraphs 26(1)(d) and 27(1)(e) (premiums), applicable to an applicant who satisfies the condition specified in paragraphs 9 to 14 in respect of that premium.

6

Subject to paragraph 7, where an applicant satisfies the conditions in respect of more than one premium in this Part of this Schedule, only one premium is applicable to him and, if they are different amounts, the higher or highest amount applies.

7

The following premiums, namely--

(a) a severe disability premium to which paragraph 11 applies;

(b) an enhanced disability premium to which paragraph 12 applies;

(c) a disabled child premium to which paragraph 13 applies; and

(d) a carer premium to which paragraph 14 applies,

may be applicable in addition to any other premium which may apply under this Schedule.

8

(1) Subject to sub-paragraph (2), for the purposes of this Part of this Schedule, once a premium is applicable to an applicant under this Part, a person is to be treated as being in receipt of any benefit for--

(a) in the case of a benefit to which the Social Security (Overlapping Benefits) Regulations 1979 applies, any period during which, apart from the provisions of those Regulations, he would be in receipt of that benefit; and

(b) any period spent by a person in undertaking a course of training or instruction provided or approved by the Secretary of State under section 2 of the Employment and Training Act 1973 or by Skills Development Scotland, Scottish Enterprise or Highlands and Islands Enterprise under section 2 of the Enterprise and New Towns (Scotland) Act 1990 for any period during which he is in receipt of a training allowance.

(2) For the purposes of the carer premium under paragraph 14, a person is to be treated as being in receipt of carer's allowance by virtue of sub-paragraph (1)(a) only if and for so long as the person in respect of whose care the allowance has been claimed remains in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA or the daily living component of personal independence payment payable under Part 4 of the Welfare Reform Act 2012.

Disability premium

9

The condition is that--

(a) where the applicant is a single applicant or a lone parent, he has not attained the qualifying age for state pension credit and the additional condition specified in paragraph 10 is satisfied; or

(b) where the applicant has a partner, either--

(i) the applicant has not attained the qualifying age for state pension credit and the additional condition specified in paragraph 10(1)(a) or (b) is satisfied by him; or

(ii) his partner has not attained the qualifying age for state pension credit and the additional condition specified in paragraph 10(1)(a) is satisfied by his partner.

Additional condition for the disability premium

10

(1) Subject to sub-paragraph (2) and paragraph 8, the additional condition referred to in paragraph 9 is that either--

(a) the applicant or, as the case may be, his partner--

(i) is in receipt of one or more of the following benefits: attendance allowance, disability living allowance, personal independence payment, an AFIP, the disability element or the severe disability element of working tax credit as specified in regulation 20(1)(b) and (f) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002, mobility supplement, long-term incapacity benefit under Part 2 of the SSCBA or severe disablement allowance under Part 3 of that Act but, in the case of long-term incapacity benefit or severe disablement allowance, only where it is paid in respect of him; or

(ii) was in receipt of long-term incapacity benefit under Part 2 of the SSCBA when entitlement to that benefit ceased on account of the payment of a retirement pension under that Act or a state pension under Part 1 of the Pensions Act 2014 and the applicant remained continuously entitled to--

(aa) council tax benefit (in relation to the period prior to 1st April 2013, or

(bb) a reduction under a scheme made by this authority (in relation to the period commencing on 1st April 2013), and

if the long-term incapacity benefit was payable to his partner, the partner is still a member of the family; or

(iii) was in receipt of attendance allowance or disability living allowance but payment of benefit has been suspended in accordance with regulations made under section 113(2) of the SSCBA or otherwise abated as a consequence of the applicant or his partner becoming a patient within the meaning of paragraph 58(11)(i) (treatment of child care charges); or

(iv) was in receipt of personal independence payment, but payment of that benefit has been suspended in accordance with section 86 of the Welfare Reform Act 2012 as a consequence of the applicant becoming a patient within the meaning of paragraph 58(11)(i) (treatment of child care charges); or

(v) was in receipt of an AFIP, but payment has been suspended in accordance with any terms of the armed and reserve forces compensation scheme which allow for suspension because a person is undergoing medical treatment in a hospital or similar institution; or

(vi) he has an invalid carriage or other vehicle provided to him by the Secretary of State or an integrated care board under paragraph 9 of Schedule 1 to the National Health Service Act 2006

or under section 46 of the National Health Service (Scotland) Act 1978 or provided by the Department of Health, Social Services and Public Safety in Northern Ireland under Article 30(1) of the Health and Personal Social Services (Northern Ireland) Order 1972; or

(vii) is blind and in consequence registered in a register compiled by a local authority under section 29 of the National Assistance Act 1948 (welfare services) or, in Scotland, has been certified as blind and in consequence he is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994; or

(b) the applicant--

(i) is, or is treated as, incapable of work in accordance with the provisions of, and regulations made under, Part 12A of the SSCBA (incapacity for work); and

(ii) has been incapable, or has been treated as incapable, of work for a continuous period of not less than--

(aa) in the case of an applicant who is terminally ill within the meaning of section 30B(4) of the SSCBA, 196 days;

(bb) in any other case, 364 days.

(2) For the purposes of sub-paragraph (1)(a)(vii), a person who has ceased to be registered as blind on regaining his eyesight is nevertheless to be treated as blind and as satisfying the additional condition set out in that sub-paragraph for a period of 28 weeks following the date on which he ceased to be so registered.

(3) For the purposes of sub-paragraph (1)(b), once the disability premium is applicable to an applicant by virtue of his satisfying the additional condition specified in that provision, if he then ceases, for a period of 8 weeks or less, to be treated as incapable of work or to be incapable of work he is, on again becoming so incapable of work, immediately thereafter to be treated as satisfying the condition in sub-paragraph (1)(b).

(4) For the purposes of sub-paragraph (1)(b), once the disability premium is applicable to an applicant by virtue of his satisfying the additional condition specified in that provision, he is to continue to be treated as satisfying that condition for any period spent by him in undertaking a course of training pro- vided under section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990 or for any period during which he is in receipt of a training allowance.

(5) For the purposes of sub-paragraph (1)(b), where any two or more periods of incapacity are separated by a break of not more than 56 days, those periods are to be treated as one continuous period.

(6) For the purposes of this paragraph, a reference to a person who is or was in receipt of long-term incapacity benefit includes a person who is or was in receipt of short-term incapacity benefit at a rate equal to the long-term rate by virtue of section 30B(4)(a) of the Act (short-term incapacity benefit for a person who is terminally ill), or who would be or would have been in receipt of short-term incapacity benefit at such a rate but for the fact that the rate of short-term incapacity benefit already payable to him is or was equal to or greater than the long-term rate.

(7) In the case of an applicant who is a welfare to work beneficiary (a person to whom regulation 13A(1) of the Social Security (Incapacity for Work) (General) Regulations 1995 applies, and who again becomes incapable of work for the purposes of Part 12A of the SSCBA)--

(a) the reference to a period of 8 weeks in sub-paragraph (3); and

(b) the reference to a period of 56 days in sub-paragraph (5),

in each case is to be treated as a reference to a period of 104 weeks.

(8) The applicant is not entitled to the disability premium if he has, or is treated as having, limited capability for work.

Severe disability premium

11

(1) The condition is that the applicant is a severely disabled person.

(2) For the purposes of sub-paragraph (1), an applicant is to be treated as being a severely disabled person if, and only if--

(a) in the case of a single applicant, a lone parent or an applicant who is treated as having no partner in consequence of sub-paragraph (3)--

(i) he is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012, or an AFIP; and

(ii) subject to sub-paragraph (4), he has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing; and

(iii) no person is entitled to, and in receipt of, a carer's allowance under section 70 of the SSCBA in respect of caring for him;

(b) in the case of an applicant who has a partner--

(i) the applicant is in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012, or an AFIP; and

(ii) his partner is also in receipt of such an allowance or, if he is a member of a polygamous marriage, all the partners of that marriage are in receipt of such an allowance; and

(iii) subject to sub-paragraph (4), the applicant has no non-dependants aged 18 or over normally residing with him or with whom he is normally residing,

and either a person is entitled to and in receipt of a carer's allowance in respect of caring for only one of a couple or, in the case of a polygamous marriage, for one or more but not all the partners of the marriage, or as the case may be, no person is entitled to and in receipt of such an allowance in respect of caring for either member of a couple or any partner of a polygamous marriage.

(3) Where an applicant has a partner who does not satisfy the condition in sub-paragraph (2)(b)(ii), and that partner is blind or is treated as blind within the meaning of paragraph 10(1)(a)(vii) and (2), that partner is to be treated for the purposes of sub-paragraph (2)(b)(ii) as if he were not a partner of the applicant.

(4) For the purposes of sub-paragraph (2)(a)(ii) and (2)(b)(iii) no account is to be taken of--

(a) a person receiving attendance allowance, or disability living allowance by virtue of the care component at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment payable at either rate prescribed in accordance with Part 4 of the Welfare Reform Act 2012; or

(b) a person who is blind or is treated as blind within the meaning of paragraph 10(1)(a)(vii) and (2).

(5) For the purposes of sub-paragraph (2)(b) a person is to be treated--

(a) as being in receipt of attendance allowance, or the care component of disability living allowance at the highest or middle rate prescribed in accordance with section 72(3) of the SSCBA, or the daily living component of personal independence payment payable at either rate under Part 4 of the Welfare Reform Act 2012, or an AFIP if he would, but for his being a patient for a period exceeding

28 days, be so in receipt;

(b) as being entitled to and in receipt of a carer's allowance if he would, but for the person for whom he was caring being a patient in hospital for a period exceeding 28 days, be so entitled and in receipt.

(6) For the purposes of sub-paragraph (2)(a)(iii) and (2)(b), no account is to be taken of an award of carer's allowance to the extent that payment of such an award is back-dated for a period before the date on which the award is first paid.

(7) In sub-paragraph (2)(a)(iii) and (b), references to a person being in receipt of a carer's allowance include references to a person who would have been in receipt of that allowance but for the application of a restriction under section 6B or 7 of the Social Security Fraud Act 2001 (loss of benefit provisions).

Enhanced disability premium

12

(1) Subject to sub-paragraph (2), the condition is that--

(a) the Secretary of State has decided that the applicant has, or is to be treated as having, limited capability for work-related activity; or

(b) the care component of disability living allowance is, or would be payable at the highest rate prescribed under section 72(3) of the SSCBA, but for a suspension of benefit in accordance with regulations made under section 113(2) of the SSCBA or but for an abatement as a consequence of hospitalisation be payable at the highest rate prescribed under section 72(3) of the SSCBA in respect of--

(i) the applicant; or

(ii) a member of the applicant's family,

who has not attained the qualifying age for state pension credit; or

(c) the daily living component of personal independence payment is, or would be payable at either rate under Part 4 of the Welfare Reform Act 2012, but for a suspension of benefit in accordance with section 86 of the Welfare Reform Act 2012 in respect of--

(i) the applicant; or

(ii) a member of the applicant's family,

who has not attained the qualifying age for state pension credit.

(2) Where the condition in sub-paragraph (1) ceases to be satisfied because of the death of a child or young person, the condition is that the applicant or partner is entitled to child benefit in respect of that person under section 145A of the SSCBA (entitlement after death of child or qualifying young person).

(3) The condition is not satisfied if the person to whom sub-paragraph (1) refers is--

(a) an applicant who--

(i) is not a member of a couple or a polygamous marriage; and

(ii) is a patient within the meaning of paragraph 58(11)(i) (treatment of child care charges) and has been for a period of more than 52 weeks; or

(b) a member of a couple or a polygamous marriage where each member is a patient within the meaning of paragraph 58(11)(i) and has been for a period of more than 52 weeks.

Disabled child premium

13

The condition is that a child or young person for whom the applicant or a partner of his is responsible and who is a member of the applicant's household--

(a) is in receipt of disability living allowance or personal independence payment or is no longer in receipt of such allowance because he is a patient, provided that the child or young person continues to be a member of the family; or

(b) is blind or treated as blind within the meaning of paragraph 10; or

(c) is a child or young person in respect of whom section 145A of the SSCBA (entitlement after death of child or qualifying young person) applies for the purposes of entitlement to child benefit but only for the period prescribed under that section, and in respect of whom a disabled child premium was included in the applicant's applicable amount immediately before the death of that child or young person, or ceased to be included in the applicant's applicable amount because of that child or young person's death.

Carer premium

14

(1) The condition is that the applicant or his partner is, or both of them are, entitled to a carer's allowance under section 70 of the SSCBA.

(2) Where a carer premium is awarded but--

(a) the person in respect of whose care the carer's allowance has been awarded dies; or

(b) in any other case the person in respect of whom a carer premium has been awarded ceases to be entitled to a carer's allowance,

the condition for the award of the premium is to be treated as satisfied for a period of eight weeks from the relevant date specified in sub-paragraph (3).

(3) The relevant date for the purposes of sub-paragraph (2) is--

(a) where sub-paragraph (2)(a) applies, the Sunday following the death of the person in respect of whose care a carer's allowance has been awarded or the date of death if the death occurred on a Sunday;

(b) in any other case, the date on which the person who has been entitled to a carer's allowance ceases to be entitled to that allowance.

(4) Where a person who has been entitled to a carer's allowance ceases to be entitled to that allowance and makes an application for a reduction, the condition for the award of the carer premium is to be treated as satisfied for a period of eight weeks from the date on which--

(a) the person in respect of whose care the carer's allowance has been awarded dies; or

(b) in any other case, the person who has been entitled to a carer's allowance ceased to be entitled to that allowance.

Persons in receipt of concessionary payments

15

For the purpose of determining whether a premium is applicable to a person under paragraphs 10 to 14, any concessionary payment made to compensate that person for the non-payment of any benefit mentioned in those paragraphs is to be treated as if it were a payment of that benefit.

Persons in receipt of benefit for another

16

For the purposes of this Part of this Schedule, a person is to be regarded as being in receipt of any benefit if, and only if, it is paid in respect of him and is to be so regarded only for any period in respect of which that benefit is paid.

Part 4
Amounts of Premiums Specified in Part 3

17

Premium	*Amount*
(1) Disability Premium-	
(a) where the applicant satisfies the condition in paragraph 9(a);	
(b) where the applicant satisfies the condition in paragraph 9(b).	
(2) Severe Disability Premium--	
(a) where the applicant satisfies the condition in paragraph 11(2)(a);	
(b) where the applicant satisfies the condition in paragraph 11(2)(b)--	*Amounts as specified in the Housing Benefit Regulations 2006 as amended from time to time*
(i) in a case where there is someone in receipt of a carer's allowance or if he or any partner satisfies that condition only by virtue of paragraph 11(5);	
(ii) in a case where there is no-one in receipt of such an allowance.	
(3) Disabled Child Premium.	
(4) Carer Premium.	
(5) Enhanced disability premium	

Part 5
The Component

18

Subject to paragraph 20 the applicant is entitled to the support component in paragraph 22 if--

(a) the applicant or the applicant's partner has made a claim for employment and support allowance;

(b) the Secretary of State has decided that the applicant or the applicant's partner has, or is to be treated as having, limited capability for work-related activity; and

(c) either--

(i) the assessment phase as defined in section 24(2) of the Welfare Reform Act has ended; or

(ii) regulation 7 of the Employment and Support Allowance Regulations 2008 (circumstances where the condition that the assessment phase has ended before entitlement to the support component arises does not apply) applies.

19

Subject to paragraph 20, the applicant is entitled the support component in paragraph 22 if the applicant or his partner is entitled to a converted employment and support allowance.

20

(1) The applicant has no entitlement under paragraph ~~21 or~~ 22 if the applicant is entitled to the disability premium under paragraphs 9 and 10.

(2) Where the applicant and the applicant's partner each satisfies paragraph ~~21 or~~ 22, the component to be included in the applicant's applicable amount is that which relates to the applicant.

The work-related activity component

21

Not in use

The support component

22

The applicant is entitled to the support component if the Secretary of State has decided that the applicant or the applicant's partner has, or is to be treated as having, limited capability for work-related activity.

Part 6 Amount of Component

23

Not in use

24

The amount of the support component is the amount as specified in the Housing Benefit Regulations 2006 as amended from time to time.

Part 7
Transitional Addition

25

(1) The applicant is entitled to the transitional addition calculated in accordance with paragraph 28 where the applicant or the applicant's partner ("the relevant person")--

(a) is entitled to a converted employment and support allowance; or

(b) is appealing a conversion decision as described in regulation 5(2)(b) of the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No 2) Regulations 2008 and--

(i) is treated as having limited capability for work by virtue of regulation 30 of the Employment and Support Allowance Regulations 2008 as modified by the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No 2) Regulations 2008; and

(ii) is not in receipt of an income-related employment and support allowance,

unless the amount of the transitional addition calculated in accordance with paragraph 28 would be nil.

(2) The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following--

(a) the reduction of the transitional addition to nil in accordance with paragraph 29;

(b) the termination of the applicant's award of reduction under this scheme;

(c) the relevant person ceasing to meet the requirements of sub-paragraph (1)(a) or (b), as the case may be;

(d) the applicant or the applicant's partner becoming entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support;

(e) 5th April 2020.

26

(1) This paragraph applies where--

(a) the applicant's entitlement to a transitional addition ends, by virtue of the termination of the applicant's award of reduction, under--

(i) paragraph 25(2)(b);

(ii) sub-paragraph (3)(b); or

(iii) paragraph 27(3)(b);

(b) within 12 weeks of that termination but before 5th April 2020 the applicant again becomes entitled to a reduction under this scheme;

(c) in the reduction week in which the applicant again becomes entitled to a reduction under this scheme the relevant person is entitled to an employment and support allowance which is not income-related; and

(d) at the date on which the applicant again becomes entitled to a reduction under this scheme, neither the applicant nor the applicant's partner is entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support.

(2) Where this paragraph applies, the applicant is entitled, with effect from the day on which the applicant again becomes entitled to a reduction under this scheme, to a transitional addition of the

amount of the transitional addition that would have applied had the applicant's entitlement to a transitional addition not ended (but taking account of the effect which any intervening change of circumstances would have had by virtue of paragraph 29), unless the amount of the transitional addition would be nil.

(3) The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following--

(a) the reduction of the transitional addition to nil in accordance with paragraph 29;

(b) the termination of the applicant's award of a reduction under this scheme;

(c) the relevant person no longer being entitled to the employment and support allowance referred to in sub-paragraph (1)(c);

(d) the applicant or the applicant's partner becoming entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support;

(e) 5th April 2020.

27

(1) This paragraph applies where--

(a) the applicant's entitlement to a transitional addition ends, by virtue of the relevant person ceasing to be entitled to an employment and support allowance, under--

(i) paragraph 25(2)(c);

(ii) paragraph 26(3)(c); or

(iii) sub-paragraph (3)(c);

(b) before 5th April 2020 the relevant person again becomes entitled to an employment and support allowance which is not income-related;

(c) at the date on which the relevant person again becomes entitled to an employment support allowance which is not income-related regulation 145(1) of the Employment and Support Allowance Regulations 2008 applies to the relevant person; and

(d) at the date on which the relevant person again becomes entitled to an employment support allowance which is not income-related, neither the applicant nor the applicant's partner is entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support.

(2) Where this paragraph applies, the applicant is entitled, with effect from the day that the relevant person's entitlement to employment and support allowance takes effect for the purposes of a reduction under this scheme, to a transitional addition of the amount of the transitional addition that would have applied had the applicant's entitlement to a transitional addition not ended (but taking account of the effect which any intervening change of circumstances would have had by virtue of paragraph 29), unless the amount of the transitional addition would be nil.

(3) The applicant's entitlement to a transitional addition by virtue of this paragraph ends on any of the following--

(a) the reduction of the transitional addition to nil in accordance with paragraph 29;

(b) the termination of the applicant's award of a reduction under this scheme;

(c) the relevant person no longer being entitled to the employment and support allowance referred to in sub-paragraph (1)(b);

(d) the applicant or the applicant's partner becoming entitled to an income-related employment and support allowance, an income-based jobseeker's allowance or income support;

(e) 5th April 2020.

Part 8
Amount of Transitional Addition

28

(1) Subject to paragraph 29, the amount of the transitional addition is the amount by which Amount A exceeds Amount B.

(2) Where a conversion decision as described in regulation 5(2)(a) of the Employment and Support Allowance (Transitional Provisions, Housing Benefit and Council Tax Benefit) (Existing Awards) (No 2) Regulations 2010 ("the 2010 Regulations") is made in respect of the relevant person--

(a) Amount A is the basic amount that would have applied on the day that decision took effect had that decision not been made; and

(b) Amount B is the basic amount that applied on that day as a result of that decision.

(3) Where the relevant person is appealing a conversion decision as described in regulation 5(2)(b) of the 2010 Regulations and is treated as having limited capability for work by virtue of regulation 30 of the Employment and Support Allowance Regulations 2008 as modified by the 2010 Regulations--

(a) Amount A is the basic amount that would have applied on the day the relevant person was first treated as having limited capability for work if the relevant person had not been so treated; and

(b) Amount B is the basic amount that applied on that day as a result of the relevant person being so treated.

(4) In this paragraph and paragraph 29, "basic amount" means the aggregate of such amounts as may apply in the applicant's case in accordance with paragraph 26(1)(a) to (e) or paragraph 27(1)(a) to (f) (applicable amounts).

29

(1) Subject to sub-paragraph (2), where there is a change of circumstances which leads to an increase in the applicant's basic amount, the transitional addition that applies immediately before the change of circumstances must be reduced by the amount by which Amount C exceeds Amount D.

(2) If Amount C exceeds Amount D by more than the amount of the transitional addition that applies immediately before the change of circumstances, that transitional addition must be reduced to nil.

(3) Amount C is the basic amount that applies as a result of the increase.

(4) Amount D is the basic amount that applied immediately before the increase.

SCHEDULE 4
AMOUNT OF ALTERNATIVE MAXIMUM COUNCIL TAX REDUCTION: PENSIONERS AND PERSONS WHO ARE NOT PENSIONERS

Paragraph 31

1

(1) Subject to paragraphs 2 and 3, the alternative maximum council tax reduction in respect of a day for the purpose of paragraph 31 (alternative maximum council tax reduction: pensioners and persons who are not pensioners) is determined in accordance with Table 1 and Table 2 and in these Tables--

(a) "second adult" means any person or persons residing with the applicant to whom paragraph 15(2) (class C) or 18(2) (class F) (as the case may be) applies; and

(b) "persons to whom paragraph 75(1) of this scheme applies" includes any person to whom that paragraph would apply were they, and their partner if they had one, below the qualifying age for state pension credit.

(2) In this Schedule "council tax due in respect of that day" means the council tax payable under section 10 of the 1992 Act less--

(a) any reductions made in consequence of any enactment in, or under, the 1992 Act (other than a reduction under this scheme); and

(b) in a case to which sub-paragraph (c) in column (1) of Table 1 or Table 2 below applies, the amount of any discount which may be appropriate to the dwelling under the 1992 Act.

Table 1

Pensioners

(1) *Second adult*	*(2)* *Alternative maximum council tax reduction*
(a) Where the second adult or all second adults are in receipt of income support, an in-come-related employment and support allowance or state pension credit or are persons on an in-come-based jobseeker's allowance;	(a) 25 per cent of the council tax due in respect of that day;
(b) where the gross income of the second adult or, where there is more than one second adult, their aggregate gross income disregarding any income of persons on income support, an in-come-related employment and support allowance, state pension credit or an income-based jobseeker's allowance--	(b)
(i) is less than £244.00 per week;	(i) 15 per cent of the council tax due in respect of that day;
(ii) is not less than £244.00 per week but less than £317.00 per week;	(ii) 7.5 per cent of the council tax due in respect of that day;
(c) where the dwelling would be wholly occupied by one or more persons to whom paragraph 75(1) of this scheme applies but for the presence of one or more second adults who are in receipt of income support, state pension credit, an in- come-related employment and support allowance or are persons on an income-based jobseeker's allowance.	(c) 100 per cent of the council tax due in respect of that day.

Table 2

Persons who are not pensioners

(1) *Second adult*	*(2)* *Alternative maximum council tax reduction*
(a) Where the second adult or all second adults are in receipt of income support, an in-come-related employment and support allowance or state pension credit or are persons on an in-come-based jobseeker's allowance;	(a) 25 per cent of the council tax due in respect of that day;
(b) where the gross income of the second adult or, where there is more than one second adult, their aggregate gross income disregarding any income of persons on income support, an in-come-related employment and support allowance, state pension credit or an income-based jobseeker's allowance--	(b)
(i) is less than the amount specified above in Table 1 per week;	(i) 15 per cent of the council tax due in respect of that day;
(ii) is in accordance with the amounts specified above in Table 1 per week;	(ii) 7.5 per cent of the council tax due in respect of that day;
(c) where the dwelling would be wholly occupied by one or more persons to whom paragraph 75(1) of this scheme applies but for the presence of one or more second adults who are in receipt of income support, state pension credit, an in- come-related employment and support allowance or are persons on an income-based jobseeker's allowance.	(c) 100 per cent of the council tax due in respect of that day.

2

In determining a second adult's gross income for the purposes of this Schedule, the following must be disregarded from that income--

(a) any attendance allowance, any disability living allowance, any personal independence payment under Part 4 of the Welfare Reform Act 2012 or an AFIP;

(b) any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006) which, had his income fallen to be calculated under paragraph 54 (calculation of income other than earnings: persons who are not pensioners), would have been disregarded under paragraph 28 of Schedule 8 (income in kind); and

(c) any payment which, had his income fallen to be calculated under paragraph 54, would have been disregarded under paragraph 41 of Schedule 8 (payments made under certain trusts and certain other payments).

3

Where there are two or more second adults residing with the applicant for a reduction under this scheme and any such second adult falls to be disregarded for the purposes of discount in accordance with Schedule 1 to the 1992 Act, his income must be disregarded in determining the amount of any alternative maximum council tax reduction, unless that second adult is a member of a couple and his partner does not fall to be disregarded for the purposes of discount.

SCHEDULE 5
SUMS DISREGARDED FROM APPLICANT'S EARNINGS: PENSIONERS

Paragraph 40

1

Where two or more of paragraphs 2 to 5 apply in any particular case the overall maximum sum which falls to be disregarded in that case under those paragraphs is restricted to--

(a) £25 in the case of a lone parent;

(b) £20 in any other case.

2

In a case where an applicant is a lone parent, £25 of earnings.

3

(1) In a case of earnings from any employment or employments to which sub-paragraph (2) applies, £20.

(2) This paragraph applies to employment--

(a) as a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;

(ab) as a part-time fire-fighter employed by a fire and rescue authority created by an order under section 4A of the Fire and Rescue Services Act 2004;

(b) a part-time fire-fighter employed by the Scottish Fire and Rescue Service established under section 1A of the Fire (Scotland) Act 2005;

(c) as an auxiliary coastguard in respect of coast rescue activities;

(d) in the manning or launching of a lifeboat if the employment is part-time;

(e) as a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001.

(3) If--

(a) any of the earnings of the applicant or, if he has a partner, his partner, or both of them, are disregarded under sub-paragraph (1); and

(b) either of them has, or both of them have, other earnings,

so much of those other earnings as would not, in the aggregate with the earnings disregarded under that sub-paragraph, exceed £20.

4

(1) If the applicant or, if he has a partner, his partner is a carer, or both are carers, £20 of any earnings received from his or their employment.

(2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings must for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) must not exceed £20 of the aggregated amount.

(3) In this paragraph the applicant or his partner is a carer if paragraph 14 of Part 3 of Schedule 3 (amount applicable for carers) is satisfied in respect of him.

5

(1) £20 is disregarded if the applicant or, if he has a partner, his partner--

(a) is in receipt of--

(i) long-term incapacity benefit under section 30A of the SSCBA;

(ii) severe disablement allowance under section 68 of that Act;

(iii) attendance allowance under sections 64 of that Act;

(iv) disability living allowance;

(v) personal independence payment;

(vi) an AFIP;

(vii) any mobility supplement under article 20 of the Naval, Military and Air Forces Etc (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983;

(viii) the disability element or the severe disability element of working tax credit under Schedule 2 to the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002; or

(ix) main phase employment and support allowance; or

(b) is or are registered as severely sight-impaired in a register kept by a local authority in England under section 77(1) of the Care Act 2014 (registers of sight-impaired adults), in Scotland, has been certified as blind and in consequence is registered in a register maintained by or on behalf of a council constituted under section 2 of the Local Government (Scotland) Act 1994 or is registered as severely sight-impaired in a register kept by a local authority in Wales under section 18(1) of the Social Services and Well-being (Wales) Act 2014; or

(c) is, or is treated as, incapable of work in accordance with the provisions of, and regulations made under, Part 12A of the SSCBA (incapacity for work), and has been incapable, or has been treated as incapable, of work for a continuous period of not less than--

(i) in the case of an applicant who is terminally ill within the meaning of section 30B(4) of the Act, 196 days;

(ii) in any other case, 364 days; or

(d) has, or is treated as having, limited capacity for work within the meaning of section 1(4) of the Welfare Reform Act 1997 or limited capability for work-related activity within the meaning of section 2(5) of that Act and either--

(i) the assessment phase as defined in section 24(2) of the Welfare Reform Act has ended; or

(ii) regulation 7 of the Employment and Support Allowance Regulations 2008 or Regulation 7 of the Employment and Support Allowance Regulations 2013 (circumstances where the condition that the assessment phase has ended before entitlement to the support component arising does not apply) applies.

(2) Subject to sub-paragraph (3), £20 is disregarded if the applicant or, if he has a partner, his partner has, within a period of 8 weeks ending on the day in respect of which the applicant or his partner attains the qualifying age for state pension credit, had an award of housing benefit or council tax benefit or been in receipt of a reduction under this scheme and--

(a) £20 was disregarded in respect of earnings taken into account in that award; and

(b) the person whose earnings qualified for the disregard continues in employment after the termination of that award.

(3) The disregard of £20 specified in sub-paragraph (2) applies so long as there is no break, other than a break which does not exceed 8 weeks, in a person's--

(a) entitlement to housing benefit; or

(b) receipt of a reduction under a council tax reduction scheme; or

(c) employment,

following the first day in respect of which that benefit is awarded under this scheme.

(4) £20 is the maximum amount which may be disregarded under this paragraph, notwithstanding that, where the applicant has a partner, both the applicant and his partner satisfy the requirements of this paragraph.

6

(1) Where--

(a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;

(b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and

(c) paragraph 35 (applicant in receipt of guarantee credit: pensioners) does not apply,

the amount specified in sub-paragraph (7) ("the specified amount").

(2) Where this paragraph applies, paragraphs 1 to 5 and 8 do not apply; but in any case where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 2, then paragraph 2 applies instead of this paragraph.

(3) Notwithstanding paragraph 33 (calculation of income and capital of members applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple ("A") it does not apply to the other member of that couple ("B") except to the extent provided in sub-paragraph (4).

(4) Where A's earnings are less than the specified amount, there is also to be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.

(5) This sub-paragraph applies to a person who is--

(a) in receipt of a contributory employment and support allowance;

(b) in receipt of incapacity benefit;

(c) in receipt of severe disablement allowance;

(d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.

(6) "Exempt work" means work of the kind described in--

(a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations 2008 or Regulation 39(1)(a), (b) or (c) of the Employment and Support Allowance Regulations 2013; or (as the case may be); or

(b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,

and, in determining for the purposes of this paragraph whether an applicant or a member of a couple is

undertaking any type of exempt work, it is immaterial whether that person or their partner is also undertaking other work.

(7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

7

Any amount or the balance of any amount which would fall to be disregarded under paragraph 18 or 19 of Schedule 6 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full amount disregarded thereunder.

8

Except where the applicant or his partner qualifies for a £20 disregard under the preceding provisions of this Schedule--

(a) £5 is to be disregarded if an applicant who has no partner has earnings;

(b) £10 is to be disregarded if an applicant who has a partner has earnings.

9

Any earnings, other than earnings referred to in paragraph 40(9)(b), derived from employment which ended before the day in respect of which the applicant first satisfies the conditions for entitlement to a reduction under this scheme.

10

(1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under this Schedule is to be increased by £17.10.

(2) The conditions of this sub-paragraph are that--

(a) the applicant, or if he has a partner, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 applies; or

(b) the applicant--

(i) is, or any partner of his is, aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or

(ii) if he is a member of a couple--

(aa) at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and

(bb) his family includes at least one child or young person; or

(iii) is a lone parent who is engaged in remunerative work for on average not less than 16 hours per week; or

(iv) is, or if he has a partner, one of them is, engaged in remunerative work for on average not less than 16 hours per week and paragraph 5(1) above is satisfied in respect of that person.

(3) The following are the amounts referred to in sub-paragraph (1)--

(a) any amount disregarded under this Schedule;

(b) the amount of child care charges calculated as deductible under paragraph 57(1)(c) (deductions from income of certain child care charges); and

(c) £17.10.

(4) The provisions of paragraph 10 (remunerative work) apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in sub-paragraph (1) of that paragraph was a reference to 30 hours.

11

Where a payment of earnings is made in a currency other than Sterling, any banking charge or commission payable in converting to that payment into Sterling.

SCHEDULE 6
AMOUNTS TO BE DISREGARDED IN THE CALCULATION OF INCOME OTHER THAN EARNINGS: PENSIONERS

Paragraph 40

A1

The whole of any amount of the following--

(a) a war disablement pension;

(b) a war widow's pension or war widower's pension.

1

In addition to any sum which falls to be disregarded in accordance with paragraphs 2 to 6, £10 of any of the following--

(a) a pension payable to a person as a widow, widower or surviving civil partner under 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;

(b) a guaranteed income payment and, if the amount of that payment has been abated to less than £10 by a pension or payment falling within article 39(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2011, so much of that pension or payment as would not, in aggregate with the amount of any guaranteed income payment disregarded, exceed £10;

(c) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;

(d) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in sub-paragraphs (a) to (d) above;

(e) a pension paid by a government to victims of National Socialist persecution

2

The whole of any amount included in a pension to which paragraph 1 relates in respect of--

(a) the applicant's need for constant attendance;

(b) the applicant's exceptionally severe disablement.

3

Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc (Disablement and

Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.

4

Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under that Order.

5

In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983 (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.

6

(1) Any payment which is--

(a) made under any of the Dispensing Instruments to a widow, widower or surviving civil partner of a person--

(i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and

(ii) whose service in such capacity terminated before 31st March 1973; and

(b) equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc (Disablement and Death) Service Pensions Order 2006.

(2) In this paragraph "the Dispensing Instruments" means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).

7

£15 of any widowed parent's allowance to which the applicant is entitled under section 39A of the SSCBA.

8

£15 of any widowed mother's allowance to which the applicant is entitled under section 37 of the SSCBA.

9

Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for whom such accommodation is provided for the whole or any part of a week, equal to--

(a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20, 100 per cent. of such payments; or

(b) where the aggregate of any such payments exceeds £20, £20 and 50 per cent. of the excess over £20.

10

If the applicant--

(a) owns the freehold or leasehold interest in any property or is a tenant of any property; and

(b) occupies a part of that property; and

(c) has an agreement with another person allowing that person to occupy another part of that property on payment of rent and--

(i) the amount paid by that person is less than £20 per week, the whole of that amount; or

(ii) the amount paid is £20 or more per week, £20.

11

Where an applicant receives income under an annuity purchased with a loan, which satisfies the following conditions--

(a) that the loan was made as part of a scheme under which not less than 90 per cent. of the proceeds of the loan were applied to the purchase by the person to whom it was made of an annuity ending with his life or with the life of the survivor of two or more persons (in this paragraph referred to as "the annuitants") who include the person to whom the loan was made;

(b) that at the time the loan was made the person to whom it was made or each of the annuitants had attained the age of 65, or, if it was higher at the time, pensionable age;

(c) that the loan was secured on a dwelling in Great Britain and the person to whom the loan was made or one of the annuitants owns an estate or interest in that dwelling;

(d) that the person to whom the loan was made or one of the annuitants occupies the dwelling on which it was secured as his home at the time the interest is paid; and

(e) that the interest payable on the loan is paid by the person to whom the loan was made or by one of the annuitants,

the amount, calculated on a weekly basis, equal to--

(i) where, or insofar as, section 369 of the Income and Corporation Taxes Act 1988 (mortgage interest payable under deduction of tax) applies to the payments of interest on the loan, the interest which is payable after deduction of a sum equal to income tax on such payments at the applicable percentage of income tax within the meaning of section 369(1A) of that Act;

(ii) in any other case, the interest which is payable on the loan without deduction of such a sum.

12

(1) Any payment, other than a payment to which sub-paragraph (2) applies, made to the applicant by Trustees in exercise of a discretion exercisable by them.

(2) This sub-paragraph applies to payments made to the applicant by Trustees in exercise of a discretion exercisable by them for the purpose of--

(a) obtaining food, ordinary clothing or footwear or household fuel;

(b) the payment of rent, council tax or water charges for which that applicant or his partner is liable;

(c) meeting housing costs of a kind specified in Schedule 2 to the State Pension Credit Regulations 2002.

(3) In a case to which sub-paragraph (2) applies, £20 or--

(a) if the payment is less than £20, the whole payment;

(b) if, in the applicant's case, £10 is disregarded in accordance with paragraph 1(a) to (g), £10 or the whole payment if it is less than £10; or

(c) if, in the applicant's case, £15 is disregarded under paragraph 7 or paragraph 8 and--

(i) he has no disregard under paragraph 1(a) to (g), £5 or the whole payment if it is less than £5;

(ii) he has a disregard under paragraph 1(a) to (g), nil.

(4) For the purposes of this paragraph, "ordinary clothing or footwear" means clothing or footwear for normal daily use, but does not include school uniforms, or clothing and footwear used solely for sporting activities.

13

Any increase in pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc (Disablement and Death) Service Pensions Order 2006 paid in respect of a dependent other than the pensioner's partner.

14

Any payment ordered by a court to be made to the applicant or the applicant's partner in consequence of any accident, injury or disease suffered by the person or a child of the person to or in respect of whom the payments are made.

15

Periodic payments made to the applicant or the applicant's partner under an agreement entered into in settlement of a claim made by the applicant or, as the case may be, the applicant's partner for an injury suffered by him.

16

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

17

Any banking charges or commission payable in converting to Sterling payments of income made in a currency other than Sterling.

18

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

(a) under, or pursuant to regulations made under powers conferred by, section 22 of the Teaching and Higher Education Act 1998, that student's award;

(b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance under that section or

under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or

(c) the student's student loan,

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

19

(1) Where the applicant is the parent of a student aged under 25 in advanced education who either--

(a) is not in receipt of any award, grant or student loan in respect of that education; or

(b) is in receipt of an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,

and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 18, an amount specified in sub-paragraph (2) in respect of each week during the student's term.

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

(a) the weekly amount of the payments; or

(b) £67.20 less the weekly amount of any award, bursary, scholarship, allowance or payment referred to in sub-paragraph (1)(b),

whichever is less.

20

(1) Where an applicant's family includes at least one child or young person, £15 of any payment of maintenance, whether under a court order or not, which is made or due to be made by the applicant's spouse, civil partner, former spouse or former civil partner or the applicant's partner's spouse, civil partner, former spouse, or former civil partner.

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

21

Except in a case which falls under paragraph 10 of Schedule 5, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10.

22

Where the total value of any capital specified in Part 2 (capital disregarded only for the purposes of determining deemed income) of Schedule 9 does not exceed £10,000, any income actually derived from such capital.

23

Except in the case of income from capital specified in Part 2 of Schedule 9, any actual income from capital.

24

Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No 3) Regulations 1999 as in force at that date, the whole of his income.

25

Any victims' payment under the Victims' Payments Regulations 2020.

SCHEDULE 7
SUMS DISREGARDED IN THE CALCULATION OF EARNINGS: PERSONS WHO ARE NOT PENSIONERS

Paragraph 53

1

In the case of an applicant who has been engaged in remunerative work as an employed earner or, had the employment been in Great Britain, would have been so engaged--

(a) where--

(i) the employment has been terminated because of retirement; and

(ii) on retirement he is entitled to a retirement pension under the Act or a state pension under Part 1 of the Pensions Act 2014, or is not so entitled solely because of his failure to satisfy the contribution conditions or to have the minimum number of qualifying years,

any earnings paid or due to be paid in respect of that employment, but only for a period commencing on the day immediately after the date on which the employment was terminated;

(b) where before the first day of entitlement to a reduction under this scheme the employment has been terminated otherwise than because of retirement, any earnings paid or due to be paid in respect of that employment except--

(i) any payment of the nature described in--

(aa) paragraph 51(1)(e) (retainer), or

(bb) section 28, 64 or 68 of the Employment Rights Act 1996 (guarantee payments, suspension from work on medical or maternity grounds); and

(ii) any award, sum or payment of the nature described in--

(aa) paragraph 51(1)(g) or (i) (compensation etc relating to employment), or

(bb) section 34 or 70 of the Employment Rights Act 1996 (guarantee payments and suspension from work: complaints to employment tribunals),

including any payment made following the settlement of a complaint to an employment tribunal or of court proceedings;

(c) where before the first day of entitlement to a reduction under this scheme--

(i) the employment has not been terminated, but

(ii) the applicant is not engaged in remunerative work,

any earnings paid or due to be paid in respect of that employment except any payment or remuneration of the nature described in paragraph (b)(i) or (ii)(bb) or paragraph 51(1)(j) (statutory sick pay etc).

2

In the case of an applicant who, before the first day of entitlement to a reduction under this scheme--

(a) has been engaged in part-time employment as an employed earner or, where the employment has been outside Great Britain, would have been so engaged had the employment been in Great Britain; and

(b) has ceased to be engaged in that employment, whether or not that employment has been terminated,

any earnings paid or due to be paid in respect of that employment except--

(i) where that employment has been terminated, any payment of the nature described in paragraph 1(b)(i) or (ii)(bb);

(ii) where that employment has not been terminated, any payment or remuneration of the nature described in paragraph 1(b)(i) or (ii)(bb) or paragraph 51(1)(j) (statutory sick pay etc).

3

In the case of an applicant who has been engaged in remunerative work or part-time employment as a self-employed earner or, had the employment been in Great Britain, would have been so engaged and who has ceased to be so employed, from the date of the cessation of his employment, any earnings derived from that employment except earnings to which paragraph 53(3) and (4) (earnings of self-employed earners) apply.

4

(1) In a case to which this paragraph applies and paragraph 5 does not apply, £20; but notwithstanding paragraph 33 (calculation of income and capital of members of an applicant's family and of a polygamous marriage) if this paragraph applies to an applicant it does not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £20.

(2) This paragraph applies where the applicant's applicable amount includes an amount by way of the disability premium, severe disability premium, or support component under Schedule 3 (applicable amounts: persons who are not pensioners) or where the applicant or the applicant’s partner is a member of the work-related activity group.

(3) This paragraph applies where--

(a) the applicant is a member of a couple and his applicable amount includes an amount by way of the disability premium under Schedule 3; and

(b) he or his partner has not attained the qualifying age for state pension credit and at least one is engaged in employment.

5

In a case where the applicant is a lone parent, £25.

6

(1) In a case to which neither paragraph 4 nor paragraph 5 applies to the applicant and, subject to sub-paragraph (2), where the applicant's applicable amount includes an amount by way of the carer premium under Schedule 3 (applicable amounts: persons who are not pensioners), £20 of the earnings of the person who is, or at any time in the preceding eight weeks was, in receipt of carer's allowance or treated in accordance with paragraph 14(2) of that Schedule as being in receipt of carer's allowance.

(2) Where the carer premium is awarded in respect of the applicant and of any partner of his, their earnings must for the purposes of this paragraph be aggregated, but the amount to be disregarded in accordance with sub-paragraph (1) must not exceed £20 of the aggregated amount.

7

Where the carer premium is awarded in respect of an applicant who is a member of a couple and whose earnings are less than £20, but is not awarded in respect of the other member of the couple, and that other member is engaged in an employment--

(a) specified in paragraph 9(1), so much of the other member's earnings as would not when aggregated with the amount disregarded under paragraph 6 exceed £20;

(b) other than one specified in paragraph 9(1), so much of the other member's earnings from such other employment up to £10 as would not when aggregated with the amount disregarded under paragraph 5 exceed £20.

8

In a case where paragraphs 4, 6, 7 and 9 do not apply to the applicant and he is one of a couple and a member of that couple is in employment, £10; but, notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it must not apply to his partner except where, and to the extent that, the earnings of the applicant which are to be disregarded under this paragraph are less than £10.

9

(1) In a case where paragraphs 4, 6, 7 and 9 do not apply to the applicant, £20 of earnings derived from one or more employments as--

(a) a part-time fire-fighter employed by a fire and rescue authority constituted by a scheme under section 2 of the Fire and Rescue Services Act 2004 or a scheme to which section 4 of that Act applies;

a part-time fire-fighter employed by a fire and rescue authority (as defined in section 1 of the Fire (Scotland) Act 2005) or a joint fire and rescue board constituted by an amalgamation scheme made under section 2(1) of that Act;

(b) an auxiliary coastguard in respect of coast rescue activities;

(c) a person engaged part-time in the manning or launching of a life boat;

(d) a member of any territorial or reserve force prescribed in Part I of Schedule 6 to the Social Security (Contributions) Regulations 2001;

but, notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if this paragraph applies to an applicant it must not apply to his partner except to the extent specified in sub-paragraph (2).

(2) If the applicant's partner is engaged in employment--

(a) specified in sub-paragraph (1), so much of his earnings as would not in aggregate with the amount of the applicant's earnings disregarded under this paragraph exceed £20;

(b) other than one specified in sub-paragraph (1), so much of his earnings from that employment up to £10 as would not in aggregate with the applicant's earnings disregarded under this paragraph

exceed £20.

10

Where the applicant is engaged in one or more employments specified in paragraph 9(1), but his earnings derived from such employments are less than £20 in any week and he is also engaged in any other employment, so much of his earnings from that other employment, up to £5 if he is a single applicant, or up to £10 if he has a partner, as would not in aggregate with the amount of his earnings disregarded under paragraph 9 exceed £20.

11

In a case to which none of the paragraphs 4 to 10 applies, £5.

12

(1) Where--

(a) the applicant (or if the applicant is a member of a couple, at least one member of that couple) is a person to whom sub-paragraph (5) applies;

(b) the Secretary of State is satisfied that that person is undertaking exempt work as defined in sub-paragraph (6); and

(c) paragraph 14 does not apply,

the amount specified in sub-paragraph (7) ("the specified amount").

(2) Where this paragraph applies, paragraphs 4 to 11 do not apply; but in any case where the applicant is a lone parent, and the specified amount would be less than the amount specified in paragraph 5, then paragraph 5 applies instead of this paragraph.

(3) Notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), if sub-paragraph (1) applies to one member of a couple ("A") it does not apply to the other member of that couple ("B") except to the extent provided in sub-paragraph (4).

(4) Where A's earnings are less than the specified amount, there must also be disregarded so much of B's earnings as would not when aggregated with A's earnings exceed the specified amount; but the amount of B's earnings which may be disregarded under this sub-paragraph is limited to a maximum of £20 unless the Secretary of State is satisfied that B is also undertaking exempt work.

(5) This sub-paragraph applies to a person who is--

(a) in receipt of a contributory employment and support allowance;

(b) in receipt of incapacity benefit;

(c) in receipt of severe disablement allowance; or

(d) being credited with earnings on the grounds of incapacity for work or limited capability for work under regulation 8B of the Social Security (Credits) Regulations 1975.

(6) "Exempt work" means work of the kind described in--

(a) regulation 45(2), (3) or (4) of the Employment and Support Allowance Regulations 2008; or (as the case may be)

(b) regulation 17(2), (3) or (4) of the Social Security (Incapacity for Work) (General) Regulations 1995,

and, in determining for the purposes of this paragraph whether an applicant or a member of a couple is undertaking any type of exempt work, it is immaterial whether that person or their partner is also under-

taking other work.

(7) The specified amount is the amount of money from time to time mentioned in any provision referred to in sub-paragraph (6) by virtue of which the work referred to in sub-paragraph (1) is exempt (or, where more than one such provision is relevant and those provisions mention different amounts of money, the highest of those amounts).

13

Any amount or the balance of any amount which would fall to be disregarded under paragraph 23 or 24 of Schedule 8 had the applicant's income which does not consist of earnings been sufficient to entitle him to the full disregard thereunder.

14

Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, his earnings.

15

Any earnings derived from employment which are payable in a country outside the United Kingdom for such period during which there is a prohibition against the transfer to the United Kingdom of those earnings.

16

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

17

Any earnings of a child or young person.

18

(1) In a case where the applicant is a person who satisfies at least one of the conditions set out in sub-paragraph (2), and his net earnings equal or exceed the total of the amounts set out in sub-paragraph (3), the amount of his earnings that falls to be disregarded under paragraphs 4 to 12 must be increased by £17.10.

(2) The conditions of this sub-paragraph are that--

(a) the applicant, or if he is a member of a couple, either the applicant or his partner, is a person to whom regulation 20(1)(c) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 applies; or

(b) the applicant--

(i) is, or if he is a member of a couple, at least one member of that couple is aged at least 25 and is engaged in remunerative work for on average not less than 30 hours per week; or

(ii) is a member of a couple and--

(aa) at least one member of that couple, is engaged in remunerative work for on average not less than 16 hours per week; and

(bb) his applicable amount includes a family premium under paragraph 4 of Schedule 3; or

(iii) is a lone parent who is engaged in remunerative work for on average not less than 16

hours per week; or

(iv) is, or if he is a member of a couple, at least one member of that couple is engaged in remunerative work for on average not less than 16 hours per week; and--

(aa) the applicant's applicable amount includes a disability premium under paragraph 9, the support component under paragraph 22 of Schedule 3 respectively;

(bb) where he is a member of a couple, at least one member of that couple satisfies the qualifying conditions for the disability premium or the support component above and is engaged in remunerative work for on average not less than 16 hours per week;

(cc) is a member of the work-related activity group; or

(c) the applicant is, or if he has a partner, one of them is, a person to whom regulation 18(3) of the Working Tax Credit (Entitlement and Maximum Rate) Regulations 2002 (eligibility for 50 plus element) applies, or would apply if an application for working tax credit were to be made in his case.

(3) The following are the amounts referred to in sub-paragraph (1)--

(a) the amount calculated as disregardable from the applicant's earnings under paragraphs 4 to 12;

(b) the amount of child care charges calculated as deductible under paragraph 57(1)(c); and

(c) £17.10.

(4) The provisions of paragraph 10 (remunerative work) apply in determining whether or not a person works for on average not less than 30 hours per week, but as if the reference to 16 hours in sub-paragraph (1) of that paragraph were a reference to 30 hours.

19

In this Schedule "part-time employment" means employment in which the person is engaged on average for less than 16 hours a week.

SCHEDULE 8
SUMS DISREGARDED IN THE CALCULATION OF INCOME OTHER THAN EARNINGS: PERSONS WHO ARE NOT PENSIONERS

Paragraph 54

1

Any payment made to the applicant in respect of any child care, travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Work for Your Benefit Pilot Scheme.

2

Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme.

3

Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme.

4

Any amount paid by way of tax on income which is to be taken into account under regulation 30 (calculation of income other than earnings).

5

Any payment in respect of any expenses incurred or to be incurred by an applicant who is--

(a) engaged by a charitable or voluntary organisation, or

(b) a volunteer,

if he otherwise derives no remuneration or profit from the employment and is not to be treated as possessing any earnings under paragraph 56(5) (notional income: persons who are not pensioners).

6

Any payment in respect of expenses arising out of the applicant's participation in a service user group.

7

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

8

Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his income.

9

Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act and his partner is on an income-based jobseeker's allowance, the whole of the applicant's income.

10

Where the applicant, or the person who was the partner of the applicant on 31st March 2003, was entitled on that date to income support or an income-based jobseeker's allowance but ceased to be so entitled on or before 5th April 2003 by virtue only of regulation 13 of the Housing Benefit (General) Amendment (No 3) Regulations 1999 as in force at that date, the whole of his income.

11

Any disability living allowance, personal independence payment or an AFIP.

12

Any concessionary payment made to compensate for the non-payment of--

(a) any payment specified in paragraph 11 or 14;

(b) income support;

(c) an income-based jobseeker's allowance;

(d) an income-related employment and support allowance.

13

Any mobility supplement under article 20 of the Naval, Military and Air Forces Etc (Disablement and Death) Service Pensions Order 2006 (including such a supplement by virtue of any other scheme or order) or under article 25A of the Personal Injuries (Civilians) Scheme 1983 or any payment intended to compensate for the non-payment of such a supplement.

14

Any attendance allowance.

15

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

16

(1) Any payment--

(a) by way of an education maintenance allowance made pursuant to--

(i) regulations made under section 518 of the Education Act 1996 (payment of school expenses; grant of scholarships etc);

(ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980 (power to assist persons to take advantage of educational facilities);

(iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;

(b) corresponding to such an education maintenance allowance, made pursuant to--

(i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and the Welsh Ministers to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or

(ii) regulations made under section 181 of that Act; or

(c) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

(2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to--

(a) regulations made under section 518 of the Education Act 1996;

(b) regulations made under section 49 of the Education (Scotland) Act 1980; or

(c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,

in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

17

Any payment made to the applicant by way of a repayment under regulation 11(2) of the Education (Teacher Student Loans) (Repayment etc) Regulations 2002.

18

(1) Any payment made pursuant to section 2 of the 1973 Act or section 2 of the Enterprise and New Towns (Scotland) Act 1990 except a payment--

(a) made as a substitute for income support, a jobseeker's allowance, incapacity benefit, severe disablement allowance or an employment and support allowance;

(b) of an allowance referred to in section 2(3) of the Employment and Training Act 1973 or section 2(5) of the Enterprise and New Towns (Scotland) Act 1990; or

(c) intended to meet the cost of living expenses which relate to any one or more of the items specified in sub-paragraph (2) whilst an applicant is participating in an education, training or other scheme to help him enhance his employment prospects unless the payment is a Career Development Loan paid pursuant to section 2 of the 1973 Act and the period of education or training or the scheme, which is supported by that loan, has been completed.

(2) The items specified in this sub-paragraph for the purposes of sub-paragraph (1)(c) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

19

(1) Subject to sub-paragraph (2), any of the following payments--

(a) a charitable payment;

(b) a voluntary payment;

(c) a payment (not falling within paragraph (a) or (b) above) from a trust whose funds are derived from a payment made in consequence of any personal injury to the applicant;

(d) a payment under an annuity purchased--

(i) pursuant to any agreement or court order to make payments to the applicant; or

(ii) from funds derived from a payment made,

in consequence of any personal injury to the applicant; or

(e) a payment (not falling within paragraphs (a) to (d)) received by virtue of any agreement or court order to make payments to the applicant in consequence of any personal injury to the applicant.

(2) Sub-paragraph (1) does not apply to a payment which is made or due to be made by--

(a) a former partner of the applicant, or a former partner of any member of the applicant's family; or

(b) the parent of a child or young person where that child or young person is a member of the applicant's family.

19A

The whole of any amount of the following--

(a) a war disablement pension;

(b) a war widow's pension or war widower's pension.

20

Subject to paragraph 40, £10 of any of the following, namely--

(a) a pension payable to a person as a widow, widower or surviving civil partner under 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;

(b) a guaranteed income payment and, if the amount of that payment has been abated to less than £10 by a pension or payment falling within article 31(1)(a) or (b) of the Armed Forces and Reserve Forces (Compensation Scheme) Order 2005, so much of that pension or payment as would not, in aggregate with the amount of any guaranteed income payment disregarded, exceed £10;

(c) a payment made to compensate for the non-payment of such a pension or payment as is mentioned in any of the preceding sub-paragraphs;

(d) a pension paid by the government of a country outside Great Britain which is analogous to any of the pensions or payments mentioned in paragraphs (a) to (d) above;

(e) pension paid to victims of National Socialist persecution under any special provision made by the law of the Federal Republic of Germany, or any part of it, or of the Republic of Austria.

21

Subject to paragraph 40, £15 of any--

(a) widowed mother's allowance paid pursuant to section 37 of the SSCBA;

(b) widowed parent's allowance paid pursuant to section 39A of the SSCBA.

22

(1) Any income derived from capital to which the applicant is or is treated under paragraph 70 (capital jointly held) as beneficially entitled but, subject to sub-paragraph (2), not income derived from capital disregarded under paragraphs 4, 5, 7, 11, 17 or 30 to 33 of Schedule 10.

(2) Income derived from capital disregarded under paragraphs 5, 7 or 30 to 33 of Schedule 10 but only to the extent of--

(a) any mortgage repayments made in respect of the dwelling or premises in the period during which that income accrued; or

(b) any council tax or water charges which the applicant is liable to pay in respect of the dwelling or premises and which are paid in the period during which that income accrued.

(3) The definition of "water charges" in paragraph 2(1) (interpretation) applies to sub-paragraph (2) of this paragraph with the omission of the words "in so far as such charges are in respect of the dwelling which a person occupies as his home".

23

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

(a) under, or pursuant to regulations made under powers conferred by, section 22 of the Teaching

and Higher Education Act 1998, that student's award;

(b) under regulations made in exercise of the powers conferred by section 49 of the Education (Scotland) Act 1980, that student's bursary, scholarship, or other allowance under that section or under regulations made in exercise of the powers conferred by section 73 of that Act of 1980, any payment to that student under that section; or

(c) the student's student loan,

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

24

(1) Where the applicant is the parent of a student aged under 25 in advanced education who either--

(a) is not in receipt of any award, grant or student loan in respect of that education; or

(b) is in receipt of an award bestowed by virtue of the Teaching and Higher Education Act 1998, or regulations made thereunder, or a bursary, scholarship or other allowance under section 49(1) of the Education (Scotland) Act 1980, or a payment under section 73 of that Act of 1980,

and the applicant makes payments by way of a contribution towards the student's maintenance, other than a parental contribution falling within paragraph 23, an amount specified in sub-paragraph (2) in respect of each week during the student's term.

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

(a) the weekly amount of the payments; or

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

whichever is less.

25

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

26

Where the applicant occupies a dwelling as his home and the dwelling is also occupied by a person other than one to whom paragraph 25 or 27 refers and there is a contractual liability to make payments to the applicant in respect of the occupation of the dwelling by that person or a member of his family--

(a) where the aggregate of any payments made in respect of any one week in respect of the occupation of the dwelling by that person or a member of his family, or by that person and a member of his family, is less than £20, the whole of that amount; or

(b) where the aggregate of any such payments is £20 or more per week, £20.

27

Where the applicant occupies a dwelling as his home and he provides in that dwelling board and lodging accommodation, an amount, in respect of each person for which such accommodation is provided for the whole or any part of a week, equal to--

(a) where the aggregate of any payments made in respect of any one week in respect of such accommodation provided to such person does not exceed £20, 100 per cent of such payments;

(b) where the aggregate of any such payments exceeds £20, £20 and 50 per cent of the excess over £20.

28

(1) Any income in kind, except where paragraph 54(10)(b) (provision of support under section 95 or 98 of the Immigration and Asylum Act 1999 in the calculation of income other than earnings) applies.

(2) The reference in sub-paragraph (1) to "income in kind" does not include a payment to a third party made in respect of the applicant which is used by the third party to provide benefits in kind to the applicant.

29

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

30

(1) Any payment made to the applicant in respect of a person who is a member of his family--

(a) pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002 or in accordance or with a scheme approved by the Scottish Ministers under section 51A of the Adoption (Scotland) Act 1978 (schemes for payments of allowances to adopters) or in accordance with an adoption allowance scheme made under section 71 of the Adoption and Children (Scotland) Act 2007 (adoption allowances schemes);

(b) which is a payment made by a local authority in pursuance of section 15(1) of, and paragraph 15 of Schedule 1 to, the Children Act 1989 (local authority contribution to a child's maintenance

where the child is living with a person as a result of a residence order) or in Scotland section 50 of the Children Act 1975 (payments towards maintenance of children);

(c) which is a payment made by an authority, as defined in Article 2 of the Children (Northern Ireland) Order 1995, in pursuance of Article 15 of, and paragraph 17 of Schedule 1 to, that Order (contribution by an authority to child's maintenance);

(d) in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services);

(2) Any payment, other than a payment to which sub-paragraph (1)(a) applies, made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

31

Any payment made to the applicant with whom a person is accommodated by virtue of arrangements made--

(a) by a local authority under--

(i) section 23(2)(a) of the Children Act 1989 (provision of accommodation and maintenance for a child whom they are looking after),

(ii) section 26 of the Children (Scotland) Act 1995 (manner of provision of accommodation to child looked after by local authority), or

(iii) regulations 33 or 51 of the Looked After Children (Scotland) Regulations 2009 (fostering and kinship care allowances and fostering allowances); or

(b) by a voluntary organisation under section 59(1)(a) of the Children Act 1989 (provision of accommodation by voluntary organisations).

32

Any payment made to the applicant or his partner for a person ("the person concerned"), who is not normally a member of the applicant's household but is temporarily in his care, by--

(a) a health authority;

(b) a local authority but excluding payments of housing benefit made in respect of the person concerned;

(c) a voluntary organisation;

(d) the person concerned pursuant to section 26(3A) of the National Assistance Act 1948;

(e) a primary care trust established under section 16A of the National Health Service Act 1977 or established by an order made under section 18(2)(c) of the National Health Service Act 2006; or

(f) a Local Health Board established under section 11 of the National Health Service (Wales) Act 2006.

33

Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or section 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

34

(1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 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) to a person ("A") which A passes on to the applicant.

(2) Sub-paragraph (1) applies only where A--

(a) was formerly in the applicant's care, and

(b) is aged 18 or over, and

(c) continues to live with the applicant.

35

(1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments--

(a) on a loan which is secured on the dwelling which the applicant occupies as his home; or

(b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part 3 of the Hire-Purchase Act 1964.

(2) A payment referred to in sub-paragraph (1) is only to be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to--

(a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (1)(b); and

(b) meet any amount due by way of premiums on--

(i) that policy; or

(ii) in a case to which sub-paragraph (1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the applicant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).

36

Any payment of income which by virtue of paragraph 64 (income treated as capital: persons who are not pensioners) is to be treated as capital.

37

Any--

(a) social fund payment made pursuant to Part 8 of the SSCBA (the social fund); or

(b) occasional assistance.

38

Any payment under Part 10 of the SSCBA (Christmas bonus for pensioners).

39

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

40

The total of an applicant's income or, if he is a member of a family, the family's income and the income of any person which he is treated as possessing under paragraph 33(3) (calculation of income and capital of members of applicant's family and of a polygamous marriage) to be disregarded under paragraph 77(2)(b) and paragraph 78(1)(d) (calculation of covenant income where a contribution assessed, covenant income where no grant income or no contribution is assessed), paragraph 81(2) (treatment of student loans), paragraph 82(3) (treatment of payments from access funds) and paragraphs 20 and 21 must in no case exceed £20 per week.

41

(1) Any payment made under or by any of the Trusts, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).

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

(a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and

who is a member of the applicant's family.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person provided that the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced or, where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death, which derives from a payment made under or by any of the Trusts to which sub-paragraph (1) refers and which is made to or for the benefit of--

(a) the person who is suffering from haemophilia or who is a qualifying person;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where--

(a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and

(b) the payment is made either--

(i) to that person's parent or step-parent, or

(ii) where that person at the date of the payment is a child, a young person or a student who has not completed his education and has no parent or step-parent, to his guardian,

but only for a period from the date of the payment until the end of two years from that person's death.

(5) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where--

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either--

(i) to that person's parent or step-parent, or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(6) In the case of a person to whom or for whose benefit a payment referred to in this paragraph is made, any income which derives from any payment of income or capital made under or deriving from any of the Trusts.

(7) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts is to be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation and the London Bombings Relief Charitable Fund.

42

Any housing benefit.

43

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

44

Any payment to a juror or witness in respect of attendance at a court other than compensation for loss of earnings or for the loss of a benefit payable under the benefit Acts.

45

Any payment in consequence of a reduction of council tax under section 13 of the 1992 Act (reduction of liability for council tax).

46

(1) Any payment or repayment made--

(a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service supplies);

(b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health service supplies);

(c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No 2) Regulations 2003 (travelling expenses and health service supplies).

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

47

Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins).

48

Any payment made by either the Secretary of State for Justice or by the Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody.

49

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

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

(3) A payment made by the Secretary of State in lieu of maintenance must, for the purpose of sub-paragraph (1), be treated as a payment of maintenance made by a person specified in sub-paragraph (1).

50

(1) Any payment of child maintenance made or derived from a liable relative where the child or young person in respect of whom the payment is made is a member of the applicant's family, except where the person making the payment is the applicant or the applicant's partner.

(2) In sub-paragraph (1)--

"child maintenance" means any payment towards the maintenance of a child or young person, including any payment made voluntarily and payments made under--

(a) the Child Support Act 1991;

(b) the Child Support (Northern Ireland) Order 1991;

(c) a court order;

(d) a consent order;

(e) a maintenance agreement registered for execution in the Books of Council and Session or the sheriff court books;

"liable relative" means a person listed in regulation 54 (interpretation) of the Income Support (General) Regulations 1987, other than a person falling within sub-paragraph (d) of that definition.

51

Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.

52

Any guardian's allowance.

53

(1) If the applicant is in receipt of any benefit under Part 2, 3 or 5 of the SSCBA, any increase in the rate of that benefit arising under Part 4 (increases for dependants) or section 106(a) (unemployability supplement) of that Act, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.

(2) If the applicant is in receipt of any pension or allowance under Part 2 or 3 of the Naval, Military and Air Forces Etc (Disablement and Death) Service Pensions Order 2006, any increase in the rate of that pension or allowance under that Order, where the dependant in respect of whom the increase is paid is not a member of the applicant's family.

54

Any supplementary pension under article 23(2) of the Naval, Military and Air Forces Etc (Disablement and Death) Service Pensions Order 2006 (pensions to surviving spouses and surviving civil partners) and any analogous payment made by the Secretary of State for Defence to any person who is not a person entitled under that Order.

55

In the case of a pension awarded at the supplementary rate under article 27(3) of the Personal Injuries (Civilians) Scheme 1983 (pensions to widows, widowers or surviving civil partners), the sum specified in paragraph 1(c) of Schedule 4 to that Scheme.

56

(1) Any payment which is--

(a) made under any of the Dispensing Instruments to a widow, widower or surviving civil partner of a person--

(i) whose death was attributable to service in a capacity analogous to service as a member of the armed forces of the Crown; and

(ii) whose service in such capacity terminated before 31st March 1973; and

(b) equal to the amount specified in article 23(2) of the Naval, Military and Air Forces Etc (Disablement and Death) Service Pensions Order 2006.

(2) In this paragraph "the Dispensing Instruments" means the Order in Council of 19th December 1881, the Royal Warrant of 27th October 1884 and the Order by His Majesty of 14th January 1922 (exceptional grants of pay, non-effective pay and allowances).

57

Any council tax benefit to which the applicant is entitled.

58

Except in a case which falls under sub-paragraph (1) of paragraph 18 of Schedule 7, where the applicant is a person who satisfies any of the conditions of sub-paragraph (2) of that paragraph, any amount of working tax credit up to £17.10.

59

Any payment made under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care) or under regulations made under section 57 of the Health and Social Care Act 2001 (direct payments).

60

(1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under the self-employment route, any payment to that person--

(a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;

(b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity,

in respect of which such assistance is or was received.

(2) Sub-paragraph (1) applies only in respect of payments which are paid to that person from the special account.

61

(1) Any payment of a sports award except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear,

household fuel or rent of the applicant or where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) "food" does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

62

Where the amount of subsistence allowance paid to a person in a reduction week exceeds the amount of income-based jobseeker's allowance that person would have received in that reduction week had it been payable to him, less 50p, that excess amount.

63

In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise.

64

Any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001.

65

(1) Any payment made by a local authority or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.

(2) For the purposes of sub-paragraph (1) "local authority" includes, in England, a county council.

66

Any payment of child benefit.

SCHEDULE 9
CAPITAL DISREGARDS: PENSIONERS

Paragraph 63

Part 1
Capital to be Disregarded

1

Any premises acquired for occupation by the applicant which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.

2

Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a

view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.

3

Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.

4

Any premises occupied in whole or in part--

(a) by a person who is a relative of the applicant or his partner as his home where that person has attained the qualifying age for state pension credit or is incapacitated;

(b) by the former partner of the applicant as his home; but this provision does not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.

5

Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.

6

Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from his former partner or the dissolution of a civil partnership with his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

7

Any premises where the applicant is taking reasonable steps to dispose of the whole of his interest in those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

8

All personal possessions.

9

The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner or, if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of those assets.

10

The assets of any business owned in whole or in part by the applicant if--

(a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but

(b) he intends to become engaged (or, as the case may be, re-engaged) as a self-employed earner in that business as soon as he recovers or is able to become engaged, or re-engaged, in that business,

for a period of 26 weeks from the date on which the application for a reduction under this scheme is made or, if it is unreasonable to expect him to become engaged or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.

11

The surrender value of any policy of life insurance.

12

The value of any funeral plan contract; and for this purpose, "funeral plan contract" means a contract under which--

(a) the applicant makes one or more payments to another person ("the provider");

(b) the provider undertakes to provide, or secure the provision of, a funeral in the United Kingdom for the applicant on his death; and

(c) the sole purpose of the plan is to provide or secure the provision of a funeral for the applicant on his death.

13

Where an ex-gratia payment has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or internment of--

(a) the applicant;

(b) the applicant's partner;

(c) the applicant's deceased spouse or deceased civil partner; or

(d) the applicant's partner's deceased spouse or deceased civil partner,

by the Japanese during the Second World War, an amount equal to that payment.

14

(1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or an applicant's partner who is--

(a) a diagnosed person;

(b) a diagnosed person's partner or was a diagnosed person's partner at the time of the diagnosed person's death; or

(c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death.

(2) Where a trust payment is made to--

(a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;

(b) a person referred to in sub-paragraph (1)(c), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending two years after that date.

(3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or an applicant's partner who is--

(a) the diagnosed person;

(b) a diagnosed person's partner or was a diagnosed person's partner at the date of the diagnosed person's death; or

(c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death.

(4) Where a payment such as referred to in sub-paragraph (3) is made to--

(a) a person referred to in sub-paragraph (3)(a) or (b), that sub-paragraph applies for the period beginning on the date on which the payment is made and ending on the date on which that person dies;

(b) a person referred to in sub-paragraph (3)(c), that sub-paragraph applies for the period beginning on the date on which the payment is made and ending two years after that date.

(5) In this paragraph, a reference to a person--

(a) being the diagnosed person's partner;

(b) acting in place of the diagnosed person's parents,

at the date of the diagnosed person's death includes a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home or an independent hospital.

(6) In this paragraph--

"diagnosed person" means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeldt-Jakob disease;

"relevant trust" means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeldt-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;

"trust payment" means a payment under a relevant trust.

15

The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant's partner, the applicant's deceased spouse or civil partner or the applicant's partner's deceased spouse or civil partner--

(a) was a slave labourer or a forced labourer;

(b) had suffered property loss or had suffered personal injury; or

(c) was a parent of a child who had died,

during the Second World War.

16

(1) Any payment made under or by--

(a) the Macfarlane Trust, the Macfarlane (Special Payments) Trust, the Macfarlane (Special Payments) (No 2) Trust, the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, the Scottish Infected Blood Support Scheme, an approved blood scheme, the London Emergencies Trust, the We Love Manchester Emergency Fund, the Windrush Compensation Scheme, the National Emergencies Trust or the London Bombings Relief Charitable Fund (collectively referred to in this paragraph as "the Trusts"); or

(b) the Independent Living Fund (2006).

(1A) Any Grenfell Tower support payment.

(1B) Any payment made by the Child Migrants Trust (registered charity number 1171479) under the scheme for former British child migrants.

(1C) Any historical child abuse payment.

(1D) Any Windrush payment.

(2) Any payment by or on behalf of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person, which derives from a payment made under or by any of the Trusts or from a Grenfell Tower support payment, a historical child abuse payment or a Windrush payment and which is made to or for the benefit of that person's partner or former partner--

(a) from whom he is not, or where that person has died was not, estranged or divorced, or

(b) with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death.

(3) Any payment by or on behalf of the partner or former partner of a person who is suffering or who suffered from haemophilia or who is or was a qualifying person which derives from a payment made under or by any of the Trusts or from a Grenfell Tower support payment, a historical child abuse payment or a Windrush payment and which is made to or for the benefit of the person who is suffering from haemophilia or who is a qualifying person.

(4) Sub-paragraph (3) does not apply if--

(a) the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced, or

(b) where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death.

(5) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts or from a Grenfell Tower support payment, a historical child abuse payment or a Windrush payment, where--

(a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child who is or had been a member of that person's household; and

(b) the payment is made either--

(i) to that person's parent or step-parent; or

(ii) where that person at the date of the payment is a child or a student who has not completed his full-time education and has no parent or step-parent, to any person standing in the place of his parent,

but only for a period from the date of the payment until the end of two years from that person's death.

(6) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts or from a Grenfell Tower support payment, a historical child abuse payment or a Windrush payment, where--

(a) that person at the date of his death ("the relevant date") had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child who was or had been a member of his household; and

(b) the payment is made either--

(i) to that person's parent or step-parent; or

(ii) where that person at the relevant date was a child or a student who had not completed his full-time education and had no parent or step-parent, to any person standing in place of his parent,

but only for a period of two years from the relevant date.

(7) In the case of a person to whom or for whose benefit a payment referred to in this paragraph is made, any capital resource which derives from—

(a) any payment of income or capital made under or deriving from any of the Trusts; or
(b) a Grenfell Tower support payment, a historical child abuse payment or a Windrush payment.

16A

Any payment made under, or by, a trust which is approved by the Secretary of State and which is established for the purpose of giving relief and assistance to a disabled person whose disabilities were caused by their mother having taken a preparation containing the drug known as Thalidomide during her pregnancy.

17

(1) An amount equal to the amount of any payment made in consequence of any personal injury to the applicant or, if the applicant has a partner, to the partner.

(2) Where the whole or part of the payment is administered--

(a) by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998, or the Court of Protection, or on behalf of a person where the payment can only be disposed of by order or direction of any such court;

(b) in accordance with an order made under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules; or

(c) in accordance with the terms of a trust established for the benefit of the applicant or his partner,

the whole of the amount so administered.

18

Any amount specified in paragraph 19, 20, 21 or 25 for a period of one year beginning with the date of receipt.

19

Amounts paid under a policy of insurance in connection with the loss of or damage to the property occupied by the applicant as his home and to his personal possessions.

20

So much of any amounts paid to the applicant or deposited in the applicant's name for the sole purpose of--

(a) purchasing premises which the applicant intends to occupy as his home; or

(b) effecting essential repairs or alterations to the premises occupied or intended to be occupied by the applicant as his home.

21

(1) Subject to paragraph 22 any amount paid--

(a) by way of arrears of benefit;

(b) by way of compensation for the late payment of benefit;

(c) in lieu of the payment of benefit;

(d) to rectify, or compensate for, an official error, as defined for the purposes of paragraph 22, being an amount to which that paragraph does not apply;

(e) by a local authority out of funds provided under either section 93 of the Local Government Act 2000 under a scheme known as "Supporting People" or section 91 of the Housing (Scotland) Act 2001;

(f) by way of occasional assistance including arrears and payments in lieu of occasional assistance (and in this paragraph “occasional assistance” has the same meaning as in paragraph 16 of Schedule 1).

(g) to rectify, or compensate for, an error made by an officer of the Department for Work and Pensions which was not caused or materially contributed to by any person outside the Department and which prevented or delayed an assessment of the applicant's entitlement to contributory employment and support allowance, being an amount to which paragraph 22(1A) does not apply.

(2) In sub-paragraph (1), "benefit" means--

(a) attendance allowance under section 64 of the Act;

(b) disability living allowance;

(c) personal independence payment;

(d) an AFIP;

(e) income support;

(f) income-based jobseeker's allowance;

(g) state pension credit;

(h) housing benefit;

(i) council tax benefit;

(j) child tax credit;

(k) an increase of a disablement pension under section 104 of the SSCBA (increase where constant attendance is needed), and any further increase of such a pension under section 105 of the Act (increase for exceptionally severe disablement);

(l) any amount included on account of the applicant's exceptionally severe disablement or need for constant attendance in a war disablement pension or a war widow's or widower's pension;

(m) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;

(n) working tax credit;

(o) income-related employment and support allowance;

(p) social fund payments under Part 8 of the SSCBA;

(q) universal credit.

(r) maternity allowance under section 35 of the SSCBA1 (state maternity allowance for employed or self-employed earner);

(s) early years assistance given in accordance with section 32 of the Social Security (Scotland) Act 2018;

(t) funeral expense assistance given in accordance with section 34 of that Act.

(u) any Scottish child payment assistance given in accordance with section 79 of that Act;

(v) any assistance given in accordance with the Carer's Assistance (Young Carer Grants) (Scotland) Regulations 2019;

(w) short-term assistance given in accordance with regulations under section 36 of the Social Security (Scotland) Act 2018; or

(x) winter heating assistance given in accordance with regulations under section 30 of that Act.

(3) In sub-paragraph (1) "contributory employment and support allowance" means an allowance under Part 1 of the Welfare Reform Act 2007 as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the Welfare Reform Act 2012 that remove references to an income-related allowance.

22

(1) Subject to sub-paragraph (3), any payment of £5,000 or more which has been made to rectify, or to compensate for, an official error or an error on a point of law relating to a relevant benefit and which has been received by the applicant in full on or after the day on which he became entitled to a reduction under this scheme.

(1A) Subject to paragraph (3), any payment of £5,000 or more received by the applicant in full on or after the day on which the applicant became entitled to a reduction under an authority's scheme which has been made to rectify, or compensate for, an error made by an officer of the Department for Work and Pensions which was not caused or materially contributed to by any person outside the Department and which prevented or delayed an assessment of the applicant's entitlement to contributory employment and support allowance.

(1B) In sub-paragraph (1A) "contributory employment and support allowance" means an allowance under Part 1 of the Welfare Reform Act 2007 as amended by the provisions of Schedule 3, and Part 1 of Schedule 14, to the Welfare Reform Act 2012 that remove references to an income-related allowance.

(2) Subject to sub-paragraph (3), the total amount of any payments disregarded under--

(a) paragraph 7(2) of Schedule 10 to the Income Support (General) Regulations 1987;

(b) paragraph 12(2) of Schedule 8 to the Jobseeker's Allowance Regulations 1996;

(c) paragraph 9(2) of Schedule 5 to the Council Tax Benefit Regulations 2006;

(d) paragraph 20A of Schedule 5 to the State Pension Credit Regulations 2002,

(e) paragraph 11(2) of Schedule 9 to the Employment and Support Allowance Regulations 2008,

(f) paragraph 18 of Schedule 10 to the Universal Credit Regulations 2013;

(g) regulations 10A to 10C of the Universal Credit (Transitional Provisions) Regulations 2014.

where the award in respect of which the payments last fell to be disregarded under those Regulations either terminated immediately before the relevant date or is still in existence at that date.

(3) Any disregard which applies under sub-paragraph (1), (1A) or (2) has effect until the award comes to an end.

(4) In this paragraph--

"the award", except in sub-paragraph (2), means--

(a) the award of a reduction under the authority's scheme during which the relevant sum or, where it is paid in more than one instalment, the first instalment of that sum is received; and

(b) where that award is followed by one or more further awards which, or each of which, begins immediately after the previous award ends, such further awards until the end of the last such award, provided that, for such further awards, the applicant--

(i) is the person who received the relevant sum;

(ii) is the partner of that person; or

(iii) was the partner of that person at the date of his death;

"official error"--

(a) where the error relates to housing benefit, or council tax benefit (in respect of any period before 1st April 2013), has the meaning given by regulation 1(2) of the Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001; and

(b) where the error relates to any other relevant benefit, has the meaning given by regulation 1(3) of the Social Security and Child Support (Decisions and Appeals) Regulations 1999;

"the relevant date" means the date on which the application for a reduction under this scheme was made;

"relevant benefit" means any benefit specified in paragraph 21(2); and

"the relevant sum" means the total amount referred to in sub-paragraph (1).

23

Where a capital asset is held in a currency other than Sterling, any banking charge or commission payable in converting that capital into Sterling.

24

The value of the right to receive income from an occupational pension scheme or a personal pension scheme.

25

Any arrears of supplementary pension which is disregarded under paragraph 4 of Schedule 6 (amounts to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 5 or 6 of that Schedule.

26

The dwelling occupied as the home; but only one dwelling is to be disregarded under this paragraph.

27

(1) Subject to sub-paragraph (2), where an applicant falls within class C (alternative maximum council tax reduction: pensioners), the whole of his capital.

(2) Sub-paragraph (1) does not apply where an applicant falls within class B and class C.

28

Where a person elects to be entitled to a lump sum under Schedule 5 or 5A to SSCBA or under Schedule 1 to the Social Security (Graduated Retirement Benefit) Regulations 2005, or is treated as having made such an election, and a payment has been made pursuant to that election, an amount equal to--

(a) except where sub-paragraph (b) applies, the amount of any payment or payments made on account of that lump sum;

(b) the amount of that lump sum,

but only for so long as that person does not change that election in favour of an increase of pension or benefit.

28A

Where a person chooses a lump sum under section 8(2) of the Pensions Act 2014 or in accordance with Regulations made under section 10 of that Act which include provision corresponding or similar to section 8(2) of that Act, or fails to make a choice, and a lump sum payment has been made, an amount equal to—

(a) except where sub-paragraph (b) applies, the amount of any payment or payments made on account of that lump sum; or

(b) the amount of that lump sum,

but only for so long as that person does not alter that choice in favour of an increase of pension.

29

Any payments made --

(a) by virtue of regulations made under section 57 of the Health and Social Care Act 2001 (direct payments);

(b) …

(c) by virtue of regulations made under sections 12A to 12C of the National Health Service Act 2006 (direct payments for health care);

(d) by virtue of regulations made under Article 15 of the Health and Personal Social Services (Northern Ireland) Order 1972 (general social welfare); or

(e) by virtue of regulations made under section 8 of the Carers and Direct Payments Act (Northern Ireland) 2002 (direct payments);

(f) under sections 31 to 33 of the Care Act 2014 (direct payments); or

(g) by virtue of regulations made under section 50 or 52 of the Social Services and Well-being (Wales) Act 2014 (direct payments).

29ZA

Any payment made as a direct payment as defined in section 4(2) of the Social Care (Self-directed Support)

(Scotland) Act 2013.

29A

A payment made under the Age-Related Payments Regulations 2013.

29B

Any payments to an applicant made under section 49 of the Children and Families Act 2014 (personal budgets and direct payments).

29C

(1) Any payment made by a local authority in accordance with section 26A of the Children (Scotland) Act 1995 (duty to provide continuing care).

(2) Any payment or part of a payment made by a local authority in accordance with that section to a person ("A") which A passes on to the applicant where A—

(a) was formerly in the applicant's care;

(b) is aged 16 or over; and

(c) continues to live with the applicant.

29D

Any lump sum payment made in accordance with regulation 24 of the Victims' Payments Regulations 2020.

29E

Any sum paid by means of assistance in accordance with the Carer's Assistance (Young Carer Grants) (Scotland) Regulations 2019.

29F

Any sum paid by means of winter heating assistance in accordance with regulations under section 30 of the Social Security (Scotland) Act 2018.

Part 2
Capital Disregarded Only for the Purposes of Determining Deemed Income

30

The value of the right to receive any income under a life interest or from a life rent.

31

The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.

32

The value of the right to receive any income under an annuity or the surrender value (if any) of such an annuity.

33

Where property is held under a trust, other than--

(a) a charitable trust within the meaning of the Charities Act 1993; or

(b) a trust set up with any payment to which paragraph 16 applies,

and under the terms of the trust, payments fall to be made, or the trustees have a discretion to make payments, to or for the benefit of the applicant or the applicant's partner, or both, that property.

SCHEDULE 10
CAPITAL DISREGARDS: PERSONS WHO ARE NOT PENSIONERS

Paragraph 63

1

Any payment made to the applicant in respect of any child care, travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Work for Your Benefit Scheme but only for 52 weeks beginning with the date of receipt of the payment.

2

Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Mandatory Work Activity Scheme but only for 52 weeks beginning with the date of receipt of the payment.

3

Any payment made to the applicant in respect of any travel or other expenses incurred, or to be incurred, by him in respect of his participation in the Employment, Skills and Enterprise Scheme but only for 52 weeks beginning with the date of receipt of the payment.

4

The dwelling together with any garage, garden and outbuildings, normally occupied by the applicant as his home including any premises not so occupied which it is impracticable or unreasonable to sell separately, but, notwithstanding paragraph 33 (calculation of income and capital of members of applicant's family and of a polygamous marriage), only one dwelling is to be disregarded under this paragraph.

5

Any premises acquired for occupation by the applicant which he intends to occupy as his home within 26 weeks of the date of acquisition or such longer period as is reasonable in the circumstances to enable the applicant to obtain possession and commence occupation of the premises.

6

Any sum directly attributable to the proceeds of sale of any premises formerly occupied by the applicant as his home which is to be used for the purchase of other premises intended for such occupation within 26 weeks of the date of sale or such longer period as is reasonable in the circumstances to ena- ble the applicant to complete the purchase.

7

Any premises occupied in whole or in part--

(a) by a partner or relative of a single applicant or any member of the family as his home where that person has attained the qualifying age for state pension credit or is incapacitated;

(b) by the former partner of the applicant as his home; but this provision does not apply where the former partner is a person from whom the applicant is estranged or divorced or with whom he had formed a civil partnership that has been dissolved.

8

Where an applicant is on income support, an income-based jobseeker's allowance or an income-related employment and support allowance, the whole of his capital.

9

Where the applicant is a member of a joint-claim couple for the purposes of the Jobseekers Act 1995 and his partner is on income-based jobseeker's allowance, the whole of the applicant's capital.

10

Any future interest in property of any kind, other than land or premises in respect of which the applicant has granted a subsisting lease or tenancy, including sub-leases or sub-tenancies.

11

(1) The assets of any business owned in whole or in part by the applicant and for the purposes of which he is engaged as a self-employed earner, or if he has ceased to be so engaged, for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

(2) The assets of any business owned in whole or in part by the applicant where--

(a) he is not engaged as a self-employed earner in that business by reason of some disease or bodily or mental disablement; but

(b) he intends to become engaged or, as the case may be, re-engaged as a self-employed earner in that business as soon as he recovers or is able to become engaged or re-engaged in that business,

for a period of 26 weeks from the date on which the application for a reduction under this scheme is made, or is treated as made, or, if it is unreasonable to expect him to become engaged or re-engaged in that business within that period, for such longer period as is reasonable in the circumstances to enable him to become so engaged or re-engaged.

(3) In the case of a person who is receiving assistance under the self-employment route, the assets acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is being received.

(4) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.

12

(1) Subject to sub-paragraph (2), any arrears of, or any concessionary payment made to compensate for arrears due to the non-payment of--

(a) any payment specified in paragraphs 11, 13 or 14 of Schedule 8;

(b) an income-related benefit under Part 7 of the SSCBA;

(c) an income-based jobseeker's allowance;

(d) any discretionary housing payment paid pursuant to regulation 2(1) of the Discretionary Financial Assistance Regulations 2001;

(e) working tax credit and child tax credit;

(f) an income-related employment and support allowance,

but only for a period of 52 weeks from the date of the receipt of arrears or of the concessionary payment.

(2) In a case where the total of any arrears and, if appropriate, any concessionary payment referred to in sub-paragraph (1) relating to one of the specified payments, benefits or allowances amounts to £5,000 or more (referred to in this sub-paragraph and in sub-paragraph (3) as "the relevant sum") and is--

(a) paid in order to rectify or to compensate for, an official error as defined in regulation 1(2) of the Housing Benefit and Council Tax Benefit (Decisions and Appeals) Regulations 2001; and

(b) received by the applicant in full on or after 14th October 2001,

sub-paragraph (1) has effect in relation to such arrears or concessionary payment either for a period of 52 weeks from the date of receipt, or, if the relevant sum is received in its entirety during the period of an award of a reduction under this scheme, for the remainder of that period if that is a longer period.

(3) For the purposes of sub-paragraph (2), "the period of an award of a reduction under this scheme" means--

(a) the award in which the relevant sum is first received (or the first part thereof where it is paid in more than one instalment); and

(b) where that award is followed by one or more further awards which, or each of which, begins immediately after the end of the previous award, such further award provided that for that further award the applicant--

(i) is the person who received the relevant sum; or

(ii) is the partner of the person who received the relevant sum, or was that person's partner at the date of his death.

13

Any sum--

(a) paid to the applicant in consequence of damage to, or loss of the home or any personal possession and intended for its repair or replacement; or

(b) acquired by the applicant (whether as a loan or otherwise) on the express condition that it is to be used for effecting essential repairs or improvement to the home,

which is to be used for the intended purpose, for a period of 26 weeks from the date on which it was so paid or acquired or such longer period as is reasonable in the circumstances to effect the repairs, replacement or improvement.

14

Any sum--

(a) deposited with a housing association as defined in section 1(1) of the Housing Associations Act 1985 as a condition of occupying the home;

(b) which was so deposited and which is to be used for the purchase of another home,

for the period of 26 weeks or such longer period as may be reasonable in the circumstances to enable the applicant to complete the purchase.

15

Any personal possessions except those which have been acquired by the applicant with the intention of reducing his capital in order to secure entitlement to a reduction under this scheme or to increase the amount of that reduction.

16

The value of the right to receive any income under an annuity or the surrender value (if any) of such an annuity.

17

Where the funds of a trust are derived from a payment made in consequence of any personal injury to the applicant or applicant's partner, the value of the trust fund and the value of the right to receive any payment under that trust.

18

(1) Any payment made to the applicant or the applicant's partner in consequence of any personal injury to the applicant or, as the case may be, the applicant's partner.

(2) But sub-paragraph (1)--

(a) applies only for the period of 52 weeks beginning with the day on which the applicant first receives any payment in consequence of that personal injury;

(b) does not apply to any subsequent payment made to him in consequence of that injury (whether it is made by the same person or another);

(c) ceases to apply to the payment or any part of the payment from the day on which the applicant no longer possesses it;

(d) does not apply to any payment from a trust where the funds of the trust are derived from a payment made in consequence of any personal injury to the applicant.

(3) For the purposes of sub-paragraph (2)(c), the circumstances in which an applicant no longer possesses a payment or a part of it include where the applicant has used a payment or part of it to purchase an asset.

(4) References in sub-paragraphs (2) and (3) to the applicant are to be construed as including references to his partner (where applicable).

19

The value of the right to receive any income under a life interest or from a life rent.

20

The value of the right to receive any income which is disregarded under paragraph 15 of Schedule 7 or paragraph 29 of Schedule 8.

21

The surrender value of any policy of life insurance.

22

Where any payment of capital falls to be made by instalments, the value of the right to receive any outstanding instalments.

23

Any payment made by a local authority in accordance with section 17, 23B, 23C or 24A of the Children Act 1989 or, as the case may be, section 12 of the Social Work (Scotland) Act 1968 or sections 22, 29 or 30 of the Children (Scotland) Act 1995 (provision of services for children and their families and advice and assistance to certain children).

24

(1) Subject to sub-paragraph (2), any payment (or part of a payment) made by a local authority in accordance with section 23C of the Children Act 1989 or section 29 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) to a person ("A") which A passes on to the applicant.

(2) Sub-paragraph (1) applies only where A--

(a) was formerly in the applicant's care, and

(b) is aged 18 or over, and

(c) continues to live with the applicant.

25

Any--

(a) social fund payment made pursuant to Part 8 of the SSCBA (the social fund); or

(b) occasional assistance.

26

Any refund of tax which falls to be deducted under section 369 of the Income and Corporation Taxes Act 1988 (deduction of tax from certain loan interest) on a payment of relevant loan interest for the purpose of acquiring an interest in the home or carrying out repairs or improvements to the home.

27

Any capital which by virtue of paragraph 55 or 81 (capital treated as income: persons who are not pensioners, treatment of student loans) is to be treated as income.

28

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

29

(1) Any payment made under or by the Trusts, the Fund, the Eileen Trust, MFET Limited, the Independent Living Fund (2006), the Skipton Fund, the Caxton Foundation or the London Bombings Relief

Charitable Fund.

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

(a) that person's partner or former partner from whom he is not, or where that person has died was not, estranged or divorced or with whom he has formed a civil partnership that has not been dissolved or, where that person has died, had not been dissolved at the time of that person's death;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

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

(a) the person who is suffering from haemophilia or who is a qualifying person;

(b) any child who is a member of that person's family or who was such a member and who is a member of the applicant's family; or

(c) any young person who is a member of that person's family or who was such a member and who is a member of the applicant's family.

(4) Sub-paragraph (3) does not apply if--

(a) the partner or former partner and that person are not, or if either of them has died were not, estranged or divorced, or

(b) where the partner or former partner and that person have formed a civil partnership, the civil partnership has not been dissolved or, if either of them has died, had not been dissolved at the time of the death.

(5) Any payment by a person who is suffering from haemophilia or who is a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where--

(a) that person has no partner or former partner from whom he is not estranged or divorced or with whom he has formed a civil partnership that has not been dissolved, nor any child or young person who is or had been a member of that person's family; and

(b) the payment is made either--

(i) to that person's parent or step-parent; or

(ii) where that person at the date of the payment is a child, a young person or a student who has not completed his full-time education and has no parent or step-parent, to his guardian,

but only for a period from the date of the payment until the end of two years from that person's death.

(6) Any payment out of the estate of a person who suffered from haemophilia or who was a qualifying person, which derives from a payment under or by any of the Trusts to which sub-paragraph (1) refers, where--

(a) that person at the date of his death (the relevant date) had no partner or former partner from whom he was not estranged or divorced or with whom he had formed a civil partnership that had not been dissolved, nor any child or young person who was or had been a member of his family; and

(b) the payment is made either--

(i) to that person's parent or step-parent; or

(ii) where that person at the relevant date was a child, a young person or a student who had not completed his full-time education and had no parent or step-parent, to his guardian,

but only for a period of two years from the relevant date.

(7) In the case of a person to whom or for whose benefit a payment referred to in this paragraph is made, any capital resource which derives from any payment of income or capital made under or deriving from any of the Trusts.

(8) For the purposes of sub-paragraphs (2) to (6), any reference to the Trusts is to be construed as including a reference to the Fund, the Eileen Trust, MFET Limited, the Skipton Fund, the Caxton Foundation, and the London Bombings Relief Charitable Fund.

30

(1) Where an applicant has ceased to occupy what was formerly the dwelling occupied as the home following his estrangement or divorce from, or dissolution of his civil partnership with, his former partner, that dwelling for a period of 26 weeks from the date on which he ceased to occupy that dwelling or, where the dwelling is occupied as the home by the former partner who is a lone parent, for so long as it is so occupied.

(2) In this paragraph "dwelling" includes any garage, garden and outbuildings, which were formerly occupied by the applicant as his home and any premises not so occupied which it is impracticable or unreasonable to sell separately, in particular, in Scotland, any croft land on which the dwelling is situated.

31

Any premises where the applicant is taking reasonable steps to dispose of those premises, for a period of 26 weeks from the date on which he first took such steps, or such longer period as is reasonable in the circumstances to enable him to dispose of those premises.

32

Any premises which the applicant intends to occupy as his home, and in respect of which he is taking steps to obtain possession and has sought legal advice, or has commenced legal proceedings, with a view to obtaining possession, for a period of 26 weeks from the date on which he first sought such advice or first commenced such proceedings whichever is the earlier, or such longer period as is reasonable in the circumstances to enable him to obtain possession and commence occupation of those premises.

33

Any premises which the applicant intends to occupy as his home to which essential repairs or alterations are required in order to render them fit for such occupation, for a period of 26 weeks from the date on which the applicant first takes steps to effect those repairs or alterations, or such longer period as is necessary to enable those repairs or alterations to be carried out.

34

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

35

The value of the right to receive an occupational or personal pension.

36

The value of any funds held under a personal pension scheme.

37

The value of the right to receive any rent except where the applicant has a reversionary interest in the property in respect of which rent is due.

38

Any payment in kind made by a charity or under or by the Trusts, the Fund, MFET Limited, the Skipton Fund, the Caxton Foundation or the Independent Living Fund (2006).

39

Any payment made pursuant to section 2 of the Employment and Training Act 1973 or section 2 of the Enterprise and New Towns (Scotland) Act 1990, but only for the period of 52 weeks beginning on the date of receipt of the payment.

40

Any payment in consequence of a reduction of council tax under section 13 of the 1992 Act (reduction of liability for council tax), but only for a period of 52 weeks from the date of the receipt of the payment.

41

Any grant made in accordance with a scheme made under section 129 of the Housing Act 1988 or section 66 of the Housing (Scotland) Act 1988 (schemes for payments to assist local housing authority and local authority tenants to obtain other accommodation) which is to be used--

(a) to purchase premises intended for occupation as his home; or

(b) to carry out repairs or alterations which are required to render premises fit for occupation as his home,

for a period of 26 weeks from the date on which he received such a grant or such longer period as is reasonable in the circumstances to enable the purchase, repairs or alterations to be completed and the applicant to commence occupation of those premises as his home.

42

Any arrears of supplementary pension which is disregarded under paragraph 54 of Schedule 8 (sums to be disregarded in the calculation of income other than earnings) or of any amount which is disregarded under paragraph 55 or 56 of that Schedule, but only for a period of 52 weeks from the date of receipt of the arrears.

43

(1) Any payment or repayment made--

(a) as respects England, under regulation 5, 6 or 12 of the National Health Service (Travel Expenses and Remission of Charges) Regulations 2003 (travelling expenses and health service sup- plies);

(b) as respects Wales, under regulation 5, 6 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Wales) Regulations 2007 (travelling expenses and health

ser- vice supplies);

(c) as respects Scotland, under regulation 3, 5 or 11 of the National Health Service (Travelling Expenses and Remission of Charges) (Scotland) (No 2) Regulations 2003 (travelling expenses and health service supplies),

but only for a period of 52 weeks from the date of receipt of the payment or repayment.

(2) Any payment or repayment made by the Secretary of State for Health, the Scottish Ministers or the Welsh Ministers which is analogous to a payment or repayment mentioned in sub-paragraph (1), but only for a period of 52 weeks from the date of receipt of the payment or repayment.

44

Any payment made to such persons entitled to receive benefits as may be determined by or under a scheme made pursuant to section 13 of the Social Security Act 1988 in lieu of vouchers or similar arrangements in connection with the provision of those benefits (including payments made in place of healthy start vouchers, milk tokens or the supply of vitamins), but only for a period of 52 weeks from the date of receipt of the payment.

45

Any payment made under Part 8A of the SSCBA (entitlement to health in pregnancy grant).

46

Any payment made either by the Secretary of State for Justice or by Scottish Ministers under a scheme established to assist relatives and other persons to visit persons in custody, but only for a period of 52 weeks from the date of the receipt of the payment.

47

Any payment (other than a training allowance) made, whether by the Secretary of State or any other person, under the Disabled Persons (Employment) Act 1944 to assist disabled persons to obtain or retain employment despite their disability.

48

Any payment made by a local authority under section 3 of the Disabled Persons (Employment) Act 1958 to homeworkers assisted under the Blind Homeworkers' Scheme.

49

(1) Subject to sub-paragraph (2), where an applicant falls within class F (alternative maximum council reduction: persons who are not pensioners), the whole of his capital.

(2) Sub-paragraph (1) does not apply where an applicant falls within class E and class F.

50

(1) Any sum of capital to which sub-paragraph (2) applies and--

(a) which is administered on behalf of a person by the High Court or the County Court under Rule 21.11(1) of the Civil Procedure Rules 1998 or by the Court of Protection;

(b) which can only be disposed of by order or direction of any such court; or

(c) where the person concerned is under the age of 18, which can only be disposed of by order or direction prior to that person attaining age 18.

(2) This sub-paragraph applies to a sum of capital which is derived from--

(a) an award of damages for a personal injury to that person; or

(b) compensation for the death of one or both parents where the person concerned is under the age of 18.

51

Any sum of capital administered on behalf of a person in accordance with an order made under section 13 of the Children (Scotland) Act 1995, or under Rule 36.14 of the Ordinary Cause Rules 1993 or under Rule 128 of those Rules, where such sum derives from--

(a) award of damages for a personal injury to that person; or

(b) compensation for the death of one or both parents where the person concerned is under the age of 18.

52

Any payment to the applicant as holder of the Victoria Cross or George Cross.

53

In the case of a person who is receiving, or who has received, assistance under the self-employment route, any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.

54

(1) Any payment of a sports award for a period of 26 weeks from the date of receipt of that payment except to the extent that it has been made in respect of any one or more of the items specified in sub-paragraph (2).

(2) The items specified for the purposes of sub-paragraph (1) are food, ordinary clothing or footwear, household fuel or rent of the applicant or, where the applicant is a member of a family, any other member of his family, or any council tax or water charges for which that applicant or member is liable.

(3) For the purposes of sub-paragraph (2) "food" does not include vitamins, minerals or other special dietary supplements intended to enhance the performance of the person in the sport in respect of which the award was made.

55

(1) Any payment--

(a) by way of an education maintenance allowance made pursuant to--

(i) regulations made under section 518 of the Education Act 1996;

(ii) regulations made under section 49 or 73(f) of the Education (Scotland) Act 1980;

(iii) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992;

(b) corresponding to such an education maintenance allowance, made pursuant to--

(i) section 14 or section 181 of the Education Act 2002 (power of Secretary of State and the

Welsh Ministers to give financial assistance for purposes related to education or childcare, and allowances in respect of education or training); or

(ii) regulations made under section 181 of that Act; or

(c) in England, by way of financial assistance made pursuant to section 14 of the Education Act 2002.

(2) Any payment, other than a payment to which sub-paragraph (1) applies, made pursuant to--

(a) regulations made under section 518 of the Education Act 1996;

(b) regulations made under section 49 of the Education (Scotland) Act 1980; or

(c) directions made under section 73ZA of the Education (Scotland) Act 1980 and paid under section 12(2)(c) of the Further and Higher Education (Scotland) Act 1992,

in respect of a course of study attended by a child or a young person or a person who is in receipt of an education maintenance allowance or other payment made pursuant to any provision specified in sub-paragraph (1).

56

In the case of an applicant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the applicant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.

57

Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of receipt of the payment.

58

Where an ex-gratia payment of £10,000 has been made by the Secretary of State on or after 1st February 2001 in consequence of the imprisonment or internment of--

(a) the applicant;

(b) the applicant's partner;

(c) the applicant's deceased spouse or deceased civil partner; or

(d) the applicant's partner's deceased spouse or deceased civil partner,

by the Japanese during the Second World War, £10,000.

59

(1) Subject to sub-paragraph (2), the amount of any trust payment made to an applicant or a member of an applicant's family who is--

(a) a diagnosed person;

(b) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;

(c) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or

(d) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death.

(2) Where a trust payment is made to--

(a) a person referred to in sub-paragraph (1)(a) or (b), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending on the date on which that person dies;

(b) a person referred to in sub-paragraph (1)(c), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending two years after that date;

(c) a person referred to in sub-paragraph (1)(d), that sub-paragraph applies for the period beginning on the date on which the trust payment is made and ending--

(i) two years after that date; or

(ii) on the day before the day on which that person--

(aa) ceases receiving full-time education; or

(bb) attains the age of 20,

whichever is the latest.

(3) Subject to sub-paragraph (4), the amount of any payment by a person to whom a trust payment has been made or of any payment out of the estate of a person to whom a trust payment has been made, which is made to an applicant or a member of an applicant's family who is--

(a) the diagnosed person's partner or the person who was the diagnosed person's partner at the date of the diagnosed person's death;

(b) a parent of a diagnosed person, a person acting in place of the diagnosed person's parents or a person who was so acting at the date of the diagnosed person's death; or

(c) a member of the diagnosed person's family (other than his partner) or a person who was a member of the diagnosed person's family (other than his partner) at the date of the diagnosed person's death,

but only to the extent that such payments do not exceed the total amount of any trust payments made to that person.

(4) Where a payment as referred to in sub-paragraph (3) is made to--

(a) a person referred to in sub-paragraph (3)(a), that sub-paragraph applies for the period beginning on the date on which that payment is made and ending on the date on which that person dies;

(b) a person referred to in sub-paragraph (3)(b), that sub-paragraph applies for the period beginning on the date on which that payment is made and ending two years after that date; or

(c) person referred to in sub-paragraph (3)(c), that sub-paragraph applies for the period beginning on the date on which that payment is made and ending--

(i) two years after that date; or

(ii) on the day before the day on which that person--

(aa) ceases receiving full-time education; or

(bb) attains the age of 20,

whichever is the latest.

(5) In this paragraph, a reference to a person--

(a) being the diagnosed person's partner;

(b) being a member of a diagnosed person's family;

(c) acting in place of the diagnosed person's parents,

at the date of the diagnosed person's death includes a person who would have been such a person or a person who would have been so acting, but for the diagnosed person residing in a care home, an Abbeyfield Home or an independent hospital on that date.

(6) In this paragraph--

"diagnosed person" means a person who has been diagnosed as suffering from, or who, after his death, has been diagnosed as having suffered from, variant Creutzfeld-Jakob disease;

"relevant trust" means a trust established out of funds provided by the Secretary of State in respect of persons who suffered, or who are suffering, from variant Creutzfeld-Jakob disease for the benefit of persons eligible for payments in accordance with its provisions;

"trust payment" means a payment under a relevant trust.

60

The amount of any payment, other than a war pension, to compensate for the fact that the applicant, the applicant's partner, the applicant's deceased spouse or deceased civil partner or the applicant's partner's deceased spouse or deceased civil partner--

(a) was a slave labourer or a forced labourer;

(b) had suffered property loss or had suffered personal injury; or

(c) was a parent of a child who had died,

during the Second World War.

61

(1) Any payment made by a local authority, or by the Welsh Ministers, to or on behalf of the applicant or his partner relating to a service which is provided to develop or sustain the capacity of the applicant or his partner to live independently in his accommodation.

(2) For the purposes of sub-paragraph (1) "local authority" includes in England a county council.

62

Any payment made under regulations made under section 57 of the Health and Social Care Act 2001 or under section 12B of the Social Work (Scotland) Act 1968, or under sections 12A to 12D of the National Health Service Act 2006 (direct payments for health care).

63

Any payment made to the applicant pursuant to regulations under section 2(6)(b), 3 or 4 of the Adoption and Children Act 2002.

64

Any payment made to the applicant in accordance with regulations made pursuant to section 14F of the Children Act 1989 (special guardianship support services).

EXPLANATORY NOTE

(This note is not part of the Scheme)

Section 13A of the Local Government Finance Act 1992 ("the 1992 Act"), substituted by section 10 of the Local Government Finance Act 2012 ("the 2012 Act"), requires each billing authority in England to make a scheme specifying the reductions which are to apply to amounts of council tax payable by persons, or classes of person, whom the authority considers are in financial need.

Haringey Council's Scheme as set out above was approved by the authority on 1 March 2021. It is based upon the default scheme prescribed by the Secretary of State, with local amendment.

The Scheme

Parts 1 and 2 contain introductory provisions and definitions of key words and phrases. Part 3 and Schedule 1 contains the procedure for reduction applications and appeals. Parts 4 and 5 specify the classes of person entitled and not entitled to a reduction under the scheme, respectively. At Part 4 a minimum weekly Council Tax Support award of £1 has been introduced.

Parts 6 to 9 and Schedules 2 to 4 set out matters relevant to determining eligibility for a reduction and the amount of reduction under the scheme. Part 7 provides for applicants of working-age to have their Council Tax support assessed against 80.2% of their council tax liability, save for those in receipt of defined disability benefits or responsible for a child in the same household.

Part 10 and Schedules 5 to 10 set out how income and capital of the applicant and others is treated in calculating eligibility for a reduction, including in cases where an applicant or partner has an award of universal credit. Schedules 6 and 8 provide for war pensions to be fully disregarded for the purposes of calculating income for all claimants. Part 11 provides for the application of the scheme to students. Part 12 provides for extended reductions in certain circumstances and Part 13 sets out when entitlement begins and how a change in circumstances affects any reduction.

Part 14 of the scheme provides for the making of an application for a reduction. Part 15 sets out the time within which an authority must make its decision on the application and provides for notification of the decision. Part 16 makes provisions about the payment of a reduction in certain circumstances.

Equality Impact Assessment (EQIA)

The Equality Impact Assessment (EQIA) form is a template for analysing a policy or proposed decision for its potential effects on residents with protected characteristics covered by the Equality Act 2010.

The council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not

The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex, and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

Although it is not enforced in legislation as a protected characteristic, Haringey Council recognises the profound and far-reaching impacts of socioeconomic disadvantage treats socioeconomic status as a local protected characteristic.

1. Responsibility for the Equality Impact Assessment

Name of proposal:	Review of Council Tax Reduction Scheme Administration for 2023/24
Service Area:	Revenues and Benefits, Finance
Officer Completing Assessment:	David Graaff
Equalities/HR Advisor:	Jim Pomeroy
Full Council meeting date (if applicable):	**02.03. 2023**
Director/Assistant Director	Jon Warlow, Director of Finance; Andy Briggs, AD Resident Experience

2. Executive summary

Background

In 2013, the government formally abolished Council Tax Benefit (CTB) and replaced it with a locally defined Council Tax Reduction Scheme (CTRS). In 2012/13, the Council developed its own scheme. It reviewed and updated the scheme in 2019/20 and 2022/2023. Previous Equality Impact Assessments are available on the council website.

Following the transfer of Council Tax Benefit to Local Authority, the Haringey Council Tax Reduction Scheme has protected pensioners from any changes (as mandated by Central Government). This means pensioners can receive up to 100% support with their council tax. In addition, those in receipt of certain disability benefits and (since 2019/20) working age residents with children are also eligible to receive up to 100% support for their council tax bill. Working-age claimants who are not protected must make a contribution but can receive up to 80.2% support for their council tax bill. This requirement is in place due to funding cuts associated with the transfer of responsibility from Central to Local Government and to ensure the scheme remains financially sustainable for the council whilst protecting those who are most vulnerable.

The 2022/2023 changes

- Simplified the claims process by adding a new channel for residents on Universal Credit to claim council tax support automatically.
- Simplified the scheme by changing the way that council tax support can be backdated to allow more time for residents to claim.
- Simplified the scheme through improved transparency by publishing an additional simplified summary of the scheme written in plain English.
- Stabilised entitlement for residents by simplifying what happens when a resident's income changes by a small amount during the financial year.

Proposal

- No changes to the scheme are proposed in 2023/2024

Key Stakeholders

The option not to amend the scheme directly impacts all current recipients of CTRS, as well as those who are eligible but not claiming or who may become eligible. As there are no proposals to make the scheme more generous, the effect of this is neutral. No one is better off or worse off. Council Tax Reduction recipients are likely to have a disproportionate number of residents with protected characteristics, based on available evidence, as people with protected characteristics tend to have lower incomes. This includes

- Those who are claiming Universal Credit, or legacy benefits
- Those who are in insecure work, including those on zero-hours contracts, and those whose income therefore fluctuates regularly.

- Those who may struggle to access the support for example due to digital exclusion, language barriers, or lack of information.

Lower income earners (concentrated in the east of the borough where there is a higher proportion of BAME residents) have also been acutely impacted by the economic situation. It is likely that these groups will continue to be impacted by ongoing financial challenges such as rising inflation and increases to energy prices.

Key impacts of proposed changes:

No changes are proposed this year

Key impact of decision to maintain current levels of protections:

The Council is proposing to maintain the current level of generosity of the scheme. This means that as per the current scheme, those in receipt of certain disability benefits and working age claimants with children will continue to be protected. All working age non-protected claimants will continue to have to pay something towards their Council Tax bill. Maintaining the same level of support can be expected to have a positive equalities impact given the ongoing financial impact of the pandemic, the cost-of-living issues, and the increase in recipients of council tax support.

Other mitigations

It is recognised that cuts to council tax support introduced by welfare reforms will continue to have a significant impact on those who are vulnerable. Where residents are facing financial hardship, we will continue to use existing support mechanisms such as signposting to other sources of help including our internal support service and the CAB and voluntary groups for our customers and will seek to build upon these. We will routinely check our progress with those customers who tell us they have difficulty in paying, to ensure that we can produce the best solution to meet their needs.

Duty to vulnerable groups

In 'Localising Support for Council Tax: Vulnerable People – key local authority duties,' the government stated that there were additional duties of the Council in developing its CTRS. The duties include the following key areas:

- Duty under the Child Poverty Act 2010
- Public sector equality duty – disability
- Armed Forces Covenant – war pension and compensation payments
- Duty to prevent homelessness

The EqIA reviews each of these areas in more detail and provides data where it is held. Although equality data is routinely requested in new applications, this data is not

mandatory and so the information the Council holds does not provide a comprehensive overview of CTRS claimants.

Unrecorded protected characteristics

The protected characteristics of gender reassignment, sexual orientation, marriage and civil partnership, religion and belief and pregnancy and maternity are not currently recorded in the Council's CTRS database as they do not form part of the application criteria. Prior to the Equality Act 2010, the aforementioned characteristics were not covered by the public sector equality duty, and no historical data exists relating to them.

As below, data available to the Council has been used in considering the effect of the proposal on the protected groups.

3. Consultation and engagement

Background

No consultation has been necessary as there are no proposed changes to the scheme

4. Data and Impact Analysis

Summary – CTRS caseload

The council has seen a 9% increase in Council Tax Reduction claimants since April 2020 and a 2% increase since April 2022. It is likely that amongst these groups, there will a disproportionate number of residents with protected characteristics. These are also some of the groups who are likely to be most impacted by ongoing challenges such as rising energy costs and inflation.

In February 2023, there were 27,266 residents in receipt of Council Tax Reduction support in Haringey. This total had been declining year on year since Council Tax Benefit was abolished in 2013 but has increased since the Covid-19 pandemic and cost of living issues. Table 1.0 summarises the breakdown of the Council's CTRS caseload in comparison to April 2019. For reference, the total resident population in Haringey is 271,222 of which 185,872 are of working age (18-64).

Table 1.0 – Total CTRS caseload (June 2021 compared to April 2019)

	Pensionable	Protected / disability-related	Protected / child in household	Non-protected/ other Working Age	Total CTR Claimants
Feb 23	7767	7973	6417	5109	27266
April 2019	8172	7238	5650	4210	25270

28% of the Council's CTRS caseload is of **pensionable age**. Those claimants in the pensionable category are assessed against a maximum 100% of their Council Tax liability, which mirrors all Local Authorities in England and Wales. When Council Tax

Benefit was abolished, the government stipulated that pensioners would receive the same level of protection under the new CTRS. The Council is not proposing to change any aspect of the CTRS therefore this protection will continue. This is a caseload decrease from April 2019.

29% of the Council's CTRS caseload is of **working age but in receipt of a specific disability benefit**, and who the Council has therefore 'protected'. Those claimants in the 'protected' category are also assessed against a maximum 100% of their Council Tax liability. The Council is not proposing to change any aspect of the CTRS therefore this protection will continue. This is a small percentage caseload increase on April 2019.

24% of the Council's CTRS caseload is of **working age with children**, and therefore the Council has 'protected'. Those claimants in the 'protected' category are also assessed against a maximum 100% of their Council Tax liability. The Council is not proposing to change any aspect of the CTRS therefore this protection will continue. This is a 1% caseload increase on April 2019.

19% of the Council's CTRS caseload is of **working age and not 'protected'** under the scheme. This group is assessed against a maximum 80.2% of their Council Tax liability. This percentage has increased from 16.6% in April 2019.

Data definitions:

- Protected = working age claimants who are in receipt of a prescribed disability related benefit or premium or working age claimants with children and therefore subject to up to a maximum 100% CTR
- Pensionable = pensionable age claimants – subject to up to a maximum 100% CTR
- Working Age Employed = working age claimants who are currently in employment
- Working Age Other = working age claimants who are currently not in employment

<u>Summary – those impacted by last year's administrative changes</u>

The simplification of the claims process to include an automated way for those on Universal Credit to apply for council tax support impacted those on Universal Credit. There has been a sharp increase in the number of working age residents claiming this benefit since the pandemic. In March 2020, there were around 15,135 people on Universal Credit. In October 2022, there were 36,617. Universal Credit claimants are more concentrated in the east of the borough.

The change to simplify entitlement when residents' income changes affect all current and potential recipients of the scheme by reducing the number of bills the council issues. Modelling showed that 6.4% of working-age claimants would be better off (at an average of £36/year), 5.5% worse off (at an average of £32/year) and 88% unchanged.

The changes to simplify the scheme by changing the backdating rules and produce a summary version of the policy written in simple English has benefited all current claimants. New claimants to the scheme have been able to have their claims backdated further than previously, where necessary.

4a. Age

Data

Borough Profile[1]

56,718: 0-17 (21%)
72,807: 18-34 (27%)
68,257: 35-49 (25%)
44,807: 50-64 (17%)
28,632: 65+ (11%)

Target Population Profile

Table 1.1 – Total CTRS caseload by Age (January 2023)

January 2023						
Age	Pensionable	Protected / disability	Protected / child in household	Non-protected / other Working Age	Total CTR Claimants	% CCTR All Claimants
18-24	0	36	192	151	379	1%
25-44	<10	1788	4261	1318	7367	27%
45-59	20	4122	1871	2158	8171	30%
60-64	35	1630	79	936	2680	10%
65+	7726	402	17	193	8338	31%
Total	**7781**	**7978**	**6420**	**4756**	**26935**	100%

Impacts

Haringey is a young borough with around 25% of residents under the age of 20. The highest proportion of residents under 18 are found in the east and northwest of the borough.

[1] Source: State of the Borough

Older people

For households where a claimant or their partner is of state pensionable age, the claimant is categorised as 'pensionable' and receives up to 100% Council Tax Reduction under the scheme.

There is a disproportionate number of +65-year-old residents in this category who will continue to be positively impacted by the decision to maintain the current generosity of the scheme into 2023/24

Children

Working age claimants with children will continue to be 'protected' under the scheme and receive up to 100% maximum Council Tax Reduction.

Child poverty is a significant issue in the borough and maintaining the generosity of the scheme as-is will continue to reduce the financial contribution that working households with children are required to pay towards their Council Tax.

Therefore, it is considered likely that the decision to maintain the scheme, will have a positive impact for children.

Working age residents

Working-age claimants in receipt of a prescribed disability benefit or premium will continue to be 'protected' under the scheme and receive up to 100% maximum Council Tax Reduction.

Non-protected working-age claimants are predominantly aged between 25 and 59 and must pay some contribution towards their council tax. There are no proposals to change this in 2023/24 but there will be no increases to the amount for which they will be liable.

Although there are some variations amongst age groups, the maintenance of the existing scheme suggests that there will be a neutral impact on this protected characteristic.

4b. Disability[2]

Data

Borough Profile [3]

4,500 people have a serious physical disability in Haringey.
19,500 aged 16-64 have a physical disability this equates to approximately 10% of the population aged 16-64.
1,090 people living with a learning disability in Haringey.
4,400 people have been diagnosed with severe mental illness in Haringey.

[2] In the Equality Act a disability means a physical or a mental condition which has a substantial and long-term impact on your ability to do normal day to day activities.
[3] Source: 2011 Census

Target Population Profile

There were 7973 people in the February 2023 caseload who were eligible for 100% council tax support due to being in receipt of certain disability benefits. This represents 29% of the overall caseload.

Impacts

Working age CTRS claimants in receipt of a prescribed disability-related benefit or premium will continue to receive up to a maximum 100% CTR under the existing CTRS. Therefore, this protected characteristic will continue to benefit from the decision to maintain the current generosity of the CTRS in 2023/24.

Proposal to maintain the current scheme

All residents in receipt or eligible for CTR have benefitted from the 2022/2023 changes to simplify the scheme and improve its accessibility. Residents who may have otherwise faced barriers to claim the support, amongst whom there is likely to have been a disproportionate number of disabled residents, have benefitted.

The maintenance of the existing scheme suggests that there will be a neutral impact on this protected characteristic.

4c. Gender Reassignment[4]

Data

Borough Profile

There is no robust data at Borough level on our Trans population, however the central government estimates that there are 200,000-500,000 Trans people in the UK. Assuming an average representation, this would mean between 800 and 2000 Haringey residents are Trans.[5]

Target Population Profile

We do not hold data on gender reassignment in Haringey's CTR caseload. At this stage, we do not have any data to suggest that this group would be any more or less likely than the rest of the population to be in receipt of CTRS.

Impacts

[4] Under the legal definition, a transgender person has the protected characteristic of gender reassignment if they are undergoing, have undergone, or are proposing to undergo gender reassignment. To be protected from gender reassignment discrimination, an individual does not need to have undergone any specific treatment or surgery to change from one's birth sex to ones preferred gender. This is because changing ones physiological or other gender attributes is a personal process rather than a medical one.

5 Trans is an umbrella term to describe people whose gender is not the same as, or does not sit comfortably with, the sex they were assigned at birth.

It is anticipated that the continuation of the current scheme will not have a disproportionate impact on this protected characteristic.

4d. Marriage and Civil Partnership

Data

Borough Profile [6]

Divorced or formerly in a same-sex civil partnership which is now legally dissolved: (8.2%)
In a registered same-sex civil partnership: (0.6%)
Married: (33.3%)
Separated (but still legally married or still legally in a same-sex civil partnership): (4.0%)
Single (never married or never registered a same-sex civil partnership): (50.0%)
Widowed or surviving partner from a same-sex civil partnership: (3.9%)

Target Population Profile

We do not hold data on marriage and civil partnership among Haringey's CTR caseload. At this stage, we do not have any data to suggest that this group would be any more or less likely than the rest of the population to be in receipt of CTRS.

Impact

It is anticipated that the continuation of the current scheme will not have a disproportionate impact on this protected characteristic.

4e. Pregnancy and Maternity

Data

Borough Profile [7]

Live Births in Haringey 2019: 3646

Target Population Profile

We do not hold detailed data about maternity in the CTRS dataset. However, in the February 2023 dataset, there were 6,417 working age residents eligible for up to 100% council tax support with children, which equates to 24% of the total.

The scheme will continue to protect working-age claimants with children and there are no proposed changes to this protection. Therefore, those with children will continue to benefit from the decision to maintain the current level of generosity in 2022/23.

[6] Source: 2011 Census
[7] Births by Borough (ONS)

Proposal to maintain the current scheme

All residents in receipt or eligible for CTR have benefitted from steps to simplify the scheme and improve its accessibility in 2022/2023. Residents who may have otherwise faced barriers to claim the support have benefitted.

Although there are variations amongst age groups this does not suggest this protected characteristic will be disproportionately negatively impacted by these changes.

4f. Race

Data

Borough Profile [8]
Arab: **0.9%**
Any other ethnic group: 3.9%

Asian: **9.5%**
Bangladeshi: 1.7%
Chinese: 1.5%
Indian: 2.3%
Pakistani: 0.8%
Other Asian: 3.2%

Black: **18.7%**
African: 9.0%
Caribbean: 7.1%
Other Black: 2.6%

Mixed: **6.5%**
White and Asian: 1.5%
White and Black African:1.0%
White and Black Caribbean: 1.9%
Other Mixed: 2.1%

White: **60.5% in total**
English/Welsh/Scottish/Norther Irish/British: 34.7%
Irish: 2.7%
Gypsy or Irish Traveller: 0.1%
Other White: 23%

Target Population Profile

[8] Source: 2011 Census

Table 1.2 – Total CTRS caseload by Ethnicity (January 2023)

January 2023						
Ethnicity	Pensionable	Protected / disability	Protected / in child household	Non-protected / other Working Age	Total CTR Claimants	% All CCTR Claimants
White British	394	669	511	486	2060	8%
White Other	866	896	760	508	3030	11%
Non-White	1148	1394	1468	1187	5197	19%
Unknown	5374	5019	3682	2937	17012	62%
Total	**7782**	**7978**	**6421**	**5118**	**27299**	**100%**

Race and ethnicity data was not historically recorded as part of the CTRS application process. Therefore, the data provided in table 1.2 does not give a complete overview of the current caseload.

For those CTRS claimants who provided an ethnicity (see Table 1.2), the majority of working age non-protected claimants and all claimants were 'White Other' and 'Non-White.'

Therefore, it is likely that the Black and Minority Ethnic population would be disproportionately impacted by any changes to the CTRS.

Proposal to maintain the current scheme

All residents in receipt or eligible for CTR have benefitted from steps to simplify the scheme and improve its accessibility in 2022/2023. Residents who may have otherwise faced barriers to claim the support have benefitted.

The maintenance of the existing scheme will have a neutral impact on this protected characteristic.

4g. Religion or belief

Data

Borough Profile [9]

[9] Source: 2011 Census

Christian: 45%
Buddhist: 1.1%
Hindu:1.9%
Jewish:3%
Muslim: 14.2%
No religion: 25.2%
Other religion: 0.5%
Religion not stated: 8.9%
Sikh: 0.3%

Target Population Profile

We do not hold data on religion or belief among Haringey's CTR caseload. At this stage, we do not have any data to suggest that this group would be any more or less likely than the rest of the population to be in receipt of CTRS.

Impact

It is anticipated that the continuation of the current scheme will not have a disproportionate impact on this protected characteristic.

4h. Sex

Data
Borough profile [10]
Females: (50.5%)
Males: (49.5%)

Target Population Profile

Table 1.3 – Total CTRS caseload by Sex (January 2023)

January 2023						
Sex	Pensionable	Protected / disability	Protected/child in household	Non-protected / other Working Age	Total CTR Claimants	% All CCTR Claimants
Female	4468	4555	4932	2535	16490	60.41%
Male	3143	3230	1383	2515	10271	37.62%

[10] Source: 2011 Census

Unknown	171	193	106	68	538	1.97%
Total	7782	7978	6421	5118	27299	100%

There are disproportionately more women as the main claimant of CTR than the Haringey and London population as a whole. This is the case both for working age claimants (protected and non-protected) and all claimants.

Maintaining the current CTRS into 2022/23 will continue to disproportionately impact women more than men positively.

Proposal to maintain the current scheme

Given there are a larger number of women claiming CTRS, women are likely to have been disproportionately positively impacted by the overall steps to simplify the scheme and improve its accessibility in 2022/2023.

The maintenance of the existing scheme suggests that there will be a neutral impact on this protected characteristic.

4i. Sexual Orientation

Data

Borough profile [11]

3.2% of London residents aged 16 or over identified themselves as lesbian, gay or bisexual in 2013. In Haringey this equates to 6,491 residents.

Target Population Profile

We do not hold data for this protected characteristic in the CTRS caseload. At this stage, we do not have any data to suggest that this group would be any more or less likely than the rest of the population to be in receipt of CTRS.

Impacts

It is anticipated that the continuation of the current scheme will not have a disproportionate impact on this protected characteristic.

4j. **Socioeconomic Status (local)**

[11] Source: ONS Integrated Household Survey

Data

Borough profile

Income[12]

Haringey is the 4th most deprived in London as measured by the IMD score 2019 (where 1 = most deprived). The most deprived LSOAs (Lower Super Output Areas or small neighbourhood areas) are more heavily concentrated in the east of the borough.
22.4% of the population in Haringey aged 16-65 receive Universal Credit as of March 2021.
29% of employee jobs in the borough are paid less than the London Living Wage.
The average wage of someone working in Haringey is £30,452 per year and the average resident wage (including people who travel out of the borough for work) is £35,769 per year.

Educational Attainment[13]

While Haringey's proportion of students attaining grade 5 or above in English and Mathematics GCSEs is higher than the national average, it performs worse than London.
5.5% of Haringey residents have no qualifications.

Target Population Profile

Council Tax Support is a means-test benefit for low-income socio-economic groups.

All claimants will therefore be in a lower socio-economic category.

Due to the increase in financial hardship created by Covid-19, maintaining the generosity of the current scheme can be expected to have an overall positive equalities impact. This will continue to have a positive benefit due to the ongoing impact of increases to the cost of living, including inflation and energy prices.

Proposed administrative changes

All residents in receipt or eligible for CTR have benefited from steps to simplify the scheme and improve its accessibility in 2022/2023. Residents who may have otherwise faced barriers to claim the support have benefitted.

The maintenance of the existing scheme suggests that there will be a neutral impact on this protected characteristic.

It should be noted that reducing the number of bills issued will have been of particular benefit to those who see regular changes in their incomes in order to support with household budgeting and therefore minimise debt.

[12] Source: Annual Survey of Hours and Earnings, ONS, 2019
[13] Source: Annual Population Survey 2019 (via nomis)

5. Key Impacts Summary

5a. Outline the key findings of your data analysis.

Age

Maintaining the generosity of the scheme as-is will have a positive impact on pensioners, working age claimants in receipt of certain disability premiums, working age claimants with children and children themselves.

Children

Child poverty is a significant issue in the borough and maintaining the generosity of the scheme as-is will continue to reduce the financial contribution that working households with children are required to pay towards their Council Tax. Therefore, it is considered likely that the preferred option will have a positive impact for children.

Adults aged between 25 and 44

There may be individuals in this group who do not qualify for up to 100% maximum CTR as a result of not being entitled to certain disability benefits or having children.

Changes made last year, to maximise uptake of the scheme, have had a positive impact on this age group, and the maintenance of the scheme will have a neutral effect.

Disability

Maintaining the generosity of scheme as-is, will have a positive impact on working age claimants in receipt of certain disability premiums, as they will continue to be protected.

Administrative changes last year have improved overall uptake and ease of access to council tax support, including for those who may otherwise have struggled to access the support to which they are entitled.

Gender reassignment

Overall, maintaining the generosity of the scheme as is would leave most affected claimants financially better off. At this stage, we do not have any data to suggest that this group would be any more or less likely than the rest of the population to be in receipt of CTRS.

Therefore, it is anticipated that continuing the generosity of the current scheme will not have a disproportionate impact on this protected characteristic.

Marriage and civil partnerships

Overall, maintaining the generosity of the scheme as is would leave most affected claimants financially better off.

At this stage, we do not have any data to suggest that this group would be any more or less likely than the rest of the population to be in receipt of CTRS. Therefore, it is anticipated that continuing the generosity of the current scheme will not have a disproportionate impact on this protected characteristic.

Pregnancy and maternity

Overall, maintaining the generosity of the scheme as is will have a positive impact on working age claimants with children.

Child poverty is a significant issue in the borough and maintaining the generosity of the scheme as proposed here will continue to reduce the financial contribution that working households with children are required to pay towards their Council Tax.

Race

The borough profile data suggests that the Black and Minority Ethnic population is overrepresented.

Generally, maintaining the scheme as-is is likely to have a neutral financial impact on most CTRS claimants.

It is thought likely that maintaining the generosity of the scheme would also have an overall positive impact on the Black and Minority Ethnic CTRS claimants.

Administrative changes have improved overall uptake and ease of access to council tax support, including for those who may otherwise have struggled to access the support to which they are entitled.

Religion or belief

Overall, maintaining the generosity of the scheme as-is would leave most affected claimants financially better off.

At this stage, we do not have any data to suggest that this group would be any more or less likely than the rest of the population to be in receipt of CTRS. Therefore, it is anticipated that the proposals will not have a disproportionate impact on this protected characteristic.

Sex

Women are overrepresented in the current CTRS caseload and so are likely to be positively affected by the continuation of the generosity of the scheme.

It seems likely from the data that most single parents in the Haringey CTRS caseload are women, as women are overrepresented in the caseload.

Maintaining the generosity of the scheme as-is means additional financial support to households with children for non-protected working-age claimants.

There may be some women who do not qualify for up to 100% maximum CTR as a result of not being pensioners, entitled to certain disability benefits or having children.

Maintaining the generosity of the scheme as-is is not likely to have a disproportionate negative impact on this protected characteristic.

Sexual Orientation

Overall, maintaining the generosity of the scheme as is would leave most affected claimants financially better off.

At this stage, we do not have any data to suggest that this group would be any more or less likely than the rest of the population to be in receipt of CTRS.

Therefore, it is anticipated that the proposals will not have a disproportionate impact on this protected characteristic.

Socioeconomic status

All residents in receipt of council tax support are on low incomes and maintaining the generosity of the scheme as-is is likely to have a disproportionate positive impact on those with low socioeconomic status.

5b. Intersectionality

The data suggests that female-headed single parents and BAME women are more likely to be disproportionately positively impacted by maintaining the generosity of the scheme, as the equality strands are overrepresented in the CTRS caseload.

Other residents who face multiple barriers to accessing support – for example, those who might face language barriers and be digitally excluded – are also disproportionately likely to have benefitted from last year's administrative changes which were designed to simply the scheme and improve its accessibility.

5c. Data Gaps

No specific data gaps have been identified.

6. Overall impact of the policy for the Public Sector Equality Duty

The council is not seeking to reduce the generosity of the current scheme or to reduce the maximum entitlement awarded since 2019. This could be expected to have a positive impact on the groups that share protected characteristics.

Duties to particular groups:

As above, continuing the generosity of the scheme is considered likely to have a positive impact on child poverty and persons with a disability. As most CTRS claimants are considered likely to financially benefit from continuing the generosity of the scheme it is thought likely that this would reduce the risk of homelessness by reducing the financial burden on groups in particular need. Since 2013, the Council's CTRS has reflected armed forces benefits.

Outside the CTRS, the Council holds a range of Council Tax Discounts, Exemptions and Disregards. These powers include complete Council Tax exemption for residents who are "Severely Mentally Impaired".

Additional powers to support vulnerable residents:

The Council has the discretionary power, under S13A(1)(c) of the Local Government Finance Act, to eliminate the Council Tax liability for residents in extenuating circumstances.

7. Amendments and mitigations

7a. What changes, if any, do you plan to make to your proposal because of the Equality Impact Assessment?

No major change to the proposal: the EQIA demonstrates the proposal is robust and there is no potential for discrimination or adverse impact. All opportunities to promote equality have been taken.

> If you have found any inequalities or negative impacts that you are unable to mitigate, please provide a compelling reason below why you are unable to mitigate them

Yes

Adjust the proposal: the EQIA identifies potential problems or missed opportunities. Adjust the proposal to remove barriers or better promote equality. Clearly set out below the key adjustments you plan to make to the policy. If there are any adverse impacts you cannot mitigate, please provide a compelling reason below

No

Stop and remove the proposal: the proposal shows actual or potential avoidable adverse impacts on different protected characteristics. The decision maker must not make this decision. **Y/N**

No

7b. What specific actions do you plan to take to remove or mitigate any actual or potential negative impact and to further the aims of the Equality Duty?

No potential negative impacts have been identified throughout this EqIA.

Please outline any areas you have identified where negative impacts will happen because of the proposal, but it is not possible to mitigate them.

N/A

Please provide a complete and honest justification on why it is not possible to mitigate the:
N/A

7. Ongoing monitoring

Summarise the measures you intend to put in place to monitor the equalities impact of the proposal as it is implemented.

- Who will be responsible for the monitoring?
- What the type of data needed is and how often it will be analysed.
- When the policy will be reviewed and what evidence could trigger an early revision
- How to continue to involve relevant groups and communities in the implementation and monitoring of the policy?

Date of EQIA monitoring review:

The Council Tax Reduction Scheme will continue to be monitored on a regular basis, reviewed annually and proposed changes will continue to be subject to equalities analysis.

8. Authorisation

EQIA approved by (Assistant Director/ Director) **Andy Briggs.**

Date **14th February 2023**

9. Publication

Please ensure the completed EQIA is published in accordance with the Council's policy**.**

Please contact the Policy & Strategy Team for any feedback on the EQIA process.

REPORT OF THE STAFFING & REMUNERATION COMMITTEE
No. 1, 2022-23

FULL COUNCIL – 2 MARCH 2022

Chair: Councillor Reg Rice Vice-Chair: Councillor Anne Stennett

1. INTRODUCTION

The Council is required to produce an annual Pay Policy Statement to comply with the requirements of the Localism Act 2011. This report from the Staffing & Remuneration Committee meeting on 20 October 2022 recommends that Full Council approves the Pay Policy Statement 2023/24 (attached) for publication in April 2023.

2. PAY POLICY STATEMENT 2022-23

We considered the report on the Pay Policy Statement 2023/24 and noted that this was a statutory report that the Council was required to produce annually, in accordance with the Localism Act 2011.

We agreed to approve the draft Pay Policy Statement 2023/24. We also authorised the Chief People Officer to make such amendments to the Pay Policy Statement as considered minor. We heard that the Pay Award was awaiting a union response and that, if agreed, this would be automatically implemented. We agreed to remit the Pay Policy Statement for endorsement by Full Council.

Following our meeting on 20 October 2022, the Chief People Officer has also confirmed that there were no objections to the Pay Policy Statement 2023/24 from the unions. The Chief People Officer also noted that, since the Committee considered the Policy in October 2022, the 1 April 2022 pay awards had been agreed and implemented.

3. RECOMMENDATIONS

Full Council is recommended:

To approve the Pay Policy Statement 2023/24, attached at Appendix A.

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Pay Policy Statement
2023/24

Published
April 2023

1. Background

Localism Act 2011 - Openness and accountability in local pay

1.1. Section 38(1) of the Localism Act requires local authorities to produce an annual pay policy statement.

1.2. The provisions in the Act do not seek to change the right of each local authority to have autonomy on pay decisions, however, it emphasises the need to deliver value for money for local taxpayers.

1.3. This statement has been approved by Full Council on 2 March 2023 and any changes during the year will be brought back to Full Council for adoption at the earliest opportunity.

1.4. This statement does not apply to Council employees based in schools.

1.5 The Council follows the transparency requirements on remuneration as set out in the Local Government Transparency Code 2015 ("the Code"), published by the Department for Communities and Local Government in February 2015, and the Local Transparency Guidance issued on 30 November 2015 by the Local Government Association.

1.6 Part of the Code includes publishing information relating to senior salaries within a local authority. A full list of all posts that are paid £50,000 or more per year that fall within the scope of the Accounts and Audit Regulations 2015 is published on the Council's website.

2 Governance arrangements for pay and conditions of service within Haringey

2.1 The Staffing & Remuneration Committee as referred to in the Council's constitution Part three, section B under its Terms of Reference has responsibility for the terms and conditions of service for all staff. The Staffing & Remuneration Committee is a Committee of Full Council.

2.2 The Staffing & Remuneration Committee is accountable for the remuneration of Directors, Assistant Directors and specified statutory officers as detailed in the Council's Constitution and pay in general and will ensure that remuneration is set within the wider pay context giving due consideration to the relationship between the highest and lowest paid in the organisation. This Committee will remit the Pay Policy Statement for approval by Full Council.

3 Remuneration arrangements of the Chief Executive, Directors, Assistant Directors and Heads of Service/Senior Professional III graded employees

3.1 The Council benchmarks its pay rates with other London Boroughs to ensure that it is able to recruit and retain qualified and competent staff. Changes to pay bands for the Chief Executive, Directors, Assistant Directors and Heads of Service/Senior Professional III graded employees are approved by the Staffing

and Remuneration Committee, other than for annual nationally and/or regionally agreed increases. The pay bands are at Appendix A.

3.2 Where it is proposed to appoint to a Director or Assistant Director post or other statutory officer post that comes within the remit of the Committee in the Constitution, the Staffing and Remuneration Committee must consider and approve the proposed salary.

3.3 The salary applicable to Director and Assistant Director posts is published on the Council website.

3.4 Pay scales are increased in line with national and regional pay agreements. Progression through the applicable pay band will be contribution led based on individual, team and/or organisation performance. It will not be automatic, and the process will be overseen by the Chief Executive.

3.5 The Council may in exceptional circumstances, engage employees under contracts for services. The Council publishes in accordance with the Code details of all payments made under contracts for services in excess of £500 on the Council website.

4 Remuneration of other employees

4.1 Pay scales are increased in line with national and regional pay agreements.

4.2 For a majority of its employees who are not covered by local arrangements, the Council supports the NJC and regional (Greater London Provincial Council – GLPC) collective bargaining arrangements for pay and conditions of service and utilises the GLPC outer London pay spine (the exceptions to this are a small number of staff who are subject to the Soulbury, Teachers and NHS terms and conditions.)

4.3 The Council considers it important to be able to locally determine pay rates for some staff where this is necessary. This enables it to respond to regional and local labour market conditions. The Council benchmarks its pay rates with other London Boroughs to ensure that it is able to recruit and retain qualified and competent staff.

4.4 The Council employs a small number of employees who are Educational Psychologists and Education Advisers/Inspectors and uses the pay scales recommended by the Soulbury Committee for these employees.

4.5 The Council also employs a small number of centrally employed Teachers and uses the national Teachers Pay and Conditions (TPAC) pay scales for these employees.

4.6 Public Health employees who transferred from the NHS into the Council from 1 April 2013 continue to be paid in accordance with NHS terms and conditions of employment.

4.7 Employees subject to NJC conditions are able to incrementally progress through the pay spine column points for their job evaluated grade. Progression will normally be one increment (pay spine column point) on the 1st of April each year until they reach the top of their grade.

4.8 Employees subject to NHS conditions are able to progress through the steps in their pay band subject to the principles set out in the Framework Agreement on the reform of Agenda for Change.

4.9 Employees subject to TPAC and Soulbury conditions can incrementally progress through the pay spine column points subject to satisfactory performance normally on the 1st of September each year until they reach the top of their grade.

5 Remuneration of the lowest-paid employees

5.1 The Council approved with effect from May 2011 that in future the pay of Council employees at the lower ends of the pay spine receive a level of pay in line with the London Living Wage rate as determined from time to time by the Greater London Authority. This will be by way of an hourly pay supplement as appropriate to ensure that the London Living Wage rate is achieved.

5.2 In November 2018 the Council became an accredited Living Wage Employer.

6 Job Evaluation

6.1 The pay grades and therefore remuneration levels of employees (except for centrally employed Teachers who are subject to the Teachers Pay and Conditions documents) are determined by the use of a job evaluation scheme. Job Evaluation is a systematic process used to determine the relative worth of jobs within the organisation. It creates a rank order from the smallest to the largest job and ensures that consistent decisions in grades and rates of pay are made.

6.2 The table at Appendix B outlines the job evaluation schemes used for each group of employees.

7 Pay Multiple

7.1 The ‘pay multiple’ is the ratio between the highest paid taxable earnings and the median earnings figure of the whole of the Council’s workforce. The Council’s highest paid employee is the Chief Executive and the current pay multiple is shown in the table below.

7.2 Earnings for the purpose of calculating the ‘pay multiple’ are defined covering all elements of remuneration that can be valued (i.e. all taxable earnings for including base salary, variable pay, bonuses, allowances and the cash value of any benefits in kind). The calculation of earnings excludes the cash value of pension provision.

7.3 The Council defines its lowest paid employees as those paid on the lowest pay spine point of 1 on the GLPC outer London pay spine. The reason for this

definition is that this is the lowest pay spine point in the Council in line with the job evaluation scheme and pay scales agreed with the unions. This excludes trainees, apprentices and interns. However, an hourly pay supplement is added when necessary to ensure that the London Living Wage rate is achieved as outlined in paragraph 5.13.

Description	2022/23
Highest Paid	£221,276
Median	£34,809
Lowest	£22,431
Highest to median ratio	6.4
Highest to Lowest ratio	9.9

*The salary for the highest paid employee (Chief Executive) includes an allowance paid for Returning Officer duties as outlined in paragraph 10.2

8 Pay on Appointment

8.1 All employees are normally appointed on the lower half of the pay range appropriate for their grade.

8.2 The Council delegates authority to the Chief Executive and Directors as appropriate to appoint staff above this part of the pay range.

9 Market Allowance Payments

9.1 The Council acknowledges that our workforce is our most valuable asset when it comes to enabling and delivering services for those who live, work, study or visit the borough. Due to external market factors, allowances may need to be paid to some posts in order to attract and retain staff of the appropriate calibre.

9.2 Market allowances are linked to the post, not the person. They cannot be paid to someone because of their level of skill or experience.

9.3 A market allowance is deemed suitable where there is evidence of one or more of the following:

- The post has been advertised on more than one occasion and a suitable applicant could not be recruited.
- Pay benchmarking exercises show that similar local authorities offer market allowances or a higher salary for the same work.
- A national / local skills shortage where the Council is competing with a number of other employers for applicants.
- The post is highly specialised with a limited number of potential applicants.

9.4 If the post does not meet the suitability criteria the payment of a market allowance is unjustified and may be in breach of equal pay legislation contained in the Equality Act 2010.

10 Fees for Election Duties

10.1 Council staff may be engaged on election duties of varying types. The fees paid to Council employees for undertaking these election duties vary according to the type of election they participate in, and the nature of the duties they undertake.

10.2 Returning Officer duties (and those of the Deputy Returning Officers) are contractual requirements, and fees paid to them for national elections / referendums are paid in accordance with the appropriate Statutory Fees and Charges Order and are paid by the body responsible for the conduct of the election.

11 Pension

11.1 There are three pension schemes covering the Council's employees.

11.2 A majority of its employees are entitled to join the Local Government Pension Scheme and receive benefits in accordance with the provisions of that Scheme as applied by the Council. Details of the Council's policy and decisions in respect of discretionary elements of the Scheme are published on the Council's website.

11.3 Centrally employed Teachers are entitled to join the Teachers' Pension Scheme and receive benefits in accordance with the provisions of that Scheme.

11.4 Public Health employees who transferred from the NHS and are members of the NHS Pension Scheme continue to receive benefits in accordance with the provisions of that Scheme.

12 Other Terms and Conditions of Employment

12.1 The Council's employment policies and procedures are reviewed on a regular basis in the light of service delivery needs and any changes in legislation etc.

12.2 The Council and trades union agreement, Equal Pay Review 2008, outlined the working arrangements and the payments to be made to the majority of employees below senior manager level. This included arrangements for working outside normal working hours including overtime and call out payments.

13 Payments on Termination of Employment

13.1 In the event that the Council terminates the employment of an employee on the grounds of redundancy they will receive compensation and benefits in accordance with the Council's Redundancy scheme, which is published on the Council's website. Variations to this are employees who have TUPE transferred into the Council with different contractual entitlements.

13.2 Severance payments of £100,000 or more must be considered and approved by the Staffing & Remuneration Committee.

13.1 The Council has agreed a process for the approval of special severance payments in line with the statutory guidance published by the the government in May 2022.

13.2 Details of redundancy compensation payments paid to senior management are published on the Council's website.

14 Re-employment of Employees

14.1 Section 7 of the Local Government and Housing Act 1989 requires that every appointment to paid office or employment in a local authority shall be made on merit.

14.2 Should a successful candidate be in receipt of a redundancy payment the Council will apply the provisions of the Redundancy Payments (Continuity of Employment in Local Government etc.) (Modification) Order 1999 (as amended) regarding the recovery of redundancy payments. The rules of the Local Government Pension Scheme also have provisions to reduce pension payments in certain circumstances to those who return to work within local government service.

15 Further Information

For further information on the Council's Pay Policy please contact the Council's Head of Employment, Transformation and Reward.

Appendix A

Senior Manager Pay Bands as at 1 April 2021

Level	Category	Step	Point 1 (Minimum Pay Band)	Point 2	Point 3	Point 4	Point 5	Point 6 (Maximum Pay Band)
A	Chief Executive	HA2	£188,385	£193,359	£198,333	£203,307	£208,278	£213,252
B	Directors / Assistant Directors	HB3	£148,596	£153,468	£158,241	£163,113	£167,883	£172,755
		HB2	£120,990	£124,947	£128,907	£132,864	£136,824	£140,781
		HB1	£103,836	£107,184	£110,637	£113,985	£117,438	£120,786
C	Heads of Service / Senior Professional III	HC3	£88,002	£91,047	£94,092	£97,239	£100,284	£103,329
		HC2	£75,111	£77,649	£80,187	£82,824	£85,362	£87,900
		HC1	£64,860	£66,891	£68,919	£70,950	£72,981	£75,009

Appendix B

Employee Group	Job Evaluation Scheme	Last Pay Award Implemented	Next Pay Award Due
National Joint Council (NJC) for Local Government Services - Green Book (the majority of the Council's employees)	Greater London Provincial Council (GLPC) (with local variations)	With effect from April 2021 all London pay spines have been up-rated by 1.75 %.	1 April 2022 (To be agreed)
Chief Executive, Chief Officers & Senior Managers	The HAY job evaluation scheme	With effect from April 2021 an increase of 1.5 %.	1 April 2022 (To be agreed)
Teachers Pay & Conditions - TPAC (centrally employed Teachers)	Teachers Pay and conditions documents	The government accepted to fully implement the recommendations contained in the School Teachers' Review Body's (STRB) 32nd Report. A 5% cent increase for most teachers, with bigger increases for Early Career Teachers (max 8.9 per cent outside of London). This pay increase has been adopted by the council and all teachers will receive a pay award.	1 September 2023 (To be agreed)
Soulbury (Education Psychologists & Education Advisers/ Inspectors)	Soulbury	With effect from September 2021: a) an increase of 1.75% on all pay points on the Educational Improvement Professionals' pay spine, Young People's/Community Service Managers' pay spine and Educational Psychologists' pay spines. b) an increase of 1.75% on all London and Fringe area allowances.	1 September 2022 (To be agreed)
Public Health (ex-NHS staff)	The Agenda for Change NHS Job Evaluation Scheme (GLPC or Hay scheme for those whose roles have been reviewed since the transfer date to the Council)	3% pay award uplift for NHS staff within the scope (excluding any staff already covered by a multi-year pay deal).	1 April 2022 (To be agreed)
Craft workers	Joint Negotiating Committee (JNC)	With effect from April 2021 1.75% on basic salary and allowances.	1 April 2022 (To be agreed)

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REPORT OF THE CORPORATE COMMITTEE No. 2, 2022/23

FULL COUNCIL 2nd of March 2023

Chair: Councillor Isidoros Diakides Deputy Chair: Cllr Erdal Dogan

1. INTRODUCTION

The Council has adopted the Chartered Institute of Public Finance and Accountancy's Treasury Management in the Public Services: Code of Practice (the CIPFA Code), which requires the Council to agree a Treasury Management Strategy Statement, including an Investment Strategy annually in advance of the new financial year.

This report presents Council with the updated Treasury Management Strategy Statement for 2023/24 following its scrutiny at the Overview and Scrutiny Committee, presentation at the Corporate Committee and in consultation with the Cabinet Member for Finance.

TREASURY MANAGEMENT STRATEGY STATEMENT 2023-24

We considered the Treasury Management Strategy Statement for 2023-24 which outlined the Council's strategy for managing its cash flows, borrowing, investments, and the associated risks in accordance with the CIPFA Treasury Management Code of Practice.

We noted that the report had been reviewed by the Overview and Scrutiny Committee on 19 January 2023 with questions only seeking clarification.

We were informed that the document was set by statutory requirements as to what should be included in a treasury strategy statement and that it was usually included as part of the budget process. The capital strategy document set out how schemes were costed. The capital programme decisions did not form the treasury strategy. The treasury strategy looked at the agreed capital programme (this involved aspects such as building housing arounds around the borough, rebuilding schools or refurbishment work). This was then appraised and then costed for in the capital strategy document. The document looked at how the element of borrowing was exercised by the Council. The draft budget (medium term financial strategy) would be agreed by Cabinet.

We noted that the prudential indicators on section 7 of the appendix and parameters on how risks would be managed. We noted the Council had loans on its portfolio which was maturing on a regular basis and were becoming due to be repaid. However, all of the borrowing could not be done at a rate whereby all loans were paid back at the same time. We also noted that the target limit of short-term borrowing would set to a rate of 30%.

We queried issues with borrowing and noted that the funding of projects needed to be carefully considered by the Section 151 Officer in consultation with relevant Cabinet Members.

5. RECOMMENDATIONS

Full Council is recommended:

To agree the proposed updated Treasury Management Strategy Statement for 2023-24 as attached to agenda item 13, 2023-24 Budget and Medium-Term Financial Strategy 2023/28 at Annex 4.

Report for: Full Council 2nd March 2023

Title: 2023/24 Budget and Medium-Term Financial Strategy 2023/28

Report authorised by: Jon Warlow – Director of Finance – (Chief Finance Officer and Section 151 Officer)

Lead Officer: Frances Palopoli – Head of Corporate Financial Strategy & Monitoring

Ward(s) affected: ALL

Report for Key/ Non-Key Decision: Key.

1. Describe the issue under consideration

1.1. Cabinet considered the 2023/24 Budget and 2023/28 Medium Term Financial Strategy (MTFS) report at their meeting held on 7th February 2023 and resolved to propose that report for consideration and approval of the final Budget, MTFS and Council Tax for 2023/24 by Full Council in accordance with the Council's constitution.

1.2. It should also be noted that on 6 February the Final Local Government Settlement figures were notified to the Council, the effect of which to this Council was small and therefore no changes are required to the Budget figures. The Council Tax and savings proposals remain unchanged from those in the Cabinet report.

2. Cabinet Member Introduction

2.1. My comments on the 2023/24 budget which can be found in the Cabinet report of 7 February 2023 attached at Annex 1 remain unchanged.

3. Recommendations

3.1. Council are asked:

(a) To approve the proposed 2023/24 Budget and Medium-Term Financial Strategy (2023/28) agreed by Cabinet on 7th February 2023 as set out in Annex 1;

(b) To approve the increase of 2.99% in Haringey's element of the Council tax and an additional 2% for the Adult Social Care Precept;

(c) To approve the General Fund budget requirement for 2023/24 of £279.517m, net of Dedicated Schools Budget, as set out in Appendix 1 of Annex 1 to this report;

(d) To approve the Cash Limits for 2023/24 of £279.517m as set out in Annex 2;

(e) To approve the 2023/28 General Fund Capital Programme set out in Appendix 4 of Annex 1 to this report;

(f) To approve the strategy on the flexible use of capital receipts as set out in and Appendix 6 of Annex 1 to this report;

(g) To approve the Housing Revenue Account (HRA) Budget 2023/28 as set out in Table 9.3 of Annex 1 to this report;

(h) To approve the 2022/27 HRA Capital Programme set out in Table 9.4 of Annex 1 to this report;

(i) To note the Greater London Authority (GLA) precept (para. 7.13-7.14);

(j) To approve the budgeted level of non-earmarked General Fund balance and the specific and other reserves as set out in Annex 3b;

(k) To approve the reserves policy including the Chief Finance Officer's (CFO) assessment of risk and the assessment of the adequacy of reserves, as set out in Annex 3 (a – c);

(l) To note the report of the Chief Finance Officer under Section 25 of the Local Government Act 2003 on the robustness of the estimates and the adequacy of proposed reserves set out in section 9;

(m) To approve the Treasury Management Strategy Statement 2023/24 set out in Annex 4; and

(n) To pass the budget resolution including the level of Council Tax, in the specified format, and to determine that the Council's relevant basic amount of Council Tax for the year is not excessive as set out in Annex 5.

(o) To note the results of consultation as set out in Appendix 8 of Annex 1.

4. Reasons for decision

4.1. The Council has a statutory responsibility to set a balanced budget each year. The financial planning process this year has been markedly influenced by the economic environment specifically high rates of interest, cost of living crisis and the war in Ukraine. Furthermore, ongoing high demand for services overlaid with increased acuity has led to forecast overspends in the current financial year which have had to be addressed in the construct of the 2023/24 Budget.

4.2. The 2023/24 Budget & 2023/28 MTFS Cabinet report of 7th February included Cabinet's response to feedback from the budget consultation, the views of Overview and Scrutiny Committee held on 19th January 2023 and also the outcome of the overall equalities assessment. Relevant budgetary allocations announced in the Provisional Local Government Finance settlement on 19th December 2022 were also included. The Final Settlement ratified by Parliament on 8th February 2023 was in line with the Budget assumptions in the attached documents.

4.3. The report and recommendations from the Cabinet meeting on 7th February 2023, were agreed in full and are attached as Annex 1.

4.4. Taking all relevant factors into account, this report sets out Cabinet's 2023/24 Budget and 2023/28 MTFS proposals, including the level of Council tax for 2023/24, for the Council to consider and approve.

5. Alternative options considered

5.1. The Council has a statutory requirement to set a balanced budget for 2023/24. Therefore, in accordance with legislation and the Council's constitution, this report recommends that the Council should approve the proposed 2023/24 Budget and 2023/28 Medium Term Financial Strategy agreed by Cabinet on 7th February 2023, including the outcomes from the budget consultation exercise, budget scrutiny and equalities review, which is attached as Annex 1 and approve the Council tax for 2023/24. Accordingly, no other options have been considered.

6. Background information

6.1. On 7th February 2023 Cabinet agreed a proposed 2023/24 Budget and 2023/28 MTFS for submission to this meeting of the Council, including: a General Fund revenue budget for 2023/24 of £279.517m; the Dedicated Schools Budget and the Housing Revenue Account (HRA) revenue budget for 2023/24; and the 2023/28 Capital Programmes for both the General Fund and HRA. Cabinet agreement to these proposals was subject to the decisions of levying and precepting authorities, not available at that time.

6.2. The Cabinet report of 7th February 2023 (attached as Annex 1 to this report), and the proposed Budget/MTFS recommended to Full Council by Cabinet are the subjects of discussion at this meeting.

6.3. This report also addresses:

- The final local government finance settlement 2023/24;
- The decisions of levying bodies and precepting authorities;
- Considerations in setting the Council Tax;
- The robustness of the Council's budget process;
- The adequacy of the Council's reserves; and,
- The Treasury Management Strategy Statement 2023/24.

6.4. The report concludes by presenting the Budget Resolution to set the Council Tax for 2023/24.

7. Key Developments and Updates

Final Local Government Finance Settlement

7.1. The Final Local Government Settlement (FLGFS) was in line with the budgetary assumptions built into the February Cabinet report. The government did release the contingency sum that they had held back at the provisional settlement. This lately advised impact for Haringey has been minimal with the allocation of an additional £0.130m to the Services grant. This will be temporarily added to the corporate contingency until the administration has directed how this will be utilised and will be reported on in subsequent Finance update reports.

Greater London Authority (GLA) Free School Meals Support

7.2. In a recent development the Mayor of London has announced that the GLA is stepping in with a one-off emergency funding to ensure that healthy free school meals are universally available to all primary school children for one academic year from September 2023.

7.3. Further work is required with the GLA to understand exactly how this will complement the existing expanded FSM programme (which does not cover the full primary school cohort) already built into the 2023/24 Budget. Once further information is available it will be reported in the regular Finance Update report to Cabinet.

Levying Bodies

North London Waste Authority

7.4. The Council is one of seven constituent boroughs of the North London Waste Authority (NLWA). NLWA handles waste disposal on the Council's behalf and recovers the costs from the Council by way of a levy. Borough levies are apportioned between the constituent boroughs in accordance with an Inter-Authority Agreement entered in 2015.

7.5. The Board of the North London Waste Authority (NLWA) met on 9 February 2023 and agreed an overall levy, after the application of balances, of £63.87m (£57.04m 2022/23) which is a 12.5% increase over the 2021/22 position.

7.6. The increase is largely driven by the impact of inflation. However, due to high electricity prices during 2022/23, the NLWA has received higher than normal income from the sale of electricity to the National Grid. Because of this additional income, the Board meeting also agreed to approve a one-off windfall payment of £10.2m to boroughs as a deduction from the approved levy. Once applied, the 2023/24 average levy would represent a 5.3% reduction compared to 2022/23. The final levy on Haringey approved by the NLWA Board for 2023/24 is £6.916m. This windfall payment had been expected and a one-off £3m reduction built into the final 2023/24 Budget proposals considered by Cabinet on 7 February.

7.7. The MTFS continues to assume growth in future years from 2024/25 to address the expected increase in the NLWA levy to fund the costs associated with the new Energy and Resource Recovery Facility.

7.8. The NLWA is presently undertaking a refresh of its treatment infrastructure in the North London Heat & Power Project (NLHPP). This project involves £1.2bn (2019 cash price base) of expenditure on new assets including a 700,000 tonne Energy Recovery Facility and a Resource Recovery Facility. As a result of this and partly because the current treatment assets are fully depreciated, the NLHPP will cause an increase to the Council's levy, by 2033-34 the increase will be in the range £3m-£7m per year. This increase will impact on the levy as the assets come into use, with most of the increase being in place by 2027-28. Constituent boroughs have been kept up to date by NLWA on likely levy increases arising from the NLHPP since 2019.

7.9. This will need to be kept under review and the MTFS adjusted when more up to date figures are available.

London Pension Fund Authority (LPFA)

7.10. The London Pension Fund Authority (LPFA) levy is raised to meet expenditure on premature retirement compensation and outstanding personnel matters for which LPFA is responsible and cannot charge to the pension fund. These payments relate to former employees of the Greater London Council (GLC), the Inner London Education Authority (ILEA) and the London Residuary Body (LRB). The levy has reduced by 90% for 2023/24 (see *change in table below) however, the LPFA have raised a new payment demand for £240.7k as agreed under the Pensions Agreement dated 12 October 2022 which provides a mechanism for addressing the funding deficit in relation to the pension liabilities for the former GLC and ILEA. Together, these sums due to the LPFA are in line with the total payable in 2022/23 and therefore there are no budgetary

implications associated with this change in how these liabilities are being addressed.

7.11. The levies payable to all other bodies have remained stable and can be accommodated within the current proposed budget.

7.12. The below table provides a summary of levy charges to Haringey Council in 2022/23 and 2023/24.

Table 7.1: Summary of 2022/23 and 2023/24 Levies

Contributions to Other Organisations			
	Amount Paid 2022/23 £'000	Amount Due 2023/24 £'000	
Environment Agency	187	189	
Lee Valley Regional Park Authority	188	203	
London Borough Grants Scheme	197	197	
London Pensions Fund Authority *	266	26	*
North London Waste Authority (NLWA)	7856	6916	
Total Paid/ To Pay	**8,694**	**7,529**	

The Greater London Authority Precept

7.13. The Mayor's final draft budget proposals for the 2023/24 consolidated budget will be considered by the London Assembly on Thursday 23 February 2023. The current draft proposals set a band D precept of £434.14 an increase of £38.55 (9.7%) over the 2022/23 figure. This reflects the Mayor's decision to apply the maximum £15 allowable increase in the precept for local policing bodies which has been allocated to MOPAC as well as the maximum 2.99 per cent increase in the core non-police precept which is allocated in full to the London Fire Commissioner. Finally, a £20 increase at Band D to fund TfL's transport services.

7.14. It is possible that the proposed increase in the precept may change before the final Budget is approved – including the possibility of a change at the GLA meeting on the 23 of February 2023. Therefore, the amounts shown in respect of the GLA precept in Annex 5, the formal Budget resolution, may change. If this happens, the revised figures will be added as an addendum item to this report. The Council as a billing authority is required to reflect the level of any relevant precept notified to it and so it is not a decision of the Council as to whether the level of the GLA precept should be approved or not. It is, however, imperative that the Council Tax information produced by the Council as the Billing Authority reflects the final decision taken by the GLA.

8. Considerations in setting the Council Tax

8.1. The Localism Act 2011 gave electors the right to veto excessive Council tax rises. Councils that set 'excessive' council tax increases above a ceiling approved by Parliament each year would automatically trigger a referendum in their area.

8.2. The provisional Local Government Finance Settlement Government announced that those authorities with Adult Social Care functions could implement a 2% Adult Social Care (ASC) precept for 2023/24. This is on top of the previous legislation which allowed up to 2% in 2016/17, a maximum of 6% between 2017/18 and 2019/20, and 3% in 2021/22 and a further 1% in 2022/23. For those years, Haringey applied the full 8% between 2016/17 and 2018/19, 3% in 2021/22 and 1% in 2022/23. The ASC precept must be allocated entirely towards Adults Social Care costs and specific information must also be made available on the face of the Council tax bill highlighting this to taxpayers.

8.3. The final Local Government Finance Settlement confirmed the above Council Tax referendum principles and therefore, for 2023-24, the relevant basic amount of council tax is excessive if the authority's relevant basic amount of council tax for 2023/24 is 5.00% or more than 5% (comprising 2% for expenditure on adult social care, and 3.0% for other expenditure) or more than 4.99%, greater than its relevant basic amount of council tax for 2022/23. The Budget now proposed assumes that both allowable elements will be charged to residents i.e. a 2.99% increase in basic Council Tax and a 2% increase in the Adult Social Care element. These proposals are below the levels that would trigger a referendum.

8.4. Council is therefore recommended to resolve the relevant basic amount as not excessive at paragraph 6 of the Formal Budget Resolution (Annex 5).

8.5. The projected income from Council tax in 2023/24 is £124.2m (£117.7m in 2022/23) based on 79,718 Band D equivalent dwellings (the Tax Base) (79,303 in 2022/23), a collection rate of 96% (95.75% in 2022/23) and the proposed Band D Council tax rate of £1,558.18 (£1,484.13 in 2022/23).

8.6. These proposals result in total net available funding (the 'Budget Requirement') for 2023/24 of £279.517m, as set out in recommendation 3.1(c), above.

9. Statements of the Designated Chief Finance Officer

9.1. Local authority financial resilience continues to be of great significance after a prolonged period of austerity, the impacts of the Covid-19 pandemic and more recently high levels of inflation.

9.2. Considerable care is taken in the financial reporting to Members both during the time of budget setting and also during the course of the year to ensure that a full and fair perspective is given of the financial position and resilience of the Council. This takes account of issues and opportunities, trends, risk analysis and service and corporate developments. In addition to this, the CIPFA Financial Resilience Index is a useful tool as it provides an independent view for the local leadership on the overall financial resilience of their Council.

9.3. The underlying data used for the Index is necessarily based on publicly available data and is therefore historic in nature.

9.4. Haringey's 2021/22 position compared to other London Boroughs is shown in Annex 3d along with further description and interpretation for each of the indicators and their relationship to risk.

9.5. The key messages to note are that:

- Level of reserves has worsened relative to the comparator group. A key factor within this is that some other authorities saw a net improvement in their financial position as a consequence of their level of Covid 19 related grants and spend. This authority effectively utilised its grant money during the pandemic period.
- Social Care spend ratio to Total Net Service expenditure has slightly worsened and remains a notable risk.
- The highest risks indicated by the model are now gross external debt and the ratio of interest payable to net revenue expenditure. This risk is amongst the highest when compared with the rest of London Boroughs. However, the risk has remained stable for the past few years.
- Fees and Charges to Service Expenditure Ratio continues to be the lowest risk for Haringey. Although the financial stress indicator has worsened in 2020/21 due to loss of income resulting from COVID, there has been some improvement back to level seen previously.

9.6. The Council's Chief Financial Officer is required by Section 25 of the Local Government Act 2003 to report on the robustness of the estimates made for the purposes of the final budget calculations.

9.7. To meet the scale of the financial challenge facing the Council, the Council refreshes its five-year MTFS on an annual basis to ensure that assumptions, especially those around budget reductions and evidenced demand are reviewed and updated as necessary.

9.8. The Spending Round 2021 (SR21) announced on 27 October 2021 confirmed departmental resource and capital budgets for a three-year period (2022-2025), the first time since 2016. However, the 2022/23 Local Government Finance Settlement (LGFS) only provided allocations for a single financial year.

9.9. The LGFS for 2023/24 was again only for a single year however, the Government also issued a Policy Statement on 12 December which set out some planning assumptions for the 2024/25 settlement including details for the majority of the funding streams.

9.10. Key points of note from this are:

- The Review of Relative Needs and Resources ('Fair Funding Review') and a reset of Business Rates growth will not be implemented in the next two years.
- The council tax referendum principles will continue the same as 2023/24.
- Revenue support grant will continue and be uplifted in line with baseline funding levels (assumed now to be now based on September 2023 CPI), while social care grants will increase as set out in the table above.

- Business rates pooling will continue.

- The Government will set out the future position of New Homes Bonus ahead of the 2024/25 local government finance settlement.

- The 2024/25 settlement will include a new funding stream, subject to successful delivery of the Extended Producer Responsibility for packaging (pEPR) scheme as soon as is feasible within this financial year. Local authorities can expect to receive additional income from the scheme whilst being asked to submit data relevant to their waste collection services.

9.11. Based on the publication of this Policy Statement, and confirmation of funding totals at a national level for most grants, the 2024/25 budget has been updated to reflect our funding levels, assuming the same distribution methodology as used for 2023/24. Clearly these will need to be revisited again as part of next year's financial planning process but do provide a clearer picture of the likely resource envelope than provided in recent years.

9.12. The Bank of England's Monetary Policy Committee (MPC) voted to increase the Bank Rate to 4% at its meeting on 1 February 2023. The MPC noted that global consumer price inflation remains high, although it is likely to have peaked across many advanced economies, including in the United Kingdom. The MPC's updated projections showed CPI inflation falling back sharply from its current very elevated level, of 10.5% in December, in large part owing to past increases in energy and other goods prices falling out of the calculation of the annual rate. Annual CPI inflation was expected to fall to around 4% towards the end of 2023.

9.13. Although it is positive to see this forecast steep reduction in inflation rates, the impact will not be felt immediately. While the 2023/24 Budget has sought to address the estimated impact on both its own staff pay award and third-party contracts, there remains risk that the estimates prove insufficient. This has been highlighted as one of the key financial risks for the forthcoming year.

9.14. Government had provided several one-off measures to help offset the impact of the energy price increases for households and the business sector however these are not currently assumed to continue into the new financial year, particularly as global energy prices are falling. The Government has though announced the continuation of the Household Support Grant for a further year as well as a Council Tax Reduction grant. These will be used to provide financial support to residents struggling financially.

9.15. In the light of these considerable uncertainties, largely outside the Council's direct control, further weight is given to the S151 considerations on the adequacy of reserves and other balances.

Robustness of the budget process

9.16. The financial planning process this year has been markedly influenced by the economic environment specifically high rates of interest, cost of living crisis and the war in Ukraine. Furthermore, ongoing high demand for services overlaid

with increased acuity has led to forecast overspends in the current financial year which have had to be acknowledged in the construct of the 2023/24 Budget.

9.17. It became clear early on in this year that the financial situation had worsened for most local authorities, this Council included, and this has been key in shaping the approach to the financial planning work for 2023/24. There has been a further step-up in finance and budget dialogue with managers throughout the Council, mirrored by Cabinet members.

9.18. Strategies have been aimed at driving efficiencies from focussing on getting the basics right, collecting all the income due to the Council, improving commissioning strategies, implementing 'Digital First' to modernise customer services and minimise transactional costs, and putting a challenge to the existing and proposed capital programme.

9.19. The number of identified pressures, unknowns and overall volatility has been concerning and has made setting a balanced 2023/24 Budget challenging. Furthermore, many of the issues, such as inflation and increased demand are outside the Council's direct control.

9.20. For **2023/24** with the Administration's emphasis on the importance of being a **competent, radical and collaborative** Council, the strategies have covered:

- Looking to drive efficiencies via focussing on doing things well.
- Recognising that optimising Value for Money (VFM) (Efficiency, Effectiveness and Economy) is central to protecting services
- Looking to improving income collection
- Fees and charges review work
- Digital – to improve and modernise customer services, making it easier for residents to access services and to minimise transactional costs
- Tight control on the Capital programme

9.21. The financial planning process this year again sought to identify and address existing budget challenges that could not be mitigated by services as well looking ahead and estimating new requirements largely driven by demographic change, inflation and the cost of living crisis.

9.22. Overall, an additional £22m growth has been built into 2023/24, on top of the sums already built into the MTFS. Over £17.0m of this is being added to Adults, Health and Communities (AHC) and Children's Services mainly to address increased demand and acuity along with rising costs of placements. A further £4.0m of the growth in AHC is from the two new specific grants, Discharge grant and Market Sustainability & Improvement Funding announced in the PLGFS which come with specific responsibilities. A net £1m growth has been added to the Temporary Accommodation budget in recognition of the inflationary pressure manifesting across London private sector rents. The remaining growth is largely addressing recurring base budget pressures and creating as robust and realistic budgets as possible.

9.23. This year Directors were tasked with identifying new savings to be delivered across the MTFS, and close to £20m has been identified and built into the MTFS as set out in the table below.

New Savings	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/ £'000	2027/28 £'000	Total £'000
Culture Strategy & Engagement	(1,157)	(870)	(210)	(5)	(5)	(2,247)
Environment & Neighbourhoods	(6,614)	869	(1,289)	6	(44)	(7,072)
Adults, Health & Communities	(5,762)	(3,055)	159	100	-	(8,558)
Children's Services	(1,500)	-	-	-	-	(1,500)
Placemaking & Housing	(370)	(10)	-	-	-	(380)
Corporate Budgets						
Total	**(15,403)**	**(3,066)**	**(1,340)**	**101**	**(49)**	**(19,757)**

9.24. This is front loaded, with £15.4m due to be delivered in 2023/24. Although this is a significant target, these proposals have been reviewed and challenged at various forums since the start of the financial planning process and have been signed off by both Directors and the relevant lead member.

9.25. This should also be considered in the light of a very detailed review of the existing savings programme which has led to the £8.9m being written out of budget assumptions for 2023/24. In Adults, Heath and Communities, the majority of the final year of a challenging savings programme has been removed but has been replaced by a similar level of new proposals; the cross-council Digital Together saving has not been written off, just re-profiled across the next three years.

9.26. The Council Leadership Team (CLT) has considered and signed off a new Change Framework which will be in place for the new financial year. This will provide greater oversight of progress on delivery of the high value, high risk proposals and allow for directed intervention at an early stage. This is one of the strategies in place to de-risk the proposed 2023/24 Budget. Alongside this, the budget process will continue to be supported by a regular cycle of budget management and reviews. The Council's Risk Management process also underpins all these activities.

9.27. The improved funding position for 2023/24 from the Local Government Finance Settlement coupled with a number of one-off budget adjustments has enabled the reliance on reserves to balance the Budget to be reduced from £5.5m to £3.5m. Equally the policy announcements from Government on the 2024/25 finance settlement allows for greater certainty over many of the funding forecasts for the second year of the MTFS. This is a positive step in terms of next year's financial planning process.

9.28. The Council also holds a corporate contingency which can also be called on to manage any slippage to the agreed budget reduction programme in any one year as well as addressing unforeseen circumstances which cannot realistically be built into budget plans. The contingency for 2023/24 and across the remainder of the MTFS is £7.4m.

9.29. The proposals in this Budget/ MTFS have been reviewed by Overview and Scrutiny, public consultation and assessed for any negative equalities' impacts. The implications of the proposed capital programme to the future revenue budgets of the authority were highlighted again during this process and have

also been highlighted as one of the authority's higher risks in the CIPFA resilience analysis.

9.30. It is acknowledged that one of the larger growth areas in the Councils budget is the capital financing costs associated with the impact of investment in the council's expansive capital programme. This has rightly been a focus throughout the budget setting and scrutiny process and the Cabinet budget reports have made clear the revenue implications associated with each project. The authority must continue to keep a close focus on its capital programme and the revenue implications of this in future years, more so this year due to the impact of increased borrowing rates on affordability.

9.31. In summary, the MTFS recognises the impact of the 2023/24 Local Government Finance Settlement on enabling a reduced reliance on reserves to set a balanced budget. The associated Policy statement has also provided more certainty around the funding envelope for the following year (2024/25) than has the case in recent years. This has both reduced the gap for that second year but has also brought down the forecast gap at the end of the MTFS period to £17.4m compared to the £21.5m assumed in last year's process.

9.32. However, the gap remains challenging, and the Council must take steps to quickly develop the financial planning framework for the 2024/25 process so that maximum time is available to prepare new and robust proposals.

9.33. Furthermore, it is critical that the whole organisation focuses on successfully delivering the agreed savings programme and in the agreed timeframe. The new Change Framework will be a key factor in this. To implement and deliver service change of the scale required will require recourse to one-off funding which confirms the need to maintain sufficient earmarked reserve funding specifically for this. The Transformation reserve and the use of capital receipts direction flexibility will be important in this respect.

9.34. This challenging financial horizon also supports the proposed maintenance of the £7.4m annual contingency across the MTFS period.

9.35. Overall, the Chief Financial Officer is satisfied that the estimates underpinning the Cabinet's proposals for the 2023/24 Budget are robust however, challenges remain across the whole MTFS period.

2022/23 Budgetary Position

9.36. The Qtr2 forecast was a £16.1m variance from the agreed budget consisting of £8.1m base budget pressures and £8.0m non-delivery of agreed savings. Indicative figures for Qtr3 show a reduction to the forecast base budget pressure which is positive.

9.37. Challenges in delivering the agreed MTFS savings is being felt across most Directorates and arise mainly due to capacity in the service, reassessment of the original proposals or wider environmental changes. Where it is not possible

to achieve plans in this year, savings have been re-profiled into future years; where genuinely not deliverable because the original assumptions are no longer viable or are unable to deliver to the value originally intended, this has been recognised and they have been written out of the draft Budget.

9.38. The impact of persistent high levels of inflation is playing into the base budget pressures particularly within the care services. Furthermore, they continue to report both increased demand but also increased complexity and acuity which has a big impact on the cost of the care package. The financial planning undertaken has sought to collectively estimate realistic and affordable budgets in these key areas.

9.39. Outside the General Fund, the position on the Dedicated Schools Grant continues to be of concern to Haringey, with a projected overspend of £3.8m for 2022/23. Provisions have been put into the School and Early Years Finance (England) Regulations 2020 until 31st March 2026 which sets out on a statutory basis, a requirement that the DSG deficit must be carried forward to be dealt with from future DSG income, unless the Secretary of State authorises the local authority not to do this. The Council must therefore carry forward its overall DSG deficit in an account established, charged, and used solely for the purpose of recognising deficits in respect of its school's budget. The DSG Deficit Reserve which is used to hold the DSG deficits totalled £20.5m as at 31st March 2022. The final 2022/23 year end overspend will need to be added to this balance. The DSG deficit is solely due to pressures on the High Needs Block (HNB) of the DSG. Haringey has been invited to join the DfE Safety Valve programme, which requires substantial plans for reform to the high needs budget with an expectation to deliver an in-year balanced budget within 5 years. Once plans demonstrate sustainability, the DfE will enter into an agreement to provide financial support with funds to address the cumulative deficit, subject to Ministerial approval. Haringey's Final Safety Valve proposals were submitted to the DfE on 6th October 2022 and subject to DfE approval Haringey would then enter the Safety Valve Programme. This will support the whole system approach needed to address the pressure on the HNB Budget.

Adequacy of Reserves

9.40. Section 25 of the Local Government Act 2003 also requires the Chief Finance Officer to report on the adequacy of the proposed level of financial reserves. The Council's Reserves Policy is set out at Annex 3a, which the Council should formally review each year.

9.41. The level of reserves is subject to the approval of the Council and will be set at the level commensurate with their identified need.

9.42. The Council holds a number of reserves which are detailed in Annex 3b and can be categorised as follows:

- **Non-earmarked (general) Reserves** - These are held to cover the net impact of risks, opportunities and unforeseen emergencies;
- **Earmarked (specific) Reserves** - These are held to cover specific known or predicted financial liabilities;

- **Other Reserves** - These relate to ring-fenced accounts which cannot be used for General Fund purposes e.g. the Housing Revenue Account and schools' accumulated balances.

9.43. All reserves have been reviewed and their level judged to be adequate and the continued need for them appropriate.

9.44. Annex 3b also shows the projected movement on the reserves over the current (2022/23) financial year, based on the position at Period 10.

9.45. It is projected that the Council will have un-earmarked General Fund balance of £15.4m on 31st March 2023 (subject to any amendments to the 2020/21 and 2021/22 Audits). The final position will be dependent however on the Council's 2022/23 financial outturn.

9.46. It is imperative that the un-earmarked general reserves and contingencies are adequate to meet the net financial impact of the risks facing the Council. These risks have been assessed and based on knowledge at the current time, have been calculated at £20.0m as set out in Annex 3c. This risk can be covered by the existing Resilience reserve and the General Fund reserve. Accordingly, the proposed levels of general reserves set out above, together with the contingency provision in the Council's base budget are judged to be adequate within the meaning of the 2003 Act.

9.47. No change to the Council's Reserves Policy is recommended.

Treasury Management

9.48. The Treasury Management Strategy Statement (TMSS) for 2022/23 in Annex 4 sets out the proposed strategy with regard to borrowing and investment of cash balances and the associated monitoring arrangements. It was considered by Corporate Committee on 2nd February 2023 and recommended it for approval by Full Council; the report from that Committee is included elsewhere on this agenda.

9.49. The Council's Overview and Scrutiny Committee also considered the TMSS on 19th January 2023 as part of the budget scrutiny process and in accordance with the CIPFA Treasury Management Code of Practice.

9.50. The proposed prudential indicators are based on the proposed Capital Programme as reported to Cabinet on 7th February 2023. It should be noted that the 5 relevant tables have been updated post the Cabinet meeting to ensure they align to the calculations included in the final TMSS now presented. The revenue implications of the final TMSS have already been incorporated into the Budget and MTFS and therefore there are no changes to the revenue figures reported to Cabinet on 7th February. The updated tables are shown in Annex 6.

9.51. Any future decision by the Council to undertake further debt financed capital expenditure, including, in particular, any changes associated with the Capital Strategy will require a review of the prudential indicators and further approval by full Council.

10. Summary and Conclusions

10.1. This report finalises the Budget process for 2023/24 and proposes that Council Tax is increased by 2.99% with an additional 2% increase in relation to Adult Social Care precept.

10.2. The level of financial reserves is also reported, and those levels are considered to be adequate.

10.3. The Council is required to determine whether its increase in Council Tax for 2023/24 is 'excessive' and, if so, would trigger a referendum. The proposal in this report is not an "excessive" increase.

10.4. The recommendations of the Cabinet are reflected in the formal Council tax Resolution in Annex 5.

10.5. The Medium Term Financial Strategy 2023/2028 recognises the risks arising predominantly from funding constraints and increases in demands for council services, but it remains essential that the Cabinet and Council keep the key assumptions under close review, identify and deliver the requisite level of budget reductions, maintain financial discipline and control, focus on their highest priorities and strive to improve further the value for money the Council secures from its resources.

11. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

11.1. As the report is primarily financial in its nature, comments of the Chief Finance Officer are contained throughout the report.

Head of Legal & Governance Comments and legal implications

11.2. The Head of Legal & Governance has been consulted in the preparation of this report and makes the following comments.

11.3. In accordance with section 67 of the Local Government Finance Act 1992 (the '1992 Act'), the functions of agreeing the budget and the calculation of Council tax are to be discharged by the Full Council.

11.4. The Local Authorities (Standing Orders) (England) (Regulations) 2001 set out the process of approving the budget and provide that the adoption of the budget and calculation of the Council tax by Full Council is to be on the recommendation of the Cabinet. The council tax and savings proposals remain unchanged since their consideration by the Cabinet on 7th February 2023. In reaching a decision Full Council may adopt the Cabinet's proposals, amend them, refer them back to Cabinet for further consideration, or substitute its own proposals in their place.

11.5. Under section 25 Local Government Act 2003, in considering decisions on the budget, and the level of Council tax, Full Council must take into account this report from the Council's Chief Finance Officer, as the Section 151 Officer, who has a statutory duty to report on the robustness of the estimates and the adequacy of the proposals for reserves.

11.6. Full Council may take decisions which are at variance with this advice provided there are reasonable grounds so to do. However, Members must take into

consideration their exposure to personal risk if they disregard clearly expressed advice.

11.7. Full Council has a legal duty to set a lawfully balanced budget and adoption of the recommendations in this report would fulfil the statutory obligations in this regard.

11.8. In accordance with section 31A of the 1992 Act, Full Council is required to calculate the Council tax chargeable by way of a Council tax requirement. The Council must calculate its expected outgoings and income for the year. Where the expected outgoings exceed the expected income, the difference is the Council's Council tax requirement for the year. The relevant basic amount of Council tax for the year is calculated by dividing the Council tax requirement after the deduction of levies by the Council tax base.

11.9. Under section 52ZB of the 1992 Act the Council is required to determine whether its proposed relevant basic amount of Council tax is excessive on the basis of criteria set by the Secretary of State. It has been confirmed by the Referendums Relating to Council tax Increases (Principles) (England) Report 2023/24 that for 2023/24 an increase is excessive if the authority's relevant basic amount of Council tax for 2023/24 is 5% (comprising 2% for expenditure on adult social care and 3% for other expenditure), or more than 5%, greater than its relevant basic amount of Council tax for 2022/23. In such circumstances such an increase would be regarded as excessive and automatically trigger a referendum in the borough. The 'relevant basic amount' of Council tax was redefined by section 41 of the Local Audit and Accountability Act 2014, and accordingly section 52ZX of the 1992 Act has been updated. Essentially an authority's relevant basic amount of Council tax is the authority's own level of Band D Council tax. With the current proposals of 4.99% increase the Council is entitled to conclude in accordance with the Direction issued by the Secretary of State, that the relevant basic amount of Council tax is not excessive.

11.10. In accordance with section 30 of the 1992 Act, the Council is required to set the Council tax for the next financial year on or before 11 March. Under section 106 of the 1992 Act, any Member who is in arrears of two months or more Council tax must declare it at the meeting and abstain from voting upon this report.

Equalities and Community Cohesion Comments

11.11. Equality comments are included in the report to Cabinet dated 7th February 2023, attached as Annex 1.

12. Use of Appendices

Annex 1 – Cabinet report of 7th February 2023 including Appendices 1 - 11.

Annex 2 – Cash Limits analysed at Directorate Level

Annex 3 – Reserves

3a: Reserves Policy

3b: Reserves and their adequacy

3c: Risk evaluation

3d: Financial Resilience Indicators

Annex 4 – The Treasury Management Strategy Statement

Annex 5 – The Formal Budget Resolution

Annex 6 – Updated Borrowing Tables

13. Local Government (Access to Information) Act 1985

13.1. The following background papers were used in the preparation of this Report.

- Final Local Government Finance Settlement 2023/24.
- NLWA Budget Proposals report agreed 9th February 2023.
- GLA Budget proposals report agreed 23rd February meeting 2023.

For access to the background papers or any further information please contact Frances Palopoli – Head of Corporate Financial Strategy & Monitoring ext. 3896

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Report for: Cabinet – 7 February 2023

Item number: To be added by the Committee Section

Title: **2023-24 Budget and 2023-2028 Medium Term Financial Strategy**

Report authorised by: Jon Warlow, Director of Finance

Lead Officer: Frances Palopoli, Head of Corporate Financial Strategy & Monitoring

Ward(s) affected: All

Report for Key/ Non Key Decision: Key

1. Describe the issue under consideration.

1.1. This report sets out details of the final proposed General Fund (GF) Budget for 2023/24; the Medium Term Financial Strategy (MTFS) 2023/28; the draft HRA Budget 2023/24 and it's draft Business Plan including estimated income (funding) and expenditure adjustments, as well as the final proposed capital programmes for both funds.

1.2. The Provisional Local Government Finance Settlement (PLGFS) was announced on 19th December and proposed a 9.8% increase in Core Spending Power (CSP) in 2023/24 for Haringey (9.2% Nationally). CSP measures the core revenue funding available for local authority services and includes Council Tax, locally retained business rates, Revenue Support Grant and other core grants such as New Homes Bonus and Social Care Grants.

1.3. The CSP figures assume that local authorities apply the full Council Tax and Adult Social Care (ASC) precept increases which the PLGFS confirmed as 2.99% for Council Tax and 2% for ASC (2% more in total than our December Draft Budget assumed). This 2023/24 Budget now recommends that both these increases are adopted by Haringey, recognising that much of the increase in CSP is based on the assumption that authorities increase Council Tax to the maximum permitted.

1.4. Overall, the corporate funding announced in the PLGFS was in line with the assumptions included in the December report. However, social care related grants saw a net improvement of c.£9.8m the majority of which comes from a net £6.5m increase in the Social Care grant which has been allocated across the Adults and Children's services. Two further social care grants, Discharge Funding and Adult Social Care Market Sustainability and Improvement Funding totalling £4.1m were announced and they too have been added to the Adults directorate budget.

1.5. This year's provisional settlement follows the details provided at Autumn Statement 2022 and the Policy Statement on 12 December. The PLGFS only provided funding allocations for 2023/24 but the Policy Statement set out details about the majority of funding streams for 2024-25 albeit at a national level. This information has been used to model 2024/25 funding assumptions for Haringey. Beyond that year, most grant funding is assumed as cash flat.

1.6. Since the last report, modelling has confirmed that continuing to participate in the 8 Authority business rate pool for 2023/24 is beneficial and as such £2m additional income has been assumed. Although the final North London Waste Authority (NLWA) levy for next year has not yet been received, there has been sufficient comfort provided around the estimated reduction arising from increased electricity income and reduced tonnages to build £3m reduced expenditure into the Budget. Both of these items are assumed as one-off for 2023/24 only.

1.7. Additionally, further due diligence has been undertaken against key corporate budgets such as pay, general inflation, treasury, borrowing and the main contingency budget. Although this is normal practice, given the current economic volatility this has assumed greater importance. The service-related savings and growth included in the December report have also been subject to limited updates. It should be noted that all of the previously described growth in the service areas continues to form part of this budget strategy.

1.8. The additional Social Care grant has been passported to the Adults and Children's directorates and, where this has been higher than the growth assumed in December, has allowed us to increase total gross expenditure budgets which is welcomed given the degree of challenge that they are under. The outcome of this work plus the addition of two new Adults related specific grants means that in total £10.1m growth is now proposed for Adults and £6.3m for Children's.

1.9. The Budget and MTFS have been revised to include the impact of the funding and expenditure changes outlined above and take due regard to the consultation feedback, recommendations from the Council's Overview and Scrutiny Committee and Equalities impact.

1.10. The December draft Budget had a gap of £3.1m. All of the budget changes made in total since December have improved the overall budget position by £5.5m which has delivered a balanced Budget position and enabled the planned draw down from the Strategic Budget Planning reserve to be reduced to £3.5m (£5.5m in December).

1.11. In accordance with the Local Government Finance Act (LGFA) 1992, Full Council must approve the Budget for the forthcoming year and agree council tax for that year by the statutory deadline of 11th March. This report forms a key part of this budget setting process by setting out the planned funding and expenditure for that year. Cabinet's role in this is to recommend the Budget and key policy proposals to Full Council for agreement and this report

satisfies this duty. Full Council will consider the Budget package contained in this report at their meeting on 2nd March 2023.

1.12. Additionally, in order to ensure the Council's finances over the medium term are built on a sound basis, the Council always maintains a five-year future forecast of its finances via its MTFS. The 2023/24 Budget relies on a substantial level of one-off adjustments as well as £3.5m from reserves, less than the £5.5m previously anticipated. However, despite the real increase in the Social Care grant funding and increases in Council Tax, only limited progress can be made in addressing the structural budget gap which is forecast to reach £17.4m in 2027/28. The gap for 2024/25 alone is £6.3m which will be a stretch for the authority given the expected demand levels.

1.13. The Council must therefore continue to focus on delivering its agreed programme of savings which is vital in ensuring the ongoing financial sustainability of the authority in the longer term.

Capital

1.14. Our capital programme provides important opportunities to address our communities' needs, however the Council's finances are tightly constrained, and so affordability is a key consideration. Increased costs are making it increasingly difficult to achieve self-financing business cases for those schemes where this is expected.

1.15. The capital programme reflects the need for investment by the Council in its assets so that they are fit for purpose and contribute to the Council's plans. It reflects the things that we have to do, such as capital maintenance of the public realm, schools and parks.

HRA

1.16. The Autumn Statement implemented a temporary amendment to the policy on increases for social housing rents. For 2023/24 only, this has placed a 7% ceiling on rent increases, without which the maximum rent increase allowed would have been in excess of 11%. This report recommends that rents are increased by 7%.

1.17. The HRA has been updated since the draft of December including the assumed future interest rate being changed from 5% to 4.5%, resulting in the HRA Budget/MTFS now being viable across the MTFS period.

Dedicated Schools Budget

1.18. Since the proposed Budget shared in December, £2.3bn was announced nationally for schools. Haringey has £2.3m additional funding included in the High Needs Block DSG grant which has been reflected in the DSG allocations in this report. A further indicative £7.1m Maintained Schools Additional Grant (MSAG) will be payable to schools.

1.19. In summary, this report finalises the Council's General Fund and HRA 2023/24 Budgets and Medium-Term Strategies for 2023/2028.

1.20. The only items not confirmed at this stage are:
- Notification of final levy sums however, we are not forecasting any levies to be significantly different to the sums currently budgeted for;
- Confirmation of the GLA council tax element;
- Final 2020/21 Local Government Finance Settlement announcement and any other late notifications from government departments – again there are no indications that this will bring forward any / material changes to the provisional figures already received.

1.21. As stated, these final notifications are not expected to lead to any significant budget implications, but an update will be included in the Full Council report on 2nd March; this will also include details of any final budget adjustments required.

2. Cabinet Member Introduction

2.1. I am pleased to introduce the final proposed 2023/24 Budget and 2023/28 MTFS to you. This Budget now incorporates the impact of funding from the long-awaited finance settlement along with a number of other important changes, not least our continued participation in the 8 Authority London business rates pool with an estimated benefit of £2m, and a forecast reduction in NLWA levy of £3m.

2.2. I confirm that we are proposing to increase the Haringey element of Council Tax to the 2.99% threshold announced in the settlement along with the full 2% ASC precept. We know that this is a really tough time for our residents with the cost-of-living crisis however, although the Government made big play of the amount of funding they were providing to the sector, the reality is that the majority of real growth is ringfenced to social care which is already under immense pressure. If we do not increase council tax to the permitted level, we will face even harder budget choices and store up financial pressures on future budgets. We have provided additional measures for protecting as much as possible our vulnerable and less well-off residents.

2.3. We are continuing our local Council Tax support scheme at the current rates, targeting support to those most in need. The Government has recently announced a £0.7m allocation of Council Tax Support grant which will be used to provide further financial reductions to those least able to manage the proposed increases. On the wider welfare front, Government is continuing the Household Support fund for a further year which we intend to use to provide support to households, particularly those including children and pensioners, who would otherwise struggle to buy food or pay essential utility bills or meet other essential living costs; this includes the continuation of the expanded Free School Meals programme at the same level as the current year.

2.4. Despite all the financial challenges that the Council is facing, this Budget for 2023/24:

- Ensures we can continue to meet the significant need of our most vulnerable residents – through £16.4m investment in Children's and Adult's services.)
- Drives value for money through a significant efficiency agenda – with every area of the council contributing (c£16.3m new savings and additional income)
- Provides financial advice and support to residents who need it including through Council Tax Reduction, our Financial Support Team, and the Haringey Support Fund.
- Maintains critical support for our children and young people with little direct funding by Central Government – including Free School Meals for 650 children who are just above the entitlement threshold and putting the funding for the Rising Green Youth Hub on a long-term footing.

2.5. Our capital programme also provides important opportunities to address our communities' needs, however the Council's finances are tightly constrained, so affordability is a key consideration in this year even more than previously. However, the capital programme continues to invest for the long term and we are proposing to put investment in:

- doubling the planned investment in the Active Life in parks programme and the Parks Asset Management for 2023/24
- public realm including cycling and walking infrastructure, roads, pavements and streetlights.
- parks and green spaces
- school buildings, including creating new in borough places for children with special education needs and disabilities to provide high quality places.
- additional properties to be used for high quality, temporary accommodation.
- significant on-going investment in Council homes and delivery of the new Council homes agenda
- Building our own care facilities for Adults and Children's services.

2.6. I am pleased to present a balanced Budget in a challenging year. As a Council that treats its financial responsibilities very seriously, I am also pleased that we are able to improve our reserve position given that we recognise that we have some very difficult decisions still ahead of us before we can become financially sustainable in the longer term.

3. Recommendations

Cabinet is asked to:

3.1. Consider the outcome of the budget consultation as set out in Appendix 8, to be included in the report to Council. Having taken this into account this report does / does not propose any amendment to the Budget for 2023/24 nor to the MTFS 2023/28.

3.2. Approve the responses made to the Overview and Scrutiny Committee recommendations following their consideration of the draft budget proposals as set out in Appendix 9.

3.3. Propose approval to the Council of the 2023/24 Budget and MTFS 2023/28 Budget new growth and savings proposals as set out in appendices 2 and 3.

3.4. Propose approval to the Council of the 2023/24 General Fund Revenue Budget as set out in Appendix 1, including specifically a General Fund budget requirement of £279.517m, but subject to final decisions of the levying and precepting bodies and the final local government finance Settlement.

3.5. Propose approval to the Council of the General Fund Medium Term Financial Strategy (MTFS) 2023/2028 as set out in Appendix 1.

3.6. Propose approval to the Council that the overall Haringey element of Council Tax to be set by London Borough of Haringey for 2023/24 will be £1,558.0 per Band D property, which represents a 2.99% increase on the 2022/23 Haringey element and with an additional 2% for the Adult Social Care Precept amount.

3.7. Note the Council Tax Base of the London Borough of Haringey, as agreed by the Section 151 Officer under delegated authority (Article 4.01(b), Part 2, of the Constitution), as 79,718 for the financial year 2023/24 (Appendix 11).

3.8. Propose approval to the Council of the 2023/24 Housing Revenue Account budget as set out in Table 9.3.

3.9. Propose approval to the Council of the Housing Revenue Account Medium Term Financial Strategy (MTFS) 2023/2028 as set out in Table 9.3.

3.10. Approve the changes to the rent levels for residents in temporary accommodation, Council tenants in General Needs and Sheltered/Supported homes reflecting the temporary amendment to the government's policy on maximum annual increases for social housing rents which set a 7% ceiling on rent increases for 2023/24 only. This will increase the average weekly rents as set out in Tables 9.1.

3.11. Agree the changes to service charges to tenants as set out in Table 9.2.

3.12. Propose approval to the Council of the 2023/24 – 2027/28 General Fund capital programme detailed in Appendix 4.

3.13. Propose approval to the Council of the 2023/24 – 2027/28 Housing Revenue Account (HRA) capital programme detailed in Table 9.4.

3.14. Propose approval to the Council of the Capital Strategy detailed in Section 8 of this report.

3.15. Propose approval to Council of the strategy on the use of flexible capital receipts to facilitate the delivery of efficiency savings including capitalisation of redundancy costs (Appendix 6).

3.16. Propose to the Council the Dedicated Schools Budget (DSB) allocations for 2023/24 of £298.163m as set out in Appendix 7.

3.17. Note the funding to be distributed to primary and secondary schools for 2023/24 based on the figures advised to Schools Forum and submitted to the Education Funding Agency in January 2022 set out in Section 10.

3.18. Note the budgets (including the use of brought forward DSG) for the Schools Block, Central Services Block, High Needs Block and Early Years Block as per Appendix 7.

3.19. Delegate to the Director of Children Services, in consultation with the Cabinet Member for Children, Education and Families, the power to amend the Delegated Schools Budget to take account of any changes to Haringey's total schools funding allocation by the Education and Skills Funding Agency.

3.20. Delegate to the Section 151 officer, in consultation with the Cabinet Member for Finance, the power to make further changes to the 2023/24 budget proposals to Full Council up to a maximum limit of £1.0m.

4. Reasons for decision

4.1. The Council has a statutory requirement to set a balanced budget for 2023/24 and this report forms a key part of the budget setting process by setting out the forecast funding and expenditure for that year. Additionally, in order to ensure the Council's finances for the medium term are maintained on a sound basis, this report also sets out the funding and expenditure assumptions for the following four years in the form of a Medium Term Financial Strategy. If agreed by Cabinet, it will then be presented to Full Council on 2 March 2023 for review and ultimate adoption.

5. Alternative options considered.

5.1. The Cabinet must consider how to deliver a balanced 2023/24 Budget and sustainable MTFS over the five-year period 2023-28, to be reviewed and ultimately adopted at the meeting of Full Council on 02 March 2023.

5.2. The Council has developed the proposals contained in this report in light of its forecasts for future income levels and service demand. These take account of the Council's priorities, the extent of the estimated funding shortfall, the

estimated impact of wider environmental factors such as inflation and legacy Covid-19 pandemic, and the Council's overall financial position. It is this appraisal that has led to these options being presented in this report.

5.3. These final proposals now presented take into consideration the funding allocations announced in the Provisional Local Government Finance Settlement, the responses to the budget consultation and the Overview & Scrutiny process.

5.4. The Housing Revenue Account section of the report includes a consideration of the challenges presented by adverse economic changes on the HRA, including the increased cost of borrowing and inflation, meaning that the Council has had to consider how best to be able to maintain financial sustainability and continue a strong new build programme. A number of options have been modelled, including for some new homes, changing from formula rent to Shared Ownership or London Living Rent or London Affordable Rent. The option which best ensures the long-term sustainability of the HRA is to use London Affordable Rent for some homes.

6. Funding Assumptions

6.1. The Council has access to five main sources of funding:

- Business Rates
- Council Tax
- Grants
- Fees & Charges
- Reserves

Business Rates and Grants are largely driven by the outcome of Spending Reviews (SR) and the Local Government Finance settlement.

6.2. The following paragraph provides an update on recent Government announcements on grant and other support to Local government along with wider economic factors impacting on budgetary assumptions. This is then followed by a section on each of the main sources of funding which set out the assumptions made in this final 2023/24 Budget and MTFS 2023/28.

Provisional Local Government Finance Settlement (PLGFS), Autumn Budget Statement and other Government Announcements

6.3. The PLGFS was only announced on 19 December 2022, after the publication of the draft Budget/MTFS report. This provided detailed draft allocations of funding many of which had been provided at a National funding level in the Autumn Budget Statement.

6.4. The main messages from the PLGFS are:

- 9.2% increase in Core Spending Power (CSP) Nationally.
- 9.8% increase in CSP for Haringey

Core Spending Power (CSP) measures the core revenue funding available for local authority services, including Council Tax, locally retained business rates, Revenue Support Grant and other core grants such as New Homes Bonus and Social Care Grants.

These % increases assume that Local Authorities apply the full Council Tax and Adult Social Care (ASC) precept increases which are now confirmed as 2.99% for Council Tax and 2% for ASC (2% more than our December Draft Budget assumed).

- Settlement Funding Assessment (SFA) (Revenue Support Grant plus Business Rates baseline funding) will increase by 5% to £15.7bn (£2.9bn London boroughs).
- Compensation for under-indexation of the business rates multiplier will total £2.2bn in 2023-24, an increase of £930m.
- The Social Care Grant will increase by £1.5bn in 2023-24 to £3.9bn (£612m in London).
- ASC Market Sustainability and Improvement will be supported by a £562m ringfenced grant with £400m added to the existing £162m Market Sustainability and Fair Cost of Care Fund.
- The IBCF continues alongside an additional ASC Discharge Grant worth £300m nationally.
- Services Grant will reduce by 44% in 2023-24 to £464m (England) and £86m in London.
- The Lower Tier Services Grant will be discontinued.
- There will be a new one-off CSP funding guarantee to ensure all authorities receive a minimum 3% increase (no London boroughs will receive this).
- The New Homes Bonus will continue in 2023-24 as an annual grant. Legacy payments will end, and the future of the grant will be confirmed before the 2024-25 LGF Settlement.
- Four existing grants (worth £239m) will be rolled into SFA and the Social Care Grant.
- Tariffs/top-ups will be adjusted to ensure the 2023 Revaluation, as far as practicable, will not impact on boroughs' retained business rates.
- Neither fundamental reform to needs assessments nor the business rates reset will be implemented before 2025-26.

6.5. The main implications of the PLGFS for **Haringey** are:

- Overall, the RSG, Business Rates and non-Social care grants are largely in line with the December Draft Budget report.
- The main genuine funding growth is estimated as c.£6.5m in the Social Care Grant (can be applied against Adults and Children)
- Two further social care grants however current assumption is that these come with specific responsibilities.
- So, overall while the increase in CSP seems positive it isn't a game changer. Particularly in the light of the expenditure pressures currently forecast in 2022/23 against Adults and Children and expectation nationally that local authorities help alleviate pressure on the NHS.

6.6. The Government issued a Policy Statement on 12 December which set out some planning assumptions for the **2024/25** local government finance settlement including details over the majority of funding streams for 2024/25. The key points of note are:

- The Review of Relative Needs and Resources ('Fair Funding Review') and a reset of Business Rates growth will not be implemented in the next two years.
- The council tax referendum principles will continue the same as 2023/24.
- Revenue support grant will continue and be uplifted in line with baseline funding levels (assumed now to be now based on September 2023 CPI), while social care grants will increase as set out in the table above.
- Business rates pooling will continue.
- The Government will set out the future position of New Homes Bonus ahead of the 2024/25 local government finance settlement.
- The 2024/25 settlement will include a new funding stream, subject to successful delivery of the Extended Producer Responsibility for packaging (pEPR) scheme as soon as is feasible within this financial year. Local authorities can expect to receive additional income from the scheme whilst being asked to submit data relevant to their waste collection services.

6.7. Based on the publication of this Policy Statement, and confirmation of funding totals at a national level for most grants, the 2024/25 budget has been updated to reflect our funding levels, assuming the same distribution methodology as used for 2023/24. Clearly these will need to be revisited again as part of next year's financial planning process.

Business Rates and Revenue Support Grant

6.8. When the new localised business rates system was introduced in 2013, it set a 'baseline' for each local authority against which growth could be measured. It was recognised that the baseline would need to be re-visited after a number of years to ensure that the incentive to grow businesses in local areas was maintained.

6.9. The intention was for business rates baselines to be reset from April 2020 however, both SR19 and SR20 confirmed annual delays. SR21 was silent on the reset, and it wasn't implemented for 2022/23. Government confirmed that a revaluation would take place effective from 1 April 2023 but again was silent on the reset. Therefore, the Budget now assumes a reset in 2024 rather than 2023. As Haringey is a top up authority, even if this assumption proves incorrect, it is expected that a similar level of funding will accrue from a redistribution of business rates income in the form of additional/alternative grant.

6.10. Revenue Support Grant (RSG) and the amount provided to local government is just one part of the overall amount of funding determined during a Spending Review. However, for local authorities, since the introduction of the Business Rate Retention Scheme, Revenue Support Grant is the primary source of funding from central government and is calculated via the Settlement Funding Assessment (SFA) which consists of the local share of business rates, and Revenue Support Grant. The SFA is uprated year on year in line with the change in the small business multiplier, normally based on September CPI (previously RPI).

6.11. Both the 2023 business rates revaluation and the transfer of some business types from the local lists to the central lists are assumed to have a neutral impact on the budget as Government adjust for any implications via the top up/tariff system.

6.12. The Council participated in the London Pool for three years (2018/19 – 2020/21). London chose not to continue the Pool in 2021/22 due to the significant impact that the Covid 19 pandemic had had on the business community and therefore forecast revenues. Pooling was revisited for 2022/23 and, while a London-wide pool was not deemed viable, a smaller pool consisting of Haringey and 7 other London boroughs was put into place for this year.

6.13. As confirmed in the draft Budget report, modelling undertaken during September showed that the continuation of this 8 Borough pool was expected to have a similar financial benefit in 2023/24 to the current year. Further due diligence was undertaken during December and early January which confirmed the earlier assessment. Therefore, the Director of Finance in consultation with the Lead Member for Finance confirmed Haringey's participation for 2023/24 and a one-off £2m additional pooling benefit has been built into the budget for 2023/24. Given the uncertainty over the financial benefit for the following year, nothing has yet been built into the Budget/MTFS model.

6.14. The Budget figures for business rates income including RSG have been updated based on the data provided in the PLGFS and our NNDR1 form, which sets out the authority's estimated billing, reliefs and S31 grants for the forthcoming year. The figures for the following two years of the MTFS have been updated based on estimated inflationary figures; beyond that the income has remained flat. This will be revisited in next year's planning process.

6.15. In terms of net growth in the business rates taxbase / hereditaments, the planning assumption across the MTFS period is that there will be no net growth. This is in line with the previous assumptions.

6.16. The forecast income from business rates related income, including revenue support grant, is shown in table 6.1 below.

Table 6.1

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Revenue Support Grant	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
RSG	(22,797)	(25,635)	(27,045)	(27,045)	(27,045)	(27,045)
NNDR Top Up Grant	(60,770)	(59,451)	(62,668)	(88,712)	(88,712)	(88,712)
NNDR Income & Fees	(21,218)	(19,800)	(20,800)	(20,800)	(20,800)	(20,800)
Section 31 Grants	(6,737)	(21,546)	(22,609)	(0)	(0)	(0)
Bus Rates Pool Benefit	(2,000)	(2,000)	-	-	-	-
NNDR (Surplus)/Deficit	225	1,271	-	-	-	-
Total	**(113,298)**	**(127,162)**	**(133,122)**	**(136,558)**	**(136,558)**	**(136,558)**

6.17. There continues to be uncertainty around the business rates regime beyond 2023/24. A reset of the baseline is still assumed to take place although no actual date has been set; wider reforms to the existing system have been expected for some years but again, no date or definite decisions have been announced. Given that there will be a general election during the next 24 months any decisions on the wider reforms are unlikely to be progressed before that.

Council Tax

6.18. The financial modelling in this Budget has been updated and the following assumptions made about Council Tax:

- A 2.99% increase in Council Tax in 2023/24 and 2024/25, the threshold announced in the PLGFS after which it returns to 1.99% for each subsequent year.
- A 2% Adult Social Care (ASC) Precept for 2023/24 and 2024/25, the allowable charge as announced in the PLGFS after which it is assumed to cease.
- The tax base is set at 79,718 for 2023/24 a growth of 0.3% which is lower than the figure assumed in the draft Budget report. It is assumed that the increase returns to 1% p.a. across the rest of the MTFS planning period.
- The collection rate is assumed to continue a post pandemic improvement and is forecast at 96.0% in 2023/24 before increasing to 97.00% in the subsequent years. These assumptions will be kept under review along with any potential impact arising from the cost-of-living crisis. In future years, the Council must aspire to increase collection rates.
- The Council Tax Collection Fund account surplus was refined and reduced as part of last year's financial planning process to reflect the forecast impact of the C19 pandemic on revenues. This has now been further amended to remove any budgeted surplus.

6.19. The resulting projections for Council Tax income and Band D rates are set out in Table 6.2 below. These figures are subject to formal Council ratification of Council Tax Rates in March 2023.

Table 6.2

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	£'000	£'000	£'000	£'000	£'000	£'000
Taxbase before collection rate	80,151	82,823	83,038	83,868	84,707	85,554
Taxbase change	3.50%	0.26%	1.00%	1.00%	1.00%	1.00%
Taxbase for year	82,823	83,038	83,868	84,707	85,554	86,410
Collection Rate	95.75%	96.00%	97.00%	97.00%	97.00%	97.00%
Taxbase after collection rate	**79,303**	**79,716**	**81,352**	**82,166**	**82,987**	**83,818**
Council Tax increase	1.99%	2.99%	2.99%	1.99%	1.99%	1.99%
Social Care precept	1.00%	2.00%	2.00%	0.00%	0.00%	0.00%
Band D rate	1,484	1,558	1,636	1,668	1,702	1,736
Council Tax Before Surplus	**117,696**	**124,212**	**133,085**	**137,091**	**141,215**	**145,466**
Previous Year (Estimated) Surplus	**1,950**					
Council Tax Yield	**119,646**	**124,212**	**133,085**	**137,091**	**141,215**	**145,466**

Grants

6.20. The Council receives several grants in addition to its main funding allocation. The Council is mostly allowed to use these grants to fund any council services, but some are ring-fenced, which means they can only be spent on specific services.

Social Care Grants

6.21. The PLGFS announced increases to the Social Care grant, albeit with the £0.7m Independent Living Fund rolled in, as well as a couple of new grants. This grant can be applied against both Adults and Children's activities. The Discharge Funding grant has been provided to upper tier authorities to ensure those people who need to draw on social care when they are discharged from hospital can leave as soon as possible. The Discharge Funding must be pooled as part of the Better Care Fund. The Adult Social Care Market Sustainability and Improvement Funding is a new grant. It is intended for local authorities to make tangible improvements to adult social care, and to address discharge delays; social care waiting times; low fee rates; workforce pressures; and to promote technological innovation in the sector. The 2022/23 Market Sustainability and Fair Cost of Care Fund grant has been rolled into this new grant.

provided to upper tier authorities to ensure those people who need to draw on social care when they are discharged from hospital can leave as soon as possible. The Discharge Funding must be pooled as part of the Better Care Fund

6.22. Funding allocations for 2024/25 from these three grants have been estimated based on the Autumn and Policy statements provided by Government in late November/ mid-December. With no further information, these grants are assumed to be cash flat from 2025/26.

6.23. The Better Care Fund (BCF) and Improved and Additional Improved Better Care Fund (iBCF) is assumed to remain at the 2022/23 levels across the whole MTFS period.

6.24. Table 6.3 shows Social Care related grants and assumptions.

Table 6.3

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Revenue Support Grant	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Better Care Fund (BCF) - (CCG Contribution)	(6,047)	(6,388)	(6,388)	(6,388)	(6,388)	(6,388)
Improved & Add'l Imp Better Care Fund (iBCF)	(9,806)	(9,806)	(9,806)	(9,806)	(9,806)	(9,806)
Social Care Support Grant	(11,905)	(19,261)	(22,322)	(22,322)	(22,322)	(22,322)
Mkt Sustainability & Fair Cost of Care Fund	(775)	-	-	-	-	-
Adult Social Care Market Sustainability and Improvement Funding		(2,689)	(4,043)	(4,043)	(4,043)	(4,043)
Discharge Funding grant		(1,375)	(2,291)	(2,291)	(2,291)	(2,291)
Manual adj for rolling in of Independent Living Fund grant into overall CSP		681				
Total	**(28,533)**	**(38,837)**	**(44,849)**	**(44,849)**	**(44,849)**	**(44,849)**

6.25. It should also be noted that all these social care grants have been allocated directly against the relevant service budget heads rather than being kept corporately.

Housing Prevention Grant (HPG)

6.26. The Government has been consulting on the funding arrangements for the HPG for 2023/24 onwards with the stated aim of deriving a new funding formula based on current homelessness pressures, with the aim of ensuring that funding is distributed fairly to local authorities and is driven by a current picture of need.

6.27. On 23 December 2022, DLUHC responded to the previous consultation on changing the distribution of the Homelessness Prevention Grant (HPG) for 2023/24 and 2024/25. The Government has published final allocations of the grant for 2023/24 and 2024/25, making this a 2-year settlement but the Department committed to a further review of the distribution formula ahead of confirmation of allocations for 2025/26, so the distribution could be subject to change beyond the 2-year period.

6.28. As previously consulted, the Government will continue to notionally split the grant into several elements, each with its own separate distribution methodology. A transitional policy is then applied on the overall total allocations so that no council will see a cash reduction it its allocation compared to previous years.

6.29. The allocations for each of the years 2023/24 & 2024/25 is £8.394m, which includes £2.681m transitional funding. This is in line with the 2022/23 grant.

Core Grants

6.30. The updated assumptions about the level of Core grants anticipated to be received in 2023/24 and across the remainder of the MTFS are set out below:

- Revenue Support Grant (RSG) is a core grant but fundamentally linked to the Business Rates system and so discussed in the Section above. It has been increased by an inflationary 10.1% and also includes funding from the rolling in of some previously separate grants: Independent Living Fund, the Local Council Tax Support Admin Subsidy grant and Natasha's law grant.

- The Local Council Tax Support Administration Subsidy grant has been rolled into RSG so will no longer be received as a specific grant.
- The Housing Benefit Admin grant has yet to be announced but is assumed to be cash flat but continue across the MTFS.
- The Public Health (PH) grant is currently still assumed as cash flat across the MTFS however in recent years some uplift has been applied. Announcements of the final value have not yet been received and are normally received after the final budget reports. This grant is ringfenced to PH activity.
- New Homes Bonus – the PLGFS confirmed that 2023/24 would be the final year of this grant and therefore the MTFS writes this income out from 2024/25. It should be noted however, that Haringey's 2023/24 allocation is £0.826m higher than assumed in the draft budget.
- Lower Tier Services Grant - the PLGFS confirmed that this grant would not continue beyond 2022/23 and therefore has now been written out of the 2023/24 Budget and MTFS.
- The 2022/23 Service Grant has been renamed the Service Grant and reduced compared to prior year due to the cancellation of the increase in National Insurance Contributions and to move funding to the Supporting Families programme. No allocations have been provided beyond 2023/24 but the MTFS assumes it continues across the period but cash flat.

6.31. Table 6.4 shows the Core grant values across the MTFS period currently assumed.

Table 6.4

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Grant	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Council Tax Support Admin Grant	(457)	0	0	0	0	0
Housing Benefit Admin Grant	(1,351)	(1,351)	(1,351)	(1,351)	(1,351)	(1,351)
Public Health Grant	(20,353)	(21,502)	(21,502)	(21,502)	(21,502)	(21,502)
New Homes Bonus (NHB) / Replacement Funding	(1,208)	(2,105)	(0)	(0)	(0)	(0)
2022/23 Service Grant / Replacement Funding	(5,652)	(3,185)	(3,185)	(3,185)	(3,185)	(3,185)
Lower Tier Services Grant / NHB Replacement	(796)	-	-	-	-	-
Total	**(29,817)**	**(28,143)**	**(26,038)**	**(26,038)**	**(26,038)**	**(26,038)**
RSG	(22,797)	(25,635)	(27,045)	(27,045)	(27,045)	(27,045)
Total (inc. RSG)	**(52,614)**	**(53,778)**	**(53,083)**	**(53,083)**	**(53,083)**	**(53,083)**

6.32. Overall, for 2023/24 the announcements in the PLGFS for core grants, business rates income and council tax have seen c. £0.5m deterioration to the funding assumed in the draft Budget presented in December. There has been c. £6.5m improvement in the Social Care grant compared to the December assumption.

Fees and Charges

6.33. The Council's policy in relation to varying external income requires service managers to review the level of fees and charges annually as part of budget setting and that charges should generally increase by the rate of inflation to maximise allowable income.

6.34. The setting of fees and charges, along with raising essential financial resources, can contribute to meeting the Council's objectives. Through the

pricing mechanism and wider market forces, outcomes can be achieved, and services can be promoted through variable charging policies and proactive use of fees to promote or dissuade certain behaviours.

6.35. In the main, fees and charges are set at a level where the full cost of provision is recovered through the price structure. However, in many circumstances those charges are reduced through subsidy to meet broader Council priorities.

6.36. Each year the Council reviews the level of its fees and charges through consideration of a report by the Cabinet and its Licensing Committee where it is a requirement that they are considered and approved outside of the Executive.

6.37. The proposed 2023/24 fees and charges will be presented to Cabinet as part of the same agenda as this Budget report and the implications built into the budget assumptions.

Use of Reserves

6.38. The Council's (Non-Earmarked) General Fund Balance is held to cover the net impact of risks and opportunities and other unforeseen emergencies. The funds held in the General Fund Reserve can only be used once and therefore are not a recurring source of income that can meet permanent budget gaps.

6.39. In setting a balanced budget for 2022/23 the Council agreed to use £4.7m of the Strategic Budget Planning reserve which had been previously earmarked for this purpose, in anticipation of the timescales that would be associated with responding to future budget changes. Last year's MTFS assumed the balance of this reserve, a further £5.5m, would be utilised to balance the 2023/24 Budget, again in recognition of the need to part smooth the step-up in savings requirements. The 2023/24 Budget now presented assumes a £2m reduction to this with a lower draw down of £3.5m.

6.40. The March 2023 Full Council report will provide a more comprehensive review of the overall sufficiency of Council reserves as part of the S151 statement included in the Final Budget/MTFS report. However, it should be recognised here that the need to maintain sufficient levels of reserves to help the authority cope with unforeseen changes in circumstances must be more important now than ever before.

Summary of Funding Assumptions

6.41. A summary of the final assumed funding levels and sources for 2023/24 and across the remainder of the MTFS period is set out in Table 6.5 below.

Table 6.5

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
Funding Source	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Council Tax	(117,884)	(124,212)	(133,085)	(137,090)	(141,214)	(145,466)
Council Tax Surplus	(1,925)	-	-	-	-	-
RSG	(22,797)	(25,635)	(27,045)	(27,045)	(27,045)	(27,045)
Top up Business Rates	(60,770)	(59,451)	(62,668)	(88,712)	(88,712)	(88,712)
Retained Business Rates	(21,218)	(19,800)	(20,800)	(20,800)	(20,800)	(20,800)
Section 31 Grants	(6,737)	(21,546)	(22,609)	(0)	(0)	(0)
NNDR Surplus/(Deficit)	225	1,271	-	-	-	-
NNDR Pool	(2,000)	(2,000)	-	-	-	-
New Homes Bonus	(1,208)	(2,105)	(0)	(0)	(0)	(0)
Public Health	(20,353)	(21,502)	(21,502)	(21,502)	(21,502)	(21,502)
Other core grants	(8,256)	(4,536)	(4,536)	(4,536)	(4,536)	(4,536)
Total External Funding	**(262,924)**	**(279,517)**	**(292,245)**	**(299,686)**	**(303,810)**	**(308,062)**
Contributions from Reserves	(4,564)	(3,500)	-	-	-	-
Total Funding	**(267,487)**	**(283,017)**	**(292,245)**	**(299,686)**	**(303,810)**	**(308,062)**

7. General Fund Revenue Assumptions

22/23 Financial Performance – General Fund Revenue

7.1 The Qtr2 2022/23 Budget Update report, reported £16.1m variance from the agreed budget. This consists of £8.1m base budget pressures and £8.0m non-delivery of agreed savings. The base budget pressures are largely driven by the two care services as they continue to report not only increased demand but also increased complexity and acuity which has a big impact on the cost of the care package. This pressure is being offset by underspends elsewhere.

7.2. Challenges in delivering the agreed MTFS savings is being felt across most Directorates and arise mainly due to capacity in the service, reassessment of the original proposals or wider environmental changes. Where it is not possible to achieve plans in this year, savings have been re-profiled into future years; where genuinely not deliverable because the original assumptions are no longer viable or are unable to deliver to the value originally intended, this has been recognised and they have been written out of the draft Budget.

7.3. It is not clear at this point the extent to which the cost of living crisis will have on residents ability to pay council tax and other fees and charges and businesses ability to pay business rates. This will be reviewed in detail as part of the closure of the 2022/23 accounts when existing provisions for bad debt are re-calculated.

7.4. The impact of the persistent high levels of inflation is playing into the base budget pressures. The 2022/23 Budget was set including prudent assessments of pay and general inflation rates, albeit these were necessarily constrained by the availability of funding. The nationally negotiated pay settlement was c.1.2% higher than budgeted for which is adding an

additional pressure of c. £1.6m to 2022/23 and will also impact on the 2023/24 budgets. Inflationary pressure on index linked contracts is manifesting as supply side costs linked to foreign currencies where the pound sterling has fallen. Borrowing costs have risen due to these wider economic factors and this is also being closely tracked as we progress through the year.

7.5. The number of identified pressures and overall volatility is concerning and makes forecasting in year open to considerable challenges. Furthermore, many of the issues are outside the direct control of Council.

7.6. Despite this, the financial planning process to date has sought to acknowledge and respond to these factors and to ensure that as far as possible they are addressed in the Budget for 2023/24.

The 2023/24 Budget and 2023/28 MTFS Strategy

7.7. It became clear early on in this year that the financial situation had worsened for most local authorities, this Council included, and this has been key in shaping the approach to the financial planning work for 2023/24. There has been a further step-up in finance and budget dialogue with managers throughout the Council, mirrored by Cabinet members.

7.8. Strategies have been aimed at driving efficiencies from focussing on getting the basics right, collecting all the income due to the Council, improving commissioning strategies, implementing 'Digital First' to modernise customer services and minimise transactional costs, and putting a challenge to the existing and proposed capital programme.

7.9. The number of identified pressures, unknowns and overall volatility has been concerning and has made setting a balanced 2023/24 Budget challenging. Furthermore, many of the issues, such as inflation and increased demand are outside the Council's direct control.

7.10. For **2023/24** with the Administration's emphasis on the importance of being a **competent, radical and collaborative** Council, the strategies have covered:

- Looking to drive efficiencies via focussing on doing things well
- Recognising that optimising Value for Money (VFM) (Efficiency, Effectiveness and Economy) is central to protecting services
- Looking to improving income collection
- Fees and charges review work
- Digital – to improve and modernise customer services, making it easier for residents to access services and to minimise transactional costs
- Tight control on the Capital programme

7.11. Although the PLGFS provided a certain level of certainty over the funding envelope for the local government sector for **2024/25,** given the continuing forecast pressures particularly on social care services coupled with

uncertainty over the speed in which inflation will reduce, the Council must plan early for the change work and other measures necessary to ensure our services meet needs and commitments while maintaining financial sustainability.

7.12. **Budget Growth / Pressures**

7.13. The main corporate assumptions across the MTFS period are outlined below followed by a section focussing on the policy priorities and service specific items.

7.14. **Pay Inflation**

7.15. The pay deal for 2022/23 was agreed at a flat rate / employee. This amounted to an average 5.4% increase which was c. £1.6m above the funding set aside for this purpose.

7.16. Although inflation has continued to fall and is now into single digits, it is uncertain whether the rate will fall below the 7.4% forecast in the Autumn statement. Even if the rate does fall, if the Bank of England maintains the current strategy of increasing interest rates, this will impact on disposable income for many people and likely prompt calls for a similar level of pay increase to 2022/23. Therefore, the Budget now assumes c.5% pay award for 2023/24 before reverting back to the more stable 2% across the remainder of the MTFS period.

7.17. **Non-Pay Inflation**

7.18. The impact of inflationary increases in the demand led services is addressed as part of the overall annual demand modelling exercise. The Budget now presented continues to assume a 5% inflationary increase for the social care purchasing budgets for 2023/24 which totals £5.0m however, following the PLGFS the savings assumed to offset this pressure has been reduced down. Strategies to offset the balance will focus on improved commissioning and efficiencies; looking to reduce or eliminate the need for out-of-borough care and build internal capacity; increased integration and collaboration across the social care sector.

7.19. For all other non-pay inflation, the assumption continues that the services will broadly have to manage within existing budgets, thus absorbing any inflationary pressures. However, in recognition that some contracts include inflation-linked increases and utility costs continue to be volatile and difficult to predict an annual allowance is built into the budget to address these items should they arise.

7.20. Since the December draft Budget report, the estimates have been revisited and updated where appropriate however, overall, there has been little movement and c.£5.0m has been provided for 2023/24. Due to the various services impacted, the % increases vary from 14% to 77% - the latter for gas. From 2024/25 the budget allowance returns to a more stable figure of c. £1.0m pa.

Employer Pension Contributions

7.21. No changes are proposed to the assumptions included in the draft Budget report. That confirmed that the latest triennial valuation, covering the period 2023/24 - 2025/26, required no change for 2023/24 but that the Council would need to increase its contribution rate by 0.5% across each of the years 2024/25 & 2025/26. This is estimated to have a £0.6m budgetary impact each year and has been built into the draft Budget.

7.22. No assumptions have been made about the financial impact of the next triennial valuation (2026-2028).

Treasury & Capital Financing

7.23. The 2022/23 GF Budget and MTFS were updated to reflect the implications of the updated capital programme but subsequently interest rate costs have risen markedly as described in the Treasury section below (Section 8). The draft Budget report indicated that this could push treasury costs to be c. £3m higher than originally modelled. Both the capital programme and the estimated impact of increases to short term borrowing interest rates on the Council's MRP and interest budgets have been revisited since December. The net impact for 2023/24 has been an increase of £2.5m. The MTFS assumes a further step up in 2024/25 after which interest rates, and therefore budget requirement, are forecast to reduce.

7.24. Conversely, the increases made by the Bank of England to interest rates has allowed for an additional £0.5m assumed interest income to be received in 2023/24.

7.25. The continuing degree of volatility and uncertainty associated with markets and inflation means that this area of the budget represents one of the significant budget risks for next year.

Levies

7.26. The current assumption that all Levy costs except the North London Waste Authority (NLWA) levy will remain broadly in line with the 2022/23 figures across the period.

7.27. The NLWA has seen significant increased income and cost savings so far this financial year. Less waste and higher recycling rates are forecast compared with the budget. On the back of this, the NLWA waived the November 2022 levy payment to each authority which represented £0.655m for Haringey. Due to the rising value of electricity, London Energy Ltd is also earning considerably more for electricity. Since the draft report was produced, further budget forecasts have been received from NLWA which continue to propose that this additional income, coupled with retained surpluses, will be applied to reduce the 2023/24 levy. On the strength of this, the 2023/24 Budget now assumes a £3m reduction to the levy, for one year only before reverting back to previously assumed figures.

7.28. Their final budget meeting will take place after the publication of this Budget report with final figures confirmed in February 2023. Therefore any material changes to this assumed position will be reported in the Full Council report of 2 March.

Contingency

7.29. The Council holds a single corporate contingency largely to manage any slippage to the agreed budget reduction programme in any one year as well as addressing unforeseen circumstances which cannot realistically be built into budget plans. This Budget assumes that the contingency for 2023/24 and across the remainder of the MTFS is £7.4m.

7.30. **Policy Priorities**

7.31. Despite the financial challenges facing the authority, this Budget for 2023/24:

- Ensures we can continue to meet the significant need of our most vulnerable residents – through £16.4m investment in Children's and Adult's services;
- Drives value for money through a significant efficiency and reform agenda – with every area of the council contributing. (c£15.4m in savings and additional income);
- Provides financial advice and support to residents who need it including through Council Tax Reduction, our Financial Support Team, and the Haringey Support Fund *and*
- Maintains critical support for our children and young people with little direct funding by Central Government – including Free School Meals for an additional 650 children who are just above the entitlement threshold: Putting the funding for the Rising Green Youth Hub on a long-term footing.

Service Growth Budget Adjustments

7.32. The existing MTFS contains a level of growth in the service areas. This has been reviewed and still found to be required.

7.33. The financial planning process this year again sought to identify and address existing budget challenges that could not be mitigated by services as well looking ahead and estimating new requirements largely driven by demographic change, inflation and the cost of living crisis. These assumptions have been reviewed since the draft Budget report and in the light of the PLGFS announcements which included some new specific grants for Adults as well as increases to the Social Care grant along with increases flexibilities over council tax and ASC precept increases.

7.34. Appendix 2 details the proposed additions by Directorate and these are summarised in the table below.

Growth	2023/24	2024/25	2025/26	2026/27	2027/28	Total
Culture Strategy & Engagement	1,310	(184)	(165)	(187)	(134)	640
Environment & Neighbourhoods	2,746	-	-	-	-	2,746
Adults, Health & Communities	11,064	3,270	-	-	-	14,334
Children's Services	6,302	(438)	(600)	-	-	5,264
Placemaking & Housing	230	(230)	-	-	-	-
Head of Legal & Governance	300	-	-	-	-	300
Total	**21,952**	**2,418**	**(765)**	**(187)**	**(134)**	**23,284**

7.35. Attention is drawn to the c.£17.3m growth being added to Adults, Health and Communities (AHC) and Children's Services. This is on top of the sums already built into the current MTFS. £4.0m of the growth in AHC is from the two new specific grants, Discharge grant and Market Sustainability & Improvement Funding announced in the PLGFS plus £1m growth has been added to the Temporary Accommodation budget since December in recognition of the inflationary pressure manifesting across London private sector rents.

7.36. The growth in the other Directorates is largely addressing recurring base budget pressures.

Budget Reduction Proposals / Savings

7.37. The Council has previously agreed £1.394m savings to be delivered across the period 2023-2026 as outlined in the table below.

Management Area	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/ £'000	2027/28 £'000	Total £'000
Culture Strategy & Engagement	(6)					(6)
Environment & Neighbourhoods	1,370	(1,360)	(170)			(160)
Adults, Health & Communities	(586)	(12)				(598)
Children's Services	(130)	(230)				(360)
Placemaking & Housing	(100)	(100)	(70)			(270)
Corporate Budgets						-
Total	**548**	**(1,702)**	**(240)**	-	-	**(1,394)**

7.38. The 2022/23 financial planning process did not propose any additional savings. It instead acknowledged that the new and any brought forward delivery programme for 2022/23 was £20m, which was challenging in itself.

7.39. As is the practice at this Council, existing savings plans have been reviewed and challenged robustly to ensure that they can still be met as originally agreed and if not, looks to re-profile. If after all actions have been explored, the savings targets are still acknowledged to be undeliverable, they are proposed to be written out of the financial plans.

7.40. This outcome of this process is shown in the table below and the implications built into the Budget. In total c.£8.9m of savings won't be

delivered as planned, though nearly £3m of these have been re-profiled for delivery in later years. These assumptions have not been changed since the draft Budget report.

Amended Savings	2023/24	2024/25	2025/26	2026/27	2027/28	Total £'000
Culture Strategy & Engagement	2,967	(525)	(1,860)			582
Environment & Neighbourhoods	490					490
Adults, Health & Communities	5,421	(486)				4,935
Children's Services						-
Placemaking & Housing						-
Total	**8,878**	**(1,011)**	**(1,860)**	**-**	**-**	**6,007**

7.41. It should be noted that the major adjustment in Culture, Strategy and Engagement relates to the cross-council Digital Together saving. This programme has now been refocussed and requires a wider timeframe to deliver; hence it has been re-profiled out across the period 2023/24 - 2025/26. In Adults, Heath and Communities, the majority of the final year of a challenging savings programme has been removed but has been replaced by a similar level of new proposals (see below).

7.42. The table below sets out the new savings proposals in this budget, by Directorate across the period. The majority of these are planned for delivery in 2023/24.

7.43. The main components of the Environment and Neighbourhoods proposals relate to parking and highways and are based on our current policy of implementing LTNs. We have committed to reviewing the operation of the LTN schemes and if changes are made as part of that process, these projections will be adjusted to reflect that. Appendix 3 provides further details of the proposals.

New Savings	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/ £'000	2027/28 £'000	Total £'000
Culture Strategy & Engagement	(1,157)	(870)	(210)	(5)	(5)	(2,247)
Environment & Neighbourhoods	(6,614)	869	(1,289)	6	(44)	(7,072)
Adults, Health & Communities	(5,762)	(3,055)	159	100	-	(8,558)
Children's Services	(1,500)	-	-	-	-	(1,500)
Placemaking & Housing	(370)	(10)	-	-	-	(380)
Corporate Budgets						
Total	**(15,403)**	**(3,066)**	**(1,340)**	**101**	**(49)**	**(19,757)**

7.44. Overall, the impact of the above proposals delivers a net savings programme totalling £15.1m across the MTFS period. This is set out in the table below.

Net Savings Proposed 2023-2028	2023/24 £'000	2024/25 £'000	2025/26 £'000	2026/ £'000	2027/28 £'000	Total £'000
Culture Strategy & Engagement	1,804	(1,395)	(2,070)	(5)	(5)	(1,671)
Environment & Neighbourhoods	(4,754)	(491)	(1,459)	6	(44)	(6,742)
Adults, Health & Communities	(927)	(3,553)	159	100	-	(4,221)
Children's Services	(1,630)	(230)	-	-	-	(1,860)
Placemaking & Housing	(470)	(110)	(70)	-	-	(650)
Corporate Budgets	-	-	-	-	-	-
Total Savings	**(5,977)**	**(5,779)**	**(3,440)**	**101**	**(49)**	**(15,144)**

7.45. It should be noted that these figures do not reflect any further non-delivery of 2022/23 savings which would add to these totals.

Summary Revenue Budget Position 2023/24 – 2027/28

7.46. After taking into account the proposed amendments to existing plans and funding, the new savings and growth proposals discussed in the sections above, the current revenue Budget position for next year and across the MTFS period is set out in the table below. The proposed 2023/24 General Fund Budget now assumes a lower £3.5m contribution from the Strategic Budget Planning reserve.

	2022/23	2023/24	2024/25	2025/26	2026/27	2027/28
	Budget	Draft Budget	Projected	Projected	Projected	Projected
Directorate	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Adults, Health & Communities	109,648	108,701	105,984	108,931	111,852	111,852
Children's Services	52,006	62,949	62,889	62,909	62,929	62,529
Culture, Strategy & Engagement	31,581	33,569	32,416	32,041	32,399	32,260
Environment & Neighbourhood	14,785	14,565	19,270	21,411	21,417	21,373
Placemaking & Housing	8,000	7,829	7,114	7,044	7,014	7,014
Chief Executive	287	305	305	305	305	305
Corporate Governance	1,531	2,283	2,283	2,283	2,283	2,283
Finance	45,086	52,815	68,301	74,001	80,789	87,823
Council Cash Limit	**262,924**	**283,017**	**298,563**	**308,926**	**318,989**	**325,440**
Planned Contributions from Reserves	(4,564)	(3,500)				
Further Savings to be Identified	-	(0)	(6,318)	(9,240)	(15,179)	(17,378)
Total General Fund Budget	**258,360**	**279,517**	**292,245**	**299,686**	**303,810**	**308,062**
Council Tax	(117,884)	(124,212)	(133,085)	(137,090)	(141,214)	(145,466)
Council Tax Surplus	(1,925)	-	-	-	-	-
RSG	(22,797)	(25,635)	(27,045)	(27,045)	(27,045)	(27,045)
Top up Business Rates	(60,770)	(59,451)	(62,668)	(88,712)	(88,712)	(88,712)
Retained Business Rates	(21,218)	(19,800)	(20,800)	(20,800)	(20,800)	(20,800)
Section 31 Grants	(6,737)	(21,546)	(22,609)	(0)	(0)	(0)
NNDR Surplus/(Deficit)	225	1,271	-	-	-	-
NNDR Growth	(2,000)	(2,000)	-	-	-	-
Total Main Funding	**(233,107)**	**(251,374)**	**(266,207)**	**(273,648)**	**(277,772)**	**(282,024)**
New Homes Bonus	(1,208)	(2,105)	(0)	(0)	(0)	(0)
Public Health	(20,353)	(21,502)	(21,502)	(21,502)	(21,502)	(21,502)
Other core grants	(8,256)	(4,536)	(4,536)	(4,536)	(4,536)	(4,536)
Total Core/Other External Grants	**(29,817)**	**(28,143)**	**(26,038)**	**(26,038)**	**(26,038)**	**(26,038)**
Total Income	**(262,924)**	**(279,517)**	**(292,245)**	**(299,686)**	**(303,810)**	**(308,062)**

Review of assumptions and risks 2023/24 – 2027/28

7.47. The Council's Section 151 Officer has a statutory responsibility to assess the robustness of the Council's budget and to ensure that the Council has sufficient contingency/reserves to provide against known risks in respect of both expenditure and income. This formal assessment will be made as part of the final report on the Council's budget in March 2023 and will draw on independent assessments of the Council's financial resilience where

available however, it is critical that this report outlines the assumptions and approach to risk taken when arriving at the budget proposals included in the draft Budget & MTFS.

7.48. Given the increased financial pressure that is falling upon this council's budget and the uncertain national political and economic picture, this statutory role is acquiring more and more significance. The number and breadth of potential risks and level of uncertainty, particularly around the legacy impact of the Covid-19 pandemic, inflationary levels, cost of living crisis and levels of Government funding, underlines the need to maintain both a budgeted resilience contingency and keep general and earmarked reserves at current levels.

7.49. The main uncertainties and risks identified to date which my impact on the Council's budget for 2023/24 and over the period of the MTFS are:

- Funding quantum and distribution methodology is unclear from 2025/26 and it is likely that current assumptions will need significant revisions.
- The ongoing economic impact of inflation and the war in Ukraine is likely to continue to put pressure on costs and supply chain.
- Level of interest rates and their subsequent impact on borrowing costs.
- These will continue to place stress on individuals and businesses manifesting in the cost of living crisis.
- While significant progress has been made working with the DfE on the Safety Valve programme, final confirmation of support has yet to be received; furthermore, delivery of the agreed strategy will be challenging.
- The Levelling Up agenda and associated funding distribution methodologies could be negative for this Council's funding allocations.
- Planned actions to increase Council managed temporary accommodation options do not progress at the pace expected.
- The Council's savings programmes do not deliver the required savings, do not deliver savings quickly enough.
- Any further deterioration in the forecast 2022/23 position including non-delivery of in year savings.
- The ability to retain and attract suitably qualified and skilled workforce hampers the delivery of the Council's ambitions.

8. Council's Capital Strategy and Capital Programme 2023/24 – 2027/28

8.1 This capital strategy report gives a high-level overview of how capital expenditure, capital financing, and treasury management activities contribute to the provision of public services in Haringey. It also provides an overview of how the risks of the capital programme are managed and the implications for future financial sustainability.

8.2 The current economic environment has impacted the capital programme in a number of ways. Inflation and the subsequent Bank of England response in raising interest rates has meant that the interest that the Council pays on the

borrowing that it undertakes to fund the capital programme (both the existing capital programme and the proposed additions) has increased significantly. The increase in inflation has impacted the cost of raw materials and the tightness in the supply chain for capital works (labour and materials) has added both cost and time to schemes. In addition, the increased costs are making it increasingly difficult to achieve self-financing business cases for those schemes where this is expected.

8.3 Looking forward, the Council's capital investment proposals include continued investment in the school estate. The budget proposals include the potential development of Edwards Drive into a centre for adults with learning difficulties as well as funding for the locality's strategy.

8.4 There is increased investment in the infrastructure of the borough's parks and streets. The proposals double the planned investment in the Active Life In Parks programme and the Parks Asset Management for 2023/24. Historically the Council received significant funding from TfL to support the highways of the borough. The pandemic hit TfL's finances hard, and it has not been able to provide the level of support to borough's as it used to. The Council's proposals allow for funding of the type of work previously funded by TfL in 2023/24 to be met by Council borrowing. In future years it has been assumed that external grant will be available to fund these works. There is also significant new investment in the Cycling & Walking Action Plan in 2023/24 and again in future years the investment is dependent on the Council identifying external funding.

8.5 The Council is continuing to invest in its economic infrastructure with funding for the construction for the Wards Corner, the Gourley Triangle and the Selby Urban Village schemes. Progression to construction will be subject to a successful business case for each scheme. There is also additional investment in school streets and investment in School Clean Air Zones and investment in the Council's commercial and operational property.

8.6 The Council is also investing in its digital offering to ensure that our customers receive the best possible service as well enhancements to its digital infrastructure.

8.7 The Council continues to invest in housing through its new homes programme. This expenditure is contained within the housing revenue account (HRA).

8.8 Since the December report the capital programme has been amended with a number of schemes having been re-profiled in the light of developments, and a number of cyclical capital maintenance programmes have been updated to add budgets to the latter years of the MTFS. In total the budget for the MTFS period under consideration has increased by £66.3m when compared to the budget in December 2022. The main movements are set out in the table below

Budget Movement December to February	£000's
BUDGET INCREASES	48,345
REDUCTION/DELETIONS	(9,670)
REPROFILING	27,630
	66,305

8.9 Of the capital budget increases a proportion relate to additions to 2026/27 and 2027/28 programmes to continue annual expenditures. These include annual capital maintenance programmes of £14m, such as capital maintenance in Children's Services (£9m, grant funded) and Parks Asset Management. A number of other capital budgets have been increased. Both the Osbourne Grove Nursing Home and the Civic Centre projects have had their financial envelopes increased by £4.2m and £13.6m respectively due to rising costs. There have also been budget increases totalling £13m in Placemaking & Housing which are largely grant funded additions such as the Tottenham Hale regeneration programme and the Future High Streets Fund.

8.9 The local NHS Integrated Care Board has proposed making a grant to the Council of £3.152m to a range of health and social care projects that the Council has undertaken in 2022/23. In addition, the Council has been requested by the NHS Integrated Care Board to make a contribution of £3.152m to the Welbourne Health Centre project in 2023/24 and these arrangements will be covered by a S256 and a S76 agreement. The acceptance of the grant and the making of the contribution will be the subject of a Cabinet Member signing.

8.10 The budget proposed now reflect Cabinet's decision to delete a budget of £1.2m and it proposed to delete other budgets, recognising that more advanced business cases need to be developed to be recognised in future MFTS.

The overall reprofiling of £27.630m does not actually increase the capital programme as the resources have been transferred from 2022/23 into later years of the MTFS.

The Council has been successful in its application for £7m of safety valve funding from the DfE. The safety valve is part of a suite of actions to reduce the overspend in the high needs block.

Background

8.9 Capital expenditure in local government is defined in statute and accounting practices/codes and as such must be complied with. Within these rules, capital budgets and capital expenditure decisions offer the opportunity for the Council to profoundly affect the lives of its residents, businesses, and visitors in both the immediate and the longer term.

8.10 Capital programmes can shape the local environment (e.g. through the provision of new housing, traffic schemes or regeneration schemes);

positively impact people's lives (e.g. through creating appropriate housing for adults with learning difficulties or investment in parks and open spaces); transform the way the Council interacts with local residents (e.g. through the libraries investment programme or proposals for locality provision); and deliver fit for purpose schools.

8.11 The key objectives for the Council's capital programme are to deliver the Corporate Delivery Plan and assist the Council in meeting the service and financial challenges that it continues to face.

Capital expenditure and financing

8.12 Capital expenditure is where the Council spends money on a project, with the view to derive societal, service and economic benefit from the expenditure, for a period longer than twelve months. This can also include spending on assets owned by other bodies, and loans and grants to other bodies enabling them to buy assets.

8.13 The table below shows a high-level summary of the Council's outline capital spending in the medium-term i.e., for the financial years 2023/24-2027/28, which shows the continued and growing capital investment that is being undertaken to support the achievement of the Corporate Delivery Plan objectives and to improve people's lives.

Table 8.1: Capital expenditure plans overview 2023/24 - 2027/28

	2022/23 Budget (£'000)	2023/24 Budget (£'000)	2024/25 Budget (£'000)	2025/26 Budget (£'000)	2026/27 Budget (£'000)	2027/28 Budget (£'000)	Total (£'000)
Previously Agreed							
General Fund Account (GF)	259,670	245,718	164,279	101,153	41,119		**811,939**
Housing Revenue Account (HRA)	276,900	453,834	323,065	228,633	227,953		**1,510,385**
Total =	**536,570**	**699,552**	**487,344**	**329,786**	**269,072**		**2,322,324**
Proposed							
General Fund Account (GF)		220,900	200,102	217,103	276,220	93,859	**1,008,184**
Housing Revenue Account (HRA)		262,962	289,102	322,107	305,880	246,218	**1,426,269**
Total =		**483,862**	**489,204**	**539,210**	**582,100**	**340,077**	**2,434,453**

8.14 The capital programme is composed of individual directorate programmes. Within these directorate totals there are schemes and within most schemes

there are individual projects. For instance, Scheme 302, Borough Roads, will contain individual projects on individual roads.

8.15 Where additional funding is proposed for an existing scheme, this will be added to the scheme rather than creating a new scheme. A full list of proposed additions to the capital programme are contained in appendix 5.

8.16 About 18% of the capital programme, down from a 33% last year, is composed of schemes that are wholly funded by Council borrowing and not self-financing or met from external resources. These schemes largely reflect the statutory duties of the council. In large part these schemes are not able to attract external resources to either supplement or supplant Council borrowing as they are core to the Council's operation.

There are a range of schemes (called self-financing schemes) within the General Fund capital programme that will only proceed, if they are estimated to result in a net reduction in expenditure. That reduction will include the cost of financing the borrowing and contribute to the MTFS through making savings or increasing income. The decision to proceed with these schemes will follow the production of a detailed business case that supports the investment and identifies reductions in expenditure.

8.17 The Children's Services capital programme is largely reliant on Council borrowing. For the period 2023/24-2027/28 the Council is planning to spend £86.74m, of which approximately £34.6m is funded through government grant leaving a borrowing requirement of £52.1m. The cost of the increased borrowing investment in schools falls on the Council's revenue account through increased borrowing costs.

8.18 The Adults, Health & Communities Services capital programme is £103.3m, of which much of the programme is self-financed at £80.9m. In addition, there is £15.6m of grant funded expenditure.

8.19 Within the Environment & Resident Experience directorate, the proposed capital programme for the period 2023/24-2027/28 is broadly estimated at £90.6m of which approximately £29.5m is externally funded.

8.20 The Placemaking & Housing capital programme has an estimated value of £623.8m, of which £249.8m is funded externally and £317.4m is self-financing. Council borrowing in this part of the capital programme is proportionately lower than in others at £56.6m. The majority of this borrowing is to match fund schemes in the South Tottenham Regeneration projects, the Wood Green Regeneration Strategy and the Corporate Landlord remediation works.

8.21 The basic premise for the Placemaking & Housing programme is to provide a funding envelope within the budget and policy framework (through the creation of enabling budgets) which equips the council with the ability to respond to opportunities in a timely way. This means that this capital programme is both front loaded and prone to reporting slippage.

8.22 The Culture, Strategy & Engagement capital programme is estimated at £103.8m with the majority, £86.8m funded through self-financing. £52.9m of this self-financing relates to the Civic Centre refurbishment and £20.1m relates to the Bruce Castle Museum restoration work.

8.23 The inclusion of a scheme within the capital programme is not necessarily permission to spend. Most schemes will be subject to the completion of an approved business case that validates the high-level cost and time estimates contained within the programme. An integral part of the business case will be an assessment of the risks that a project faces and once a project is agreed, the review of the risk register is a standing item on the agenda for the project's governance arrangements.

8.24 Service managers bid annually as part of the Council's budget setting process. The bids are assessed against their response to need in relation to the Council's priorities, the asset management plan and meeting the objectives of the medium-term financial strategy (MTFS). In addition, schemes have been considered for their contribution to economic recovery, to growth, and to jobs.

8.25 The Housing Revenue Account (HRA) is a ring-fenced account, which ensures that the Council's housing activities are not subsidised by the Council's non-housing activities. It also ensures that the Council's non-housing activities are not subsidised by its HRA. HRA capital expenditure is recorded separately.

8.26 The Capital Programme for 2023/24 has considered and been reviewed to ensure that it delivers in line with the Council's Carbon Reduction ambition. There are no projects that will increase the carbon footprint of the Council. There are several projects however, where there is the opportunity that these can be designed to ensure that at the delivery stages Zero Carbon requirements will be delivered. These include:

- Land Purchases for future development. At the development stage these projects will have to deliver on site the zero carbon requirements for Planning and the long-term asset owners and occupiers.

- Construction works (such as the Parkland Walk Bridge). The procurement for these works will include carbon within the selection for materials and contractors works.

- Road Safety Programme and Highways Maintenance. To deliver transport infrastructure that is safe and supports active travel options.

- School's capital Maintenance – the Council has just completed its Energy Action Plan for its schools, and this capital funding will deliver this through including carbon reduction measures (insulation, glazing, low carbon heating) within these programmes.

- Local Business Space Energy Improvements – With local SME's struggling with energy costs the Council will review its commercial portfolio and improving the energy efficiency levels, the heating and lighting systems.

- Street Light upgrades – continuing the upgrades of lights to LED and new street light columns that can house electric vehicle charging points in the base.

- Parks Improvements – creating new biodiversity areas, tree planting, activity areas and active travel options in and around our parks.

- Active and health spaces around our schools - We are increasing the funding for our successful School Streets programme and introducing Healthy Schools Zones to improve air quality in our most polluted schools of the borough. Creating safe space and infrastructure to encourage active travel options.

- Delivering on our Walking and Cycling Action Plan - funding to successfully deliver on the Council's active travel ambition with improved and new infrastructure.

The table below details the proposed capital expenditure plans by directorate.

Table 8.2: Capital expenditure plans by directorate

	2023/24 Budget (£'000)	2024/25 Budget (£'000)	2025/26 Budget (£'000)	2026/27 Budget (£'000)	2027/28 Budget (£'000)	Total (£'000)
Children's Services	33,774	22,801	15,801	7,331	7,031	**86,737**
Adults, Health & Communities	15,802	31,393	37,066	12,673	6,377	**103,310**
Environment & Resident Experience	26,948	21,078	19,768	16,441	6,349	**90,584**
Placemaking & Housing	121,268	84,426	110,202	234,659	73,232	**623,787**
Culture, Strategy & Engagement	23,109	40,404	34,267	5,116	870	**103,766**
Total General Fund (GF)	**220,900**	**200,102**	**217,103**	**276,220**	**93,859**	**1,008,184**
Housing (HRA)	**262,962**	**289,102**	**322,107**	**305,880**	**246,218**	**1,426,269**
Overall Total	**483,862**	**489,204**	**539,210**	**582,100**	**340,077**	**2,434,453**

8.27 Appendix 4 includes the previously agreed schemes plus any changes since the last budget (up to and including the December 2022 Cabinet), plus the new schemes and adjustments proposed. This indicates how each scheme is financed:

H is for schemes that are funded by borrowing,
S is for schemes that are funded by the borrowing but where there are compensating savings are made in service budgets,
E is for schemes that are funded by an external party, and

Where there is more than one letter, this indicates that the scheme is funded from more than one source with the source contributing the most indicated first.

Appendix 5 provides details of the new and adjusted schemes. The following paragraphs provide a high-level description of each directorate's new capital proposals.

8.28 Children's Services

At the time of the December budget there was one new scheme, the Safety Valve scheme, of £7m (subject to a successful application to the Department for Education) proposed for Children's Services. This bid has been successful and will part fund the creation of in borough specialist provision for children special educational need and disabilities (SEND). This would provide high quality provision at a lower cost through not sending children out of borough. The site or sites for the provision have not been identified at this time.

8.29 Adult, Health, and Communities

There are two new schemes proposed for the area. The first, Edwards Drive, which is intended to develop much needed supported living facilities with integrated on-site health and care services for learning disabled adults. The Council would need to acquire the property from the NHS. The budget for this is £21m and is subject to a successful business case. The second scheme is to take forward the Council's localities strategy to bring integrated services from a range of providers (the Council, NHS, voluntary sector) into 4-6 hubs and has a budget of 3m. Since the December report the OGNH project has had its budget envelope increased by £4.2m to reflect increased costs. The aids and adaptations budget, which is grant funded, has been extended into 2027/28 by £2.2m.In addition, a new scheme Welbourne Health Centre, £31.52m has been added.

8.30 Environment & Resident Experience

The existing Environment & Resident Experience capital programme is designed to make the borough a cleaner and safer place where residents can lead active and healthy lives. The proposed new capital schemes build on these priorities with additional investment.

A previously significant source of funding for the borough's infrastructure was grants received from Transport for London (TfL). Due to the financial situation of TfL these grants have largely ceased. Even though these grants have ceased the works still need to be undertaken.

It is proposed to invest a further £1m in the road casualty reduction initiative with Council borrowing, £0.8m, as there was very limited funding provided by Transport for London (TfL), £0.2m.

Additional investment is proposed of £3.495m for investment in a range of road and pavement infrastructure which is being funded by the Council through borrowing as there was no TfL funding allocated.

There is a proposal to double the amount of investment in the Active Life in Parks programme, by £0.23m, and to double the investment in the Parks Asset Management, by £0.3m. In addition, there is additional investment in the Parkland Walk Bridges programme. The programme also allows for the continuation of investment in street lighting and borough roads in future years.

The level of funding for the borough roads scheme and the accident reduction scheme are included in the programme as being funded by Haringey borrowing in 2023/24, with a slight downward adjustment compared to the existing budget. In future years it has been assumed that there will be external funding provided to undertake the works.

The February report now includes the addition of £2.6m of annual schemes, such as Parks Asset Management, Active Life In Parks that have been added to the years 2026/27 and 2027/28.

8.31 Placemaking & Housing

There is a significant increase in the investment proposed for the Wards Corner scheme (£66m), the Gourley Triangle scheme (£108m), the Selby Urban Village scheme (£46.7m) and the SME intensification scheme (£11.4m). The proposed investment is in addition to existing budgets and subject to successful business cases. The investments are included within the capital programme on the basis that they are self-financing.

The Walking & Cycling Action Plan is included in the capital programme. In 2023/24 the three elements, Cycle Route Delivery, £1.75m, LTN Delivery, £1.2m, and Cycle Parking (Hangers) Delivery are funded through SCIL and limited TfL funding. The expenditure in future years will proceed if funding is identified.

Also included are proposals for the expansion of school streets, £0.4m, investment for Clean Air School Zones, £0.4m which are funded by borrowing. The expenditure in future years will proceed if funding is identified.

Further investment in the Councils assets are proposed for the operational buildings and the commercial portfolio.

There have been a number of budget increases that are mostly grant funded such as the Future High Streets Fund and the Tottenham Hale regeneration strategy which come to £12.8m which are offset by a reduction in the Wood Green Regen budget pending revisions to the programme. In addition there has been a continuation of re-profiling of the programme that has resulted in £18.7m being reallocated from 2022/23 into the MTFS period.

8.32 Culture, Strategy & Engagement

The initial proposals contain further investment in the Council's IT assts. The move from an analogue telephone system to a digital one by BT (known as the Big Switch Off) will mean the replacement of existing lines in a range of buildings and services. The proposals also allow for continued investment in the IT estate such as the laptop refresh. The cost of the Civic Centre works has increased by £13.5m. However, as this scheme is self-financing the decision to proceed will be subject to the business case supporting the decision to proceed with construction.

8.33 Financing

All capital expenditure must be financed from either external source (government grant or other contributions), the Council's own resources (revenue, reserves, or capital receipts) or debt (borrowing, leasing, Private Finance Initiative). The Council's capital programme has moved to a financing strategy that seeks to ensure that investment via the capital programme is self-financing or funded from external resources wherever possible. The draft capital programme for 2023/24-2027/28 is analysed in the table below and shows that the majority of schemes being proposed (82%) are either self-financing or funded via external resources:

Table 8.3: Financing Strategy

	General Fund Borrowing		External	Total
	Met from General Fund	Self Financing met from Savings		
	(£'000)	(£'000)	(£'000)	(£'000)
Children's Services	45,982	6,100	34,655	**86,737**
Adults, Health & Communities	6,832	80,907	15,571	**103,310**
Environment & Resident Experience	55,403	5,729	29,452	**90,584**
Placemaking & Housing	56,616	317,356	249,814	**623,787**
Culture, Strategy & Engagement	17,012	86,754	0	**103,766**
Total	**181,845**	**496,847**	**329,492**	**1,008,184**

8.34 The self-financing schemes will normally only proceed if they produce a reduction in expenditure that includes reductions enough to cover the cost of financing the investment. This is necessary to ensure that the investment contributes to meeting the financial challenges that the Council faces. It is noted however, that in some limited circumstances, that schemes may

proceed even if they do not produce a reduction in expenditure enough to cover the cost of financing the investment.

8.35 As debt needs to be repaid the Council is required by statute to set aside from its revenue account an annual amount sufficient to repay borrowings. This is known as the minimum revenue provision (MRP). The MRP for the period is set out below:

Table 8.4: Estimated MRP

	2022/23 Forecasts (£'000)	2023/24 Forecasts (£'000)	2024/25 Forecasts (£'000)	2025/26 Forecasts (£'000)	2026/27 Forecasts (£'000)	2027/28 Forecast (£'000)
MRP	13,368	19,145	25,586	29,282	33,918	37,948

8.36 The Council's underlying need to borrow to finance its capital programme is measured by the capital financing requirement (CFR). This increases when new debt financed capital expenditure is incurred and reduces when MRP is made. The increase in MRP in 2022/23 is partially due to the end of the MRP holiday and was addressed in detail in the Treasury Management Strategy considered by Council in February 2021.

Table 8.5: Prudential Indicator: Estimates of Capital Financing Requirement

	2022/23 Budget (£'000)	2023/24 Budget (£'000)	2024/25 Budget (£'000)	2025/26 Budget (£'000)	2026/27 Budget (£'000)	2027/28 Budget (£'000)
CFR	1,375,493	1,540,063	1,901,188	2,293,138	2,568,101	2,713,322

Asset Management

8.37 The Asset Management Plan is the subject of a separate report and will be considered at a future Cabinet meeting.

Asset Disposals

8.38 When a capital asset is no longer needed, it may be sold, and the proceeds (known as capital receipts) can be spent on new assets or can be used to repay debt. Repayments of grants, loans and non-treasury investments also generate capital receipts. The Council is currently permitted by legislation to spend capital receipts to deliver cost reductions and/or transformation. This is known as the flexible use of capital receipts and this flexibility is currently due to expire on the 31st March 2025.

8.39 As stated above, capital receipts can be used to fund capital expenditure or repay debt. The budget assumption is that capital receipts will not fund capital expenditure or debt repayment. It is anticipated that the capital receipts received in the MTFS period covered by the flexibility (up to 31st March 2025) will be used to deliver cost reductions and/or transformation.

There is a separate policy statement and schedule of proposed initiatives to utilise capital receipts flexibly.

Treasury Management

8.40 The Council has a separate Treasury Management Strategy Statement (TMSS) that outlines in detail the Council's treasury management matters. The Capital Strategy document repeats some of the information contained within the TMSS but places the information in the context of the capital programme and Corporate Delivery Plan.

8.41 Treasury management is the management of the Council's investments, cash flows, its banking and capital market transaction and the effective control of the risks associated with those activities. Surplus cash is invested until required in accordance with the guidelines contained on the approved TMSS, while a short term liquidity requirements can be met by borrowing. This is to avoid excess credit balances or overdrafts at the bank. The Council is typically cash rich in the short term as cash revenue income is received before it is spent but cash poor in the long-term as capital expenditure is incurred before it is financed. The revenue cash surpluses are offset against capital cash shortfalls to reduce borrowing.

Borrowing Strategy

8.42 The council's main objectives when borrowing is to achieve a low but certain cost of finance while retaining flexibility should its plans change in the future. These objectives are often in conflict as the Council seeks to strike a balance between cheap short-term loans and long-term fixed loans where the future cost is known, but higher.

8.43 Projected levels of the Council's total outstanding debt (which comprises borrowing, PFI liabilities and leasing) are shown below and compared to the capital financing requirement.

Table 8.6: Prudential Indicator: Gross Debt and the Capital Financing Requirement

	31/3/22 Actual (£'000)	31/3/23 Budget (£'000)	31/3/24 Budget (£'000)	31/3/25 Budget (£'000)	31/3/26 Budget (£'000)	31/3/27 Budget (£'000)	31/3/28 Budget (£'000)
Borrowing Debt	700,415	1,204,505	1,362,827	1,700,076	2,064,552	2,309,280	2,423,369
PFI & Lease Debt	26,701	19,471	17,421	12,690	9,802	8,849	8,849
Total Debt	**727,116**	**1,223,976**	**1,380,247**	**1,712,766**	**2,074,353**	**2,318,129**	**2,432,218**
Capital Financing Requirement	972,537	1,375,493	1,540,063	1,901,188	2,293,138	2,568,101	2,713,322

8.44 Statutory guidance is that debt should remain below the capital financing requirement, except in the short-term. As can be seen from the above, the Council expects to comply with this requirement.

Affordable Borrowing Limit

8.45 The Council is legally obliged to set an affordable borrowing limit (also termed the authorised limit for external debt) each year. In line with statutory guidance, a lower operational boundary is also set as a warning level should debt approach the limit.

Table 8.7: Prudential Indicator: Authorised limit and operational boundary for external debt

	2022/23 limit (£'000)	2023/24 limit (£'000)	2024/25 limit (£'000)	2025/26 limit (£'000)	2026/27 limit (£'000)	2027/28 limit (£'000)
Authorised limit – borrowing	1,286,022	1,452,642	1,818,497	2,213,336	2,489,252	2,634,473
Authorised limit – PFI & leases	25,702	22,995	16,751	12,938	11,681	11,681
Authorised limit – total external debt	**1,311,724**	**1,475,637**	**1,835,249**	**2,226,274**	**2,500,932**	**2,646,154**
Operational boundary - borrowing	1,236,022	1,402,642	1,768,497	2,163,336	2,439,252	2,584,473
Operational boundary – PFI & leases	23,366	20,905	15,228	11,762	10,619	10,619
Operational boundary – total external debt	**1,259,387**	**1,423,547**	**1,783,726**	**2,175,098**	**2,449,871**	**2,595,092**

8.46 Although capital expenditure is not charged directly to the revenue account, interest payable on loans and MRP are charged to revenue, offset by any investment income receivable. The net annual charge is known as financing costs. This is compared to the net revenue stream i.e., the amount funded from Council Tax, business rates and general government grants.

8.47 The table below shows the net estimated capital financing costs based on the capital programme and the revised set of assumptions.

Table 8.8: Estimated Capital Financing Costs

	2022/23 Forecast £0's	2023/24 Forecast £0's	2024/25 Forecast £0's	2025/26 Forecast £0's	2026/27 Forecast £0's	2027/28 Forecast £0's
MRP - pre 2008 expenditure	2,283	5,019	5,019	5,019	5,019	5,019
MRP - post 2008 expenditure	11,085	14,126	19,566	24,263	28,899	32,928
Total MRP	**13,368**	**19,145**	**24,586**	**29,282**	**33,918**	**37,948**
Interest Costs (General Fund)	11,274	19,345	25,090	29,492	32,050	33,281
Total Gross Capital Financing Costs (GF)	**24,642**	**38,490**	**49,676**	**58,774**	**65,968**	**71,228**
Offsetting Savings for self-financing schemes	-8,835	-14,713	-21,788	-30,162	-36,196	-37,620
Total Net Capital Financing Costs (GF)	**15,807**	**23,777**	**27,887**	**28,612**	**29,773**	**33,608**
Interest Costs (HRA)	**14,861**	**18,979**	**28,599**	**38,365**	**46,548**	**52,019**

Table 8.9: Proportion of financing costs to net revenue stream

	2022/23 Forecast (£'000)	2023/24 Forecast (£'000)	2024/25 Forecast (£'000)	2025/26 Forecast (£'000)	2026/27 Forecast (£'000)	2026/27 Forecast (£'000)
Financing Costs General Fund	15,807	23,777	27,887	28,612	29,773	33,608
Proportion of net revenue stream	6.01%	8.56%	9.87%	10.03%	10.21%	11.29%
Financing Costs HRA	14,861	18,979	28,599	38,365	46,548	52,019
Proportion of net revenue stream	13.12%	15.73%	21.62%	27.16%	30.95%	32.84%

8.48 It can be seen, that over the MTFS period the General Fund ratio increases. The ratio also increases for the HRA. This level of ratio has been modelled into the current version of the evolving HRA business plan and capital programme.

Governance

8.49 Decisions on treasury management investment and borrowing are made on a daily basis and are delegated to the Director of Finance. There is a further sub-delegation to members of the Director of Finance's staff to facilitate day-to-day operations. Whoever is making the decision(s) will need to act in line with the treasury management strategy as approved by full Council.

9. Housing Revenue Account (HRA)

9.1 The HRA is the Council's record of the income and revenue expenditure relating to council housing and related services. Under the Local Government and Housing Act 1989, the HRA is ring-fenced and cannot be subsidised by increases in council tax. Equally, any surplus in the HRA or balances held in reserves cannot be transferred to the General Fund. Since April 2012, the HRA has been self-financing. Under self-financing Councils retain all the money they receive from rent and use it to manage and maintain their homes.

HRA Financial Plan Overview

9.2 The 30-year HRA financial plan contains a long-term assessment of the need for investment in assets, such as new homes development, Major works (Haringey standard) and other cyclical maintenance requirements, as well as forecasts on income streams such as rents, in line with rent standards, and future developments.

9.3 The Plan includes the modelling of the revenue and capital implications of all planned work in the HRA to deliver Corporate Delivery Plan priorities and provided the basis for understanding the affordability of current capital programme delivery plans and assessing options to ensure a viable HRA over a longer period. It considered the build costs, inflation, exposure to housing market and delivery capacity within the Council.

9.4 The recent increases in energy cost, inflation and interest rates rises presents a level of challenge and difficulty in delivering our capital programmes now and the viability of our HRA in the medium to long term. The Council must agree a HRA Budget and longer-term plan which are prudent and sustainable. This plan factors in our best estimates and assumptions on interest rates and inflation, which are particularly significant for our capital programme.

9.5 The plan recognises that to undertake the proposed extensive development programme, the HRA must be viable now and in the future. It also recognises that there will be ongoing gateway reviews to update and test viability before future programme phases are released. One of the measures of viability of the HRA is the annual revenue contribution to capital outlay (RCCO), which reduces the need to external borrowing. RCCO is the revenue surplus after expenditure; and it is key in assessing the HRA resilience. The financial plan, as in prior years, assumes an ongoing £8m minimum annual surplus. This provides an appropriate level of in year financial cover, in recognition of the

risks such as changes in government policies, operational factors those associated with an extensive development programme. The plan also assumes a year on year working balance of £20m. This increased position was established at the end of 2021/22.

The main sources of income to the HRA are Rents and Service Charges.

Housing rents: Existing Tenants

9.6 The Council is required to set the rent increases in council-owned homes every year but there are strict limits for existing tenants. From 2020/21, the government has permitted Local Authorities in England to increase existing tenants' rents by no more than the Consumer Price Index (CPI), at September of the previous year, plus 1%.

9.7 On 17 November 2022, the government announced in the Autumn Statement 2022 that social housing rent increases for 2023/24 would not go up in line with the formula instead will be capped at 7%, to help tenants with the increased cost of living. This report includes a recommendation that council's rent go up by the allowed 7% and the budget figures included in this report assumes that this increase will be adopted.

9.8 Looking to future years, the Government is expected to give a new directive to the Regulator of Social Housing. The Regulator will publish revised guidance for social housing rent setting for 2024/25 onwards.

Rents on New Builds

9.9 The challenges presented by adverse economic changes, including the increased cost of borrowing and inflation mean that the Council has had to consider how best to be able to maintain financial sustainability and continue a strong new build programme.

9.10 Rents on existing homes and those new homes not under the Building Council Homes for Londoners (BCHL) programme will continue to be in accordance with Government rent standards for social rents. The council will therefore continue to let most of its new lettings for its homes at the relevant formula rent and the HRA financial plan is built on that basis. The maximum weekly rent allowed by the government for a tenant granted a new tenancy in a social rent home is formula rent (subject to national rent cap).

9.11 In the future planning for the HRA, it had been assumed that the Council might utilise shared ownership arrangement for a proportion of its new build programme. Having updated assumptions, it is clear that the long term sustainability of the HRA is better met by the introduction of London Affordable Rent (LAR) for some of its new homes. This is because, as a social housing product, this tenure qualifies for £100k per unit funding from the Building Council Homes for Londoners 2016-23 Grant Funding regime.

9.12 It is therefore recommended that new homes delivered under the GLA's 2016-23 Affordable Homes Programme, 'Building Council Homes for Londoners' will be let at London Affordable Rent (LAR) levels. This is presently estimated to apply to 870 future properties. London Affordable Rent will not be applied to new homes at High Road West or Broadwater Farm as the Council intends to honour the landlord offer that has previously been made to residents there ahead of the Estate ballots. It will also not affect any homes that have either been completed and let or where lettings are in process.

London Affordable Rent

9.13 London Affordable Rent was introduced by the Mayor of London in 2016 as a social housing product for new affordable homes funded by Building Council Homes for Londoners (BCHFL) grant. It reflects the 2015/16 formula rent cap uprated by CPI plus one per cent every year. These LAR rents are at the same level anywhere in London. LAR homes are let by councils on secure tenancies, and by other registered providers.

9.14 The BCHFL grant programme allocated grant on the basis that homes for low-cost rent would be let at London Affordable Rent (LAR) rather than formula rent. The historically relatively low level of grant – a flat rate of £100,000 per unit – reflected that expectation.

9.15 Letting homes at LAR would support a financially viable programme. But it would also be genuinely affordable to tenants. Other than its near-equivalent formula rent, LAR is by some distance the cheapest kind of rent available.

9.16 The table below shows London Affordable Rents for 23/24.

	23/24 rents
Bedsit and 1-bedroom	£187.03
2 bedrooms	£198.01
3 bedrooms	£209.01
4 bedrooms	£220.01
5 bedrooms	£231.01
6 or more bedrooms	£242.00

This represents an uplift on 22/23 LAR Rents by September CPI plus 1% (11.1%).

9.17 LAR is significantly less than the Local Housing Allowance rate. This means that any tenant entitled to Housing Benefit, or the housing element of Universal Credit would have their housing costs covered.

9.18 There is a small number of Haringey households (just over 500) who are currently affected by the benefit cap – including ten who are council tenants and 24 who are housing association tenants. Half the housing association tenants affected by the cap are paying rents considerably higher than LAR.

9.19 A small cohort of households on the Housing Register would be affected by the benefit cap whether they bid for a new home at formula rent cap or LAR. There is likely to be another small cohort of households with three or more children who would be affected by the benefit cap if they moved into a new LAR home where they would remain unaffected if they moved into a home let at formula rent. Those households would need to find all or a part of the difference between LAR and formula rent from their existing benefits. However, since all relets on existing Council homes will be at formula rent levels, it is likely that these households will also be able to move into cheaper Council homes.

Formula rent

9.20 The national formula for setting social rent is intended to enable LAs to set rents at a level that allows them to meet their obligations to their tenants, maintain their stock (to at least Decent Homes Standard) and continue to operate a financially viable HRA, including meeting their borrowing commitments.

9.21 The formula is complex and uses national average rent, relative average local earning, relative local property value, and the number of bedrooms to calculate the formula rent. Formula rents are subject to a national social rent cap. The rent cap is the maximum level to which rents can be increased to in any one financial year, based on the size of the property. Where the formula rent would be higher than the rent cap for a particular property, the national social rent cap must be used instead. Rent caps for 2023/24 are as shown below:

Number of bedrooms	2023/24 Rent cap
1 and bedsits	£173.79
2	£184.00
3	£194.22
4	£204.43
5	£214.66
6 or more	£224.87

It should be noted that formula rent for 2023/24 would go up by September CPI plus 1% (11.1%) over the 2022/23 level. The formula rent cap goes up by a further 0.5%.

Rents in Existing Council Homes - General Needs & Sheltered/Supported Housing

9.22 The government, through the Regulator, prescribes the formula for calculating social housing rents. These rents are also called formula rents and exclude service charges. formula rents are allowed to increase annually.

9.23 The current rent for 2022/23, approved by Cabinet on 8 February 2022, was set at the 2021/22 rent uplifted by 4.1%. The rent increase is due to the CPI rate in September 2021 of 3.1% plus 1% allowed by the government. The CPI at September 2022 is 10.1%. Without the proposed rent ceiling, rents in council-owned housing would increase by 11.1% (CPI plus 1%) and the HRA would receive additional rental income of £11.6m in 2023/24. After applying the 7% rent ceiling, the additional income to the HRA from tenant's rents in 2023/24 will reduce by £3.9m to £7.7m. The updated HRA business plan has the reduced level of rent increase.

9.24 On this basis, the proposed average weekly rents for general needs and sheltered/supported housing will increase by £7.73 from £110.49 to £118.22 in 2023/24. There is a range of rents across different sizes of properties. The table below sets out the proposed average weekly rents by property size if the rent increase for 2023/24 is set at 7% with effect from 3 April 2023 (the first Monday in April).

Table 9.1

Number of Bedrooms	Number of Properties	Current average weekly rent 2022/23	Proposed average weekly rent 2023/24	Proposed average rent increase	Proposed percentage increase
Bedsit	130	£89.64	£95.91	£6.27	7.0%
1	5,288	£94.94	£101.59	£6.65	7.0%
2	5,173	£110.65	£118.40	£7.75	7.0%
3	3,706	£126.70	£135.57	£8.87	7.0%
4	608	£144.25	£154.35	£10.10	7.0%
5	110	£168.75	£180.56	£11.81	7.0%
6	15	£175.36	£187.64	£12.28	7.0%
7	2	£165.93	£177.55	£11.62	7.0%
All dwellings	**15,032**	**£110.49**	**£118.22**	**£7.73**	**7.0%**

9.25 The government is expected to continue allowing Local Authorities to charge formula rents when council homes are re-let following a vacancy.

Rents in Temporary Accommodation

9.26 All properties acquired since 1 April 2019 for housing homeless households held in the HRA are leased to Haringey Community Benefit Society (HCBS) and let by HCBS at Local Housing Allowance (LHA) rent levels.

9.27 The HRA financial plan includes these rental incomes for a period of 7 years. From year eight, it recognises incomes from these properties at formula rent, with the normal annual rent increases of CPI, as these properties are assumed will revert to the HRA after 7 years of lease.

9.28 From 3rd April 2023, all other council-owned properties used as temporary accommodation under a Council non-secure tenancy will have proposed rent increase capped at 7%.

Tenants' Service Charges

9.29 In addition to rents, tenants pay charges for services they receive which are not covered by the rent. The Council's policy has been to set tenants' service charges at the start of each financial year to match budgeted expenditure.

9.30 Service charges must be set at a level that recovers the cost of the service, and no more than this. Charges are calculated by dividing the budgeted cost of providing the service to tenants by the number of tenants receiving the service. Therefore, a flat rate is charged to tenants receiving each service and the weekly amount is fixed. The amount tenants pay increases where the cost of providing the service is anticipated to increase. Equally, charges are reduced when the cost of providing the service reduces or where there has been an over-recovery in the previous year.

9.31 Tenants currently pay for the following services, if applicable.

- Concierge
- Grounds maintenance
- Caretaking
- Street sweeping (Waste collection)
- Light and power (Communal lighting)
- Heating
- Estates road maintenance
- Door entry system maintenance
- Sheltered housing cleaning service
- Good neighbour cleaning service
- Converted properties cleaning
- Window cleaning service.
- TV aerial maintenance

Tenants living in sheltered and supported housing also pay the following additional support charges:

- Sheltered Housing Charge
- Good Neighbour Charge
- Additional Good Neighbour Charge

9.32 The applicable charges for 2023/24 is as shown in Table 9.2 below:

Proposed Tenants' Service Charges with effect from 3 April 2023 (2023/24)

Tenants' service charges	Current Weekly Charge 2022/23	Proposed Weekly Charge 2023/24	Increase/ (decrease)	
Concierge	£18.44	£20.28	£1.84	10.0%
Grounds Maintenance	£3.26	£3.40	£0.14	4.3%
Caretaking	£4.72	£5.19	£0.47	10.0%
Street Sweeping	£5.44	£5.98	£0.54	9.9%
Estates Road maintenance	£0.62	£0.68	£0.06	9.7%
Communal Lighting (Light & Power)*	£2.35	£2.35	£0.00	0.0%
Sheltered Housing Blocks Heating*	£10.52	£10.52	£0.00	0.0%
Garton House / Lowry House Heating*	£10.07	£10.07	£0.00	0.0%
Ferry Lane Estate / Runcorn Heating*	£11.52	£11.52	£0.00	0.0%
William Atkinson House Heating*	£8.25	£8.25	£0.00	0.0%
Broadwater Farm DEN Heating*	£11.29	£11.29	£0.00	0.0%
Rosa Luxemburg - District Heating 8*	£8.17	£8.17	£0.00	0.0%
TV aerial maintenance	£0.34	£0.38	£0.03	10.0%
Door entry system maintenance	£0.94	£1.03	£0.09	10.0%
Sheltered housing cleaning service	£1.94	£2.13	£0.19	9.8%
Good neighbour cleaning service	£1.37	£1.51	£0.14	10.0%
Window cleaning	£0.57	£0.63	£0.06	10.0%
Converted properties cleaning	£1.86	£2.05	£0.19	10.0%
Sheltered Housing Charge	£29.44	£32.38	£2.94	10.0%
Good Neighbour Charge	£13.15	£14.47	£1.32	10.0%
Good Neighbour Charge (Stokley Court)	£16.02	£17.62	£1.60	10.0%

(Please note that this table replaces the version previously included)

***Heating & Lighting charges**

The costs of providing heat to council tenants in properties served by our district heating schemes has been subject to substantial increases, as might be expected given the impact of world events on energy costs to domestic households and businesses. The council is currently considering its approach to the setting of next year's heating and lighting charges to tenants in light of these increases, recognising the cost-of-living crisis that is impacting on everyone in some shape or form. It is therefore proposed that these charges remain unchanged, until a further Cabinet report addresses this matter.

The HRA Budget and MTFS put forward here for members adoption assume a level of increased income from heating and lighting charges (* in the table above), but this estimate is now expected to be in excess of that produced by the charge levels to be set for next year. This will be addressed in the subsequent Cabinet report on these charges and the implications to the HRA arising from any new charge levels in 2023/24 will be met from the HRA Reserve, which is currently £20.8m.

Rent Consultation

9.33 There is no requirement for tenant consultation because Haringey Council's rents are set in accordance with government rent standard and no new charges are being introduced for the tenants' service charges. However, tenants must be given at least four weeks' notice before the new rents for 2023/24 start on 3 April 2023.

HRA Expenditure

9.34 Significant items of expenditure in the HRA include the management cost, repairs cost, capital financing charge and depreciation. These four items constitute about 76% of the total HRA expenditure. The capital financing charge is the interest on HRA loans and internal funding and is budgeted at £4m above the 2022/23 level due to higher interest rate forecast for next year's potential borrowings. Depreciation is a cash charge to the HRA to reflect the need to finance the placement of components within HRA homes over time. The depreciation charges to the HRA are transferred into the Major Repairs Reserve (MRR). The Major Repairs Reserve is used to build up capital sums that can be used to finance the capital programme.

9.35 The proposed HRA capital programme supports the delivery of over £2bn investment in our existing stock over the next 30 years, and the delivery of over 3000 new council homes by March 2031.

9.36 There are of course risks such as the impact of the current inflation and interest rate rises on collection of rent, capacity to build, and overall sustainability of the HRA. However, these risks have been factored into this iteration of the HRA budget/MTFS. The budget/MTFS forecasts revenue

contribution to capital outlay (RCCO) above the set minimum of £8m throughout the MTFS period.

HRA 5 Years MTFS (2023/24-2027/28)

9.37 This report sets out the proposed HRA 5 years Budget/MTFS in the Table below. It accommodates the scale of development presently assumed within the business and financial planning in terms of its impact of the future years HRA revenue position. It also takes into consideration the current inflation and interest rates and its impact in next year's rent charges. The HRA budget for 2023/24 is a balanced budget with a revenue contribution to capital (RCCO) of £8.23m.

Table 9.3 - HRA 5-Year Revenue Budget (2023/24 – 2027/28)

Housing Revenue Account (HRA)	Year 1	Year 2	Year 3	Year 4	Year 5	**Total**
Income & Expenditure	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**5 Years**
	£'000	£'000	£'000	£'000	£'000	**£'000**
Income						
Dwellings Rent Income	(98,570)	(108,477)	(116,572)	(124,725)	(131,822)	**(580,166)**
Void Loss	1,892	1,085	1,166	1,247	1,318	**6,708**
Hostel Rent Income	(1,792)	(1,855)	(1,920)	(1,986)	(2,055)	**(9,608)**
Service Charge Income	(14,849)	(15,617)	(16,438)	(17,297)	(18,098)	**(82,299)**
Leaseholder Income	(7,881)	(8,106)	(8,337)	(8,574)	(8,816)	**(41,714)**
Other Income (Garages /Aerials/Interest)	(2,230)	(2,271)	(2,312)	(2,355)	(2,398)	**(11,566)**
Total Income	**(123,430)**	**(135,241)**	**(144,413)**	**(153,690)**	**(161,871)**	**(718,645)**
Expenditure						
Repairs	24,343	25,522	25,851	26,671	27,905	**130,292**
Housing Management	26,927	24,326	24,318	23,813	23,216	**122,600**
Housing Demand	2,012	2,052	2,093	2,135	2,178	**10,470**
Housing Management & Repairs	**53,282**	**51,900**	**52,262**	**52,619**	**53,299**	**263,362**
Estates Costs (Managed)	13,291	13,370	13,637	14,355	15,105	**69,758**
Provision for Bad Debts (Tenants)	3,000	3,352	3,055	1,526	1,589	**12,522**
Provision for Bad Debts (Leaseholders)	189	199	204	206	212	**1,010**
Total Managed Expenditure	**16,480**	**16,921**	**16,896**	**16,087**	**16,906**	**83,290**
Other Costs (GF Services)	3,362	4,429	3,498	3,568	3,639	**18,496**
Other Costs (Property/Insurance)	2,026	3,067	2,108	2,150	2,193	**11,544**
Capital Financing Costs	18,585	27,389	36,804	44,894	50,272	**177,944**
Contribution to Major Repairs (Depreciation)	21,457	22,444	23,632	24,865	26,020	**118,418**
Revenue Contributions to Capital	**8,238**	**9,091**	**9,213**	**9,507**	**9,542**	**45,591**
Total Expenditure	**123,430**	**135,241**	**144,413**	**153,690**	**161,871**	**718,645**

9.38 While the RCCO across the 5-year planning period is in excess of our locally set minimum of £8m, it is clear that our HRA position remains tight and will require close monitoring of our ongoing income and expenditure positions.

HRA 5 Years Capital Programme (2023/24 – 2027/28)

9.39 This represents the capital implications of the new draft HRA financial plan where there is a strong emphasis on meeting the needs of homeless households while ensuring that the needs of the existing stock are met. It also focuses on the delivery of new homes, renewal of BWF estate, carbon reduction in existing stock, and fire safety of the entire stock.

9.40 The HRA MTFS is geared towards maximising the use of other available resources and use of borrowing as last resort, while maintaining a working balance of £20m. The MTFS capital programme funding assumes a mix of grant funding, S106 monies, revenue contribution and prudential borrowing. The total capital investment in 2023/24 is £263m, fully funded from revenue contribution, grants, RTB retained receipt, Major Repairs Reserve and borrowing.

Table 9.4 - HRA 5 Year Capital Programme (2023/24 – 2027/28)

Housing Revenue Account (HRA)	Year 1	Year 2	Year 3	Year 4	Year 5	**Total**
Investment & Financing	**2023-24**	**2024-25**	**2025-26**	**2026-27**	**2027-28**	**5 Years**
	£'000	£'000	£'000	£'000	£'000	**£'000**
Capital Investment						
Major Works (Haringey Standard)	41,443	40,922	41,941	62,742	64,075	**251,123**
Carbon Reduction Works (Affordable Energy)	7,283	6,367	6,495	6,624	6,757	**33,526**
Fire Safety Works	5,470	7,573	7,577	7,729	6,757	**35,106**
Broadwater Farm Works	21,209	16,115	16,437	16,767	17,102	**87,630**
Total Existing Stock Investment	**75,405**	**70,977**	**72,450**	**93,862**	**94,691**	**407,385**
New Homes Build Programme	162,803	175,370	195,917	173,111	82,237	**789,438**
New Homes Acquisitions	3,306	21,093	31,428	15,926	45,620	**117,373**
TA Acquisitions	21,448	21,662	22,312	22,981	23,670	**112,073**
Total Capital Investment	**262,962**	**289,102**	**322,107**	**305,880**	**246,218**	**1,426,269**
Capital Investment Financing						
Grants (GLA)	62,411	27,807	40,869	40,818	38,964	**210,869**
Major Repairs Reserve	21,457	22,444	23,631	24,865	26,021	**118,418**
Revenue Contributions	8,238	9,091	9,213	9,507	9,542	**45,591**
RTB Capital Receipts	9,556	9,651	9,921	10,259	10,608	**49,995**
Leaseholder Contributions to Major Works	7,979	7,941	6,373	6,176	6,020	**34,489**
S.106 Contributions	3,500	0	0	0	0	**3,500**
Market Sales Receipts	0	2,964	4,714	72,129	44,118	**123,925**
Borrowing	149,821	209,204	227,386	142,126	110,945	**839,482**
Total Capital Financing	**262,962**	**289,102**	**322,107**	**305,880**	**246,218**	**1,426,269**

9.41 The Council continues to project an expensive HRA capital programme both in terms of investing in its existing stock and new build. The financial sustainability of this is addressed in our revenue modelling reported above.

Major Works – Haringey Standard

9.42 The major works investment standard has been designed to ensure that the Council maintains its statutory and legal duties and keeps homes safe and warm. It comprises internal, external and works to communal areas, including

all items affecting decency. Despite the challenging economic circumstances, the Council is maintaining the expenditure of its Major Works Programmes at its current level.

9.43 The Asset Management Strategy sets out the Council's target to achieve 100% decent homes, and how this will be achieved.

9.44 The Council has agreed to work with partners to deliver these works for the long term, through a Partnering Contract. This Partnering Contract will run for ten years and is divided into four separate contracts over four geographical areas. Works under the Partnering Contract are expected to start in late 2023. The Partnering Contract has been designed to deliver value for money; ensure that the Council's objectives to meet decent homes, as well as the other workstreams listed below, are met; contribute to wider corporate priorities in particular to bring good quality jobs and training opportunities to Haringey residents; and finally to ensure that those who are awarded large contracts by the Council are committed to Haringey and the success of the borough for the longer-term. The costs in this proposed capital programme budget recognises the estimated cost of the partnering contract.

Carbon Reduction Works

9.45 The budget provision would support extensive measures contained in the Council energy action plan. Despite the challenging economic circumstances, the Council is maintaining the expenditure on carbon reduction works at its current level.

9.46 The Council is finalising its Energy Action Plan which will set out how it will deliver the objectives of both the Climate Change Action Plan and the Affordable Energy Strategy. These are to reduce carbon emissions from the Council's housing stock so that the whole stock reaches an average EPC of Band B by 2035 and Band A by 2041, where technically feasible. In turn this will contribute to the objective to minimise energy costs for Council tenants and reduce fuel poverty, in particular in a time of rising costs.

9.47 The proposed approach is to firstly improve the fabric of the property. This means upgrading, where necessary, walls, roofs, windows, floors, and doors so as the reduce the need to expend energy to heat homes. The next stage is to incorporate low and zero-carbon heat and power. The worst performing homes will be targeted first. Works will be incorporated with the major works programme to minimise cost to the HRA and disruption to residents. The proposed HRA capital budget supports these works, but external funding is also sought whenever applicable.

Fire Safety Works

9.48 The proposed budget is to ensure that all housing stock continues to meet changing statutory requirements. The budget has been refreshed to ensure

that the requirement of the recent Fire Safety (England) Regulations 2022 are met. The programme includes front entrance door replacements, window infill panel replacements, Automatic Fire Detection (AFD) to street properties, automatic Fire detection and compartmentation works to timber clad buildings, Intrusive Fire Risk Assessments (FRA) and follow up works.

Broadwater Farm Works

9.49 The council is setting aside significant capital expenditure for the regeneration of the Broadwater Farm estate and has reprofiled expenditure in line with our latest estimates. In 2018 the council identified structural faults with a number of buildings that has led to the development of comprehensive programme of improvement. This programme includes:

- The construction of 294 new homes, all at council rent, with 30% family sized units with three beds or more (contained in the new homes budget, below)
- The refurbishment of 800 homes, covering sustainability, fire safety and mechanical and electrical
- Improvements to the public realm and green spaces, tackling the legacies of the streets in the sky design from the 60s

New Homes Build and Acquisition

9.50 This Financial plan continues to provide for financial resources to meet the Council's commitment to the delivery of high-quality Council homes for social housing. This is an integral part of the Council's core HRA business, with a delivery programme that is viable in the long term. The total estimated cost of new build homes and acquisition in the financial plan is £907m over the period of the MTFS.

9.51 Over the past four years, the Council has established a housing delivery programme that is committed to delivering 3,000 new council homes for council rent by 2031. These are the first new council homes in Haringey for forty years.

9.52 The current Housing Delivery Programme comprises 3,600 homes on 87 sites that have either been completed, or started on site, or are under active development. 3,000 of those homes are currently planned as homes for letting at social/affordable rent.

9.53 Construction works for over 1,500 council homes have now started on site. 184 council homes have been completed and let at council rent.

9.54 The need for genuinely affordable homes in Haringey – as across the country – is urgent. More than 11,000 households are currently waiting for social housing on the Council's housing register. Just over 2,000 of these households are significantly overcrowded, and more than 2,500 are homeless and living in Temporary Accommodation.

9.55 Cabinet has so far included 80 sites of Council land with potential for development in the programme. Most are held in the HRA; others are in the General Fund and will need to be appropriated at cost into the HRA.

9.56 Sites in the HRA are underused land, generally on housing estates, typically garages, car parking spaces, or land between existing blocks. General Fund land ranges from the conversion of former shops into homes to large sites such as the former waste management depot at Ashley Road.

9.57 As an integral part of the programme, the Council also actively seeks opportunities to acquire homes to let as Council homes.

9.58 Climate change, carbon management, and sustainability are integral to the design of our new generation of Council homes. The Council targets zero-carbon for each of our developments.

9.59 More than 10% of new homes are fully wheelchair accessible, with a target of 20%. As part of the programme, through the Bespoke Homes programme we are actively identifying households on the housing register with specific accessibility needs in order to design new homes for their individual needs.

Existing Homes Acquisitions – Temporary Accommodation (TA)

9.60 The Council's TA acquisition programme is based on the purchase of homes and subsequent leasing to the Haringey Community Benefit Society ('the CBS') to provide housing to households in housing need nominated to it by Haringey Council. This scheme will generate adequate rental income to cover the cost of capital and associated cost. There is also a General Fund (GF) saving generated by the provision of homes to homeless households in the HRA via reduction in the use of privately-owned temporary accommodation in GF. This Financial plan has a reduced allocation over the MTFS period for this scheme compared to prior years. This is because of the restriction the new guidance on use of RTB retained receipts has placed on the Council's ability to use these receipts for the purpose of acquiring existing homes. The new guidance means that the Council has a capped number of acquisitions in any year. The RTB retained receipts is now being applied to new build homes to match the acquisitions.

10. Dedicated Schools Budget (DSB)

10.1 The Dedicated Schools Budget (DSB) is substantially funded from the ring-fenced Dedicated Schools Grant and two other funding streams (Pupil Premium and Post 16 Grant) which are, in effect, passported to schools. Spending must be consistent with the requirements of the prevailing Schools and Early Years Funding Regulations. There are requirements for Schools Forum to act as a decision-making and/or a consultative role in determining budget levels for each year.

10.2 The financial position reported at Quarter 2 2022-23 set out the forecast year end position. This highlighted the budget pressures in the High Needs Block which is estimated to add an additional £3.8m to the existing deficit of £21.6m.

2023/24 Budget Allocation

10.3 The Final DSG allocation for Haringey's 2023-24 DSG Budget has seen increases in the Schools and High Needs Block and a reduction in the Central block allocation when comparing to 2022-23. Table A below sets out Haringey's DSG allocations for 2022-23 and the indicative National Funding Formula for 2023-24.

Table A: Dedicated Schools Grant Year on Year Allocations (including Academies)

DSG - Funding breakdown	FY22-23 £'000	FY23-24 £'000
Schools block	212,522	219,240
CSSB	2,785	2,710
High needs block	50,335	55,162
Early years block	19,217	21,051
Total allocation	**284,859**	**298,163**

10.4 The Haringey Schools Block funding increased by 3.27% funding per pupil. However, falling rolls have impacted on overall funding leading to pressures in some individual schools.

10.5 The Central School Services Block has a 2.5% reduction in the per pupil rate and an overall reduction of £65k or 2.69%.

10.6 The Haringey High Needs Block allocation has increased by £6.7m before academy deductions. This equates to an increase of 9.6% from last year and reflects lagged funding for Special School Places and increased SEN pupil numbers. Children with Education and Healthcare Plans are expected to increase by an average of 7% per annum, allowing for mitigations being put in place to address increases. An ongoing service review is still to determine the final allocations.

10.7 The Early Years' Block has also seen an increase of £1.8m to £21.051m in the 2023/24 allocations. Actual allocations to Early Years' settings are based on actual attendance. The Children & Young people service is continuing to work with Early Years providers and the DfE to minimise the impact on sustainability of provision in the borough.

10.8 The pressure on the DSG budget is acknowledged by government as a national issue. Factoring assumptions on demand growth, mitigation of demand growth, inflation estimates and grant income projections the DSG is forecasting a cumulative deficit of over £80m by 2027/28 if no mitigating actions are taken. This deficit is forecasted solely within the High Needs Block.

10.9 The Department of Levelling Up, Housing and Communities (DLUHC), requires DSG deficits to be held in a separate reserve in local authorities' accounts, with regulations in force to allow this treatment up to 2025/26.

The forecasted DSG deficit needs to be addressed as once the regulations to show the deficits separately are removed, this will impact the Council's General Fund, resulting in a profound impact on statutory services in other areas.

10.10 Haringey has been invited to join the DfE Safety Valve programme, which targets local authorities with the highest DSG deficits. The programme requires local authorities to agree to substantial plans for reform to their high needs budget and escalating demands on SEND services, with an expectation to deliver an in-year balanced budget over the next 5 years. When a local authority can demonstrate sustainability, the DfE will enter into an agreement to provide financial support with funds to address the cumulative deficit, subject to Ministerial approval.

10.11 Final proposals to address the pressures in the HNB were submitted to the DfE on 6th October 2022. Subject to DfE approval to the proposals submitted, Haringey would then enter the Safety Valve Programme. Haringey has also been successful in securing £7m DfE capital funding to invest in key proposals of the Haringey Safety Valve programme to deliver revenue savings to the DSG.

10.12 In the Autumn Statement November 2022 £2.3bn grant was announced for schools nationally. Haringey has £2.3m additional funding included in the High Needs Block DSG grant which has been reflected in the DSG allocations in this report. A further indicative £7.1m Maintained Schools Additional Grant (MSAG) will be payable to schools. The DfE will announce school level allocations in the Spring 2023 and pay the MSAG to the council in May 2023. This will be passported to schools.

11. Consultation & Scrutiny

11.1 The Council, as part of the process by which it sets its budget, seeks the views and opinions of residents and service users which is used to inform the final decision of the Council when setting the budget.

Public Consultation

11.2 As such a formal consultation has taken place based on the consultation plan included in the December Budget/MTFS report which included Businesses and residents. A detailed summary of the process and the responses received can be found in Appendix 8. Cabinet has considered the responses and, after due consideration, considers that the issues raised are addressed in the budget strategy and it is therefore not proposing any consequential changes.

Overview and Scrutiny

11.3 As part of the Council's governance arrangements for scrutiny of the Budget and Medium-Term Financial Strategy, the Council's Overview and Scrutiny Committee and Panels met during late December 2022 and early January 2023 and have scrutinised all the proposals presented in the 6th December 2022 report to Cabinet. Senior officers, relevant Members and heads of

finance were in attendance at each meeting to present proposals and respond to questions from the Panel/Committee members. For some proposals, additional information was requested, which was provided.

11.4 All recommendations put forward by the Panels and the main Committee were considered by the Overview and Scrutiny Committee on 19th January 2023 and a schedule of final recommendations were agreed and referred to Cabinet. These recommendations, along with the Cabinet responses, are provided in Appendix 9.

Equalities Impact Assessment

11.5 The proposals in the 2023-24 Budget and 2023-2028 Medium Term Financial Strategy have been subject to equalities analyses, both individually, and collectively as a combined set of actions. The report attached as Appendix 10 summarises this analysis.

12. Statutory Officer Comments (Director of Finance (procurement), Head of Legal and Governance, Equalities)

Finance

12.1 This financial strategy ensures that the Council's finances are aligned to the delivery of the Council's priorities and the administration's manifesto commitments in the medium term. It is consistent with proper arrangements for the management of the Council's financial affairs and its obligation under section 151 of the Local Government Act 1972.

12.2 Ensuring the robustness of the Council's 2023/24 budget and its MTFS 2023/24 – 2027/28 is a key function for the Council's Section 151 Officer. This includes ensuring that the budget proposals are realistic and deliverable. As the MTFS report is primarily financial in its nature, comments of the Chief Financial Officer are essentially contained throughout the report.

12.3 The fact that this final balanced Budget has been achieved with also allowing a reduced contribution from the Strategic Budget Planning reserve is positive however, there continues to be significant economic volatility as well as service demand. Best efforts have been employed to derive realistic budgets for 2023/24 however the Council must continue to focus on delivering its agreed programme of savings which is vital in ensuring the ongoing financial sustainability of the authority in the longer term.

12.4 The policy of reviewing all agreed savings as part of the annual budget setting process is one measure employed to de-risk budgets as are the adjustments made since the draft Budget was presented to revise budgets particularly sensitive to the wider economic conditions such as treasury and borrowing. This Budget continues to provide for a corporate contingency of c.£7.4m across the whole MTFS period.

12.5 The formal Section 151 Officer assessment of the robustness of the council's budget, including sufficiency of contingency and reserves to provide against future risks will be made as part of the final budget report to Council in March.

Procurement

12.6 Strategic Procurement notes the contents of this report and will continue to work with services to enable cost reductions.

Head of Legal & Governance

12.7 The Head of Legal & Governance has been consulted in the preparation of this report and makes the following comments.

12.8 The Local Authorities (Standing Orders) (England) (Regulations) 2001 and the Budget and Policy Framework Procedure Rules at Part 4 Section E of the Constitution, set out the process that must be followed when the Council sets its budget. It is for the Cabinet to approve the proposals and submit the same to the Full Council for adoption in order to set the budget. However, the setting of rents and service charges for Council properties is an Executive function to be determined by the Cabinet.

12.9 The Council must ensure that it has due regard to its public sector equality duty under section 149 of the Equality Act 2010 in considering whether to adopt the recommendations set out in this report.

12.10 The report proposes new savings proposals for the financial year 2023/24, which the council will be required to consult upon and ensure that it complies with the public sector equality duty.

12.11 The report sets out the relevant considerations for Members to consider during their deliberations and Members are reminded of the need to disregard irrelevant considerations. Members have a duty to seek to ensure that the council acts lawfully. They are under an obligation to produce a balanced budget and must not knowingly budget for a deficit and Members must also bear in mind their fiduciary duty to the council taxpayers of Haringey. Members must not come to a decision which no reasonable authority could come to; balancing the nature, quality, and level of services which they consider should be provided against the costs of providing such services.

12.12 In view of the conclusion reached by the Director of Finance at paragraphs 12.1 to 12.4 above on the ability to set a balanced budget for 2023/24 and the Equalities comments below, there is no reason why Cabinet cannot adopt the Recommendations in this report.

Equality

12.13 The Council has a public sector equality duty under the Equality Act (2010) to have due regard to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act;
- Advance equality of opportunity between people who share those protected characteristics and people who do not;
- Foster good relations between people who share those characteristics and people who do not.

12.14 The three parts of the duty apply to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status apply to the

first part of the duty. Although it is not enforced in legislation as a protected characteristic, Haringey Council treats socioeconomic status as a local protected characteristic.

12.15 Haringey Council also has specific duties to publish information to demonstrate compliance with the Equality Duty, at least annually; and to set and publish equality objectives, at least every four years. This includes publishing information relating to people who are affected by our policies and practices who share protected characteristics.

12.16 The proposals in the 2023-24 Budget and 2023-2028 Medium Term Financial Strategy have been subject to equalities analyses, both individually, and collectively as a combined set of actions.

12.17 The collective set of proposals have been developed against a background of considerable economic uncertainty, recognising the impact of a generationally severe cost of living crisis which has been preceded not only by the Covid-19 pandemic, but also a decade of significant retrenchment in public spending and withdrawal of central government funding. These long-term circumstances have been found to have compounded and exacerbated pre-existing inequalities of outcomes across income groups, age, ethnicity, disability, and sex. In addition, these outcomes have themselves caused an increase in both the overall volume and also the complexity of demand in particular service areas.

12.18 Responding to these circumstances within the context of ongoing constraints on local government financing and increasing costs of service provision has required an approach which seeks to prioritise equality within a sustainable budget envelope. A focus on tackling inequality underpins the Council's priorities and this is embedded in the adopted Corporate Delivery Plan. The proposals aim to deliver this priority by continuing to meet service demand, while at the same time investing in key transformation projects. These aim to maximise efficiencies in service delivery while not sacrificing quality of provision, particularly across Children's Services, and Adults, Health and Communities. The proposals are summarised below:

People (Adults)

The growth proposals in adult social care respond to increasing and more complex demand and to inflationary pressures affecting workforce costs and service delivery. There are a range of service improvement and transformation proposals which are intended to achieve savings. These include proposals to: improve service delivery, develop our early intervention and prevention offer; strengthen local pathways; provide more local accommodation; and reduce the reliance on out of borough care.

People (Children)

Proposals will support continuity and expansion of service provision in challenging financial circumstances. By responding to inflationary pressures across the board, the service will continue to be able to meet the needs of children in social care placements through incentivising foster carers with better pay and meeting increased costs of SEND transportation and other ancillary services. The proposals will extend service provision to vulnerable

young people beyond simple growth in demand due to demographic change, through the expanded free school meals provision, social workers in school, and the Rising Green Youth Hub. To offset the expansion of provision in certain areas, there are a number of administrative changes and improvements to allow for greater efficiencies with no change to service quality for children and young people.

Place

Proposed investment will improve Haringey's public realm and deliver a number of climate-related priorities, from improvements to traffic and route management, through to delivery of affordable bike hire for the Borough. Improvements to pedestrian and cycle infrastructure, alongside interventions to create clean air in the Borough should benefit the health of multiple groups with protected characteristics. Investments in asset management in parks, with an equalities focus, including street lighting, should help create a more welcoming and inclusive public realm. Careful management of the impact of changes to transport infrastructure should help to mitigate any negative impacts as the Borough responds to the need to shift from car-dominated mobility.

Housing

Proposals focus on optimising the use of the Council's assets to meet housing need. By creating a larger amount of temporary accommodation, those at risk of homelessness will be able to be housed in more secure accommodation. Similarly, targeted proposals aim at moving on those who have been in temporary accommodation for the longest time to move on to more secure accommodation.

Economy

Proposals focus on capital expenditure on a number of key sites across the Borough in order to deliver significant economic and social benefits to Haringey residents and businesses. Across a number of different key regeneration sites the Council is advancing mixed-use redevelopment schemes to increase housing numbers, provide new workspace and employment opportunities, and improve public realm in the Borough.

Culture, Strategy & Engagement

Growth proposals include investment in software which supports the targeting of income maximisation and other support, to low-income residents; service redesign in libraries; and electoral registration costs. Savings proposals relate to service improvement and transformation; revenue raising activity; and service efficiencies. Where new service models are being designed, EQIAs of these are planned.

12.19 The budget proposals for 2023/2024 have been subject to a formal public consultation. This consultation included a specific question on about how residents and other stakeholders felt that we could narrow the gaps in life chances and opportunities available to different groups of residents in the Borough. Responses to this question are detailed in the budget consultation report (Appendix 8). In summary, key themes included:

- Public services: some respondents to the consultation were frustrated by the degree to which the council has had to cut some services, including some adults social care support and services for children with SEND, and wished to see reinvestment in these. Others felt that more could be done to target council services at those groups who need them most. Early years services, support for elderly and/or disabled residents; and, children with SEND were mentioned here.
- Housing: some respondents to the consultation wanted to see more support to those in temporary accommodation and private rented sector.
- Barriers to service access and opportunity: consultation respondents sometime felt that that the council could do more to remove barriers faced by residents, which in accessing services or opportunities. This included digital and language barriers.
- Tackling pollution, accessible public realm, promoting active travel and reducing carbon emissions: a number of respondents felt that actions to reduce air pollution, promote active travel and ensure accessible highways for all, were important in furthering equality, particularly for those parts of the borough worst affected by pollution. Accessible highways were felt to be important for elderly and disabled people.
- Workforce equality: one respondent felt that the council should pay all its employees the London Living wage (which it does) and publish pay equality data.
- Cost of living support: one respondent felt the council should invest more in cost-of-living support.

12.20 Appendix 10 to this report contains the detailed equalities analyses of each individual budget item, for reference. Of these, 9 have been subject to a full Equalities Impact Assessment, and 58 were deemed to not require a full Equalities Impact Assessment at this stage. As plans are developed further, service areas will assess their proposal's equality impacts and potential mitigating actions in more detail. Final Equalities Impact Assessments will be published alongside decisions on specific proposals as details are worked up.

12.21 The findings of the overall assessment describe positive changes for groups with protected characteristics across most of the budget items. Where negative impacts have been found, these have assessed as being minimal and details of the approaches to mitigation can be found against each item in Appendix 10. Where negative impacts have been identified, and been unable to be mitigated, full Equalities Impact Assessment have assessed these as being proportionate means of achieving legitimate aims.

13. Use of Appendices

Appendix 1	Summary of Draft Revenue 2023/24 Budget and Medium Term Financial Plan 2023/2028
Appendix 2	Summary of new Revenue budget growth proposals
Appendix 3	Summary of total agreed Revenue budget reduction proposals 2023/2028
Appendix 4	Draft General Fund Capital Programme 2023/2028
Appendix 5	Summary of new proposed capital investment
Appendix 6	Flexible Use of Capital Receipts Strategy
Appendix 7	DSB 2023/24
Appendix 8	Budget Consultation Summary of Responses
Appendix 9	Overview and Scrutiny Committee recommendations and Cabinet responses
Appendix 10	Equalities Impact Assessment
Appendix 11	Council Tax base Report 2023/24

14. Local Government (Access to Information) Act 1985

2022/23 Qtr 1 and Qtr 2 Budget Reports
2022/23 Budget & MTFS 2022-2027
2023/24 Draft Budget & MTFS 2023/2028

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Appendix 1 - Summary of General Fund Revenue 2022/23 Budget and Medium Term Financial Plan 2022-2027

	2022/23	Movement	2023/24	Movement	2024/25	Movement	2025/26	Movement	2026/27	Movement	2027/28
	Budget		Draft Budget		Projected		Projected		Projected		Projected
Directorate	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Adults, Health & Communities	109,648	(947)	108,701	(2,717)	105,984	2,947	108,931	2,921	111,852	0	111,852
Children's Services	52,006	10,943	62,949	(60)	62,889	20	62,909	(380)	62,929	(400)	62,529
Culture, Strategy & Engagement	31,581	1,988	33,569	(1,153)	32,416	(375)	32,041	219	32,399	(139)	32,260
Environment & Neighbourhood	14,785	(220)	14,565	4,705	19,270	2,141	21,411	(38)	21,417	(44)	21,373
Placemaking & Housing	8,000	(171)	7,829	(715)	7,114	(70)	7,044	(30)	7,014	0	7,014
Chief Executive	287	18	305	0	305	0	305	0	305	0	305
Corporate Governance	1,531	752	2,283	0	2,283	0	2,283	0	2,283	0	2,283
Finance	45,086	7,729	52,815	15,486	68,301	5,700	74,001	13,822	80,789	7,034	87,823
Council Cash Limit	**262,924**	**20,093**	**283,017**	**15,546**	**298,563**	**10,363**	**308,926**	**16,514**	**318,989**	**6,451**	**325,440**
Further Savings to be Identified	0	(0)	(0)	(6,317)	(6,318)	(2,922)	(9,240)	(8,138)	(15,179)	(2,199)	(17,378)
Planned Contributions form Reserves	(4,564)	1,064	(3,500)	3,500	0	0	0	0	0	0	0
Total General Fund Budget	**258,360**	**21,157**	**279,517**	**12,729**	**292,245**	**7,441**	**299,686**	**8,376**	**303,810**	**4,252**	**308,062**
Funding											
Council Tax	(117,884)	(6,328)	(124,212)	(8,874)	(133,085)	(4,005)	(137,090)	(4,124)	(141,214)	(4,252)	(145,466)
Council Tax Surplus	(1,925)	1,925	0	0	0	0	0	0	0	0	0
RSG	(22,797)	(2,838)	(25,635)	(1,410)	(27,045)	(0)	(27,045)	0	(27,045)	0	(27,045)
Top up Business Rates	(60,770)	1,319	(59,451)	(3,217)	(62,668)	(26,045)	(88,712)	0	(88,712)	0	(88,712)
Retained Business Rates	(21,218)	1,418	(19,800)	(1,000)	(20,800)	0	(20,800)	0	(20,800)	0	(20,800)
Section 31 Grants	(6,737)	(14,809)	(21,546)	(1,063)	(22,609)	22,609	(0)	0	(0)	0	(0)
NNDR Surplus/(Deficit)	225	1,046	1,271	(1,271)	0	0	0	0	0	0	0
NNDR Growth	(2,000)	0	(2,000)	2,000	0	0	0	0	0	0	0
Business Rate Inflation Cap	0	0	0	0	0	0	0	0	0	0	0
Retail Relief Grant	0	0	0	0	0	0	0	0	0	0	0
TUT	0	0	0	0	0	0	0	0	0	0	0
Total (Main Funding)	**(233,107)**	**(18,267)**	**(251,374)**	**(14,834)**	**(266,207)**	**(7,441)**	(273,648)	(4,124)	(277,772)	(4,252)	(282,024)
New Homes Bonus	(1,208)	(897)	(2,105)	2,105	(0)	0	(0)	0	(0)	0	(0)
Public Health	(20,353)	(1,149)	(21,502)	0	(21,502)	0	(21,502)	0	(21,502)	0	(21,502)
Other core grants	(8,256)	3,720	(4,536)	0	(4,536)	0	(4,536)	0	(4,536)	0	(4,536)
Total (Core/Other External Grants)	**(29,817)**	**1,674**	**(28,143)**	**2,105**	**(26,038)**	**-**	(26,038)	-	(26,038)	-	(26,038)

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Ref	Description	Area	2023/24	2024/25	2025/26	2026/27	2027/28	Total
			£'000	£'000	£'000	£'000	£'000	£'000
AHC_GR_001	**Acuity/Complexity over and above the £2.8m provided in the existing MTFS.** The level of acuity and complexity observed in clients since the pandemic has increased substantially. Adult Social Care are seeing increase in the complexity and acuity of our residents and the demand this puts on provider services.	AHC	2,000					2,000
AHC_GR_002	**Inflationary Pressures** The current inflation is causing increased costs for energy and living for providers. These additional costs will put further pressures to adults care purchasing budgets as a result. Adults social care are in constant talks with both providers and partners to firstly, ensure clients are receiving the care needed but also that their need are met	AHC	4,000					4,000
AHC_GR_003	**New Discharge & Market Sustainability & Improvement Grants** To reflect the expenditure to be funded from these two new grants	AHC	4,064	2,270				6,334
AHC_GR_004	**TA inflation** Inflation is impacting on rental rates putting pressure on the temporary accommodation budgets. This growth recognises this pressure.	AHC	1,000					1,000
AHC_GR_005	**Connected Communities** Funding of core and project – based service activity aligned with council wide transformation programmes. This service provides resident engagement, frontline support to establish the Localities	AHC		1,000				1,000

CSE_GR_001	**Libraries & Benefits Services - Base Budget Pressure** Libraries: Base Budget Pressure There is a structural budget pressure across Libraries which comes from (i) a misalignment of establishment to staffing budgets due to the presence of unfunded posts, resulting in a staffing overspend; and (ii) higher than budgeted premises costs notably across utilities and rates. Benefits: Base Budget pressure There is an historic funding deficit in the Housing Benefit administration budget because funding used to pay for the service has been partially withdrawn and the levels of activity required to maintain the database have been increasing as the caseload becomes more complex and the volume of changes has increased. The HB caseload is reducing by 10% per annum through migration to Universal Credit but new claims for Temporary and Exempt accommodation are more complex. The CTRS caseload continues to fluctuate, currently increasing slightly. The benefits staffing budget is currently £2.1m but the cost of running the service is £2.9m. This is currently comprising a mixture of permanent staff, agency and resilience contracts with external providers. (Continued next page)	CSE	942	(184)	(165)	(149)	(134)	310

CSE_GR_001	To maintain the current levels of service and prevent backlogs and subsidy loss the service needs £642k next year to balance the budget. This gap will then reduce year on year as HB caseload reduces. It is assumed that 30% of the activity is for CTRS (for which staffing levels stay fixed) and 70% for HB. Initially reductions in staffing in 23/24 (from current level) can be achieved through a combination of stepping down resilience contracts, holding future vacancies. A restructure of the service to right-size it for future (lower) activity levels will drive out remaining savings.							

CSE_GR_002	**LIFT (Low Income Family Tracker) System** This bid is to corporately fund the contract for the LIFT [Low Income Family Tracker] Platform. The LIFT dashboard is an invaluable resource which has been used across the council to support a variety of work The contract has recently been renewed (Feb 2022 for two years, with the potential for a two year extension) Multiple areas of the council are making use of the LIFT platform or data within it and utilising the Benefit and Budgeting Calculator provided by Policy in Practice (the contract provider) and it was agreed as a vital tool in the council's work. The costs identified in this growth bid are the maximum contract costs. As there is scope to internally re-charge elements of this contract to both the HRA and particular funding streams eg Household Support Fund. Therefore this growth bid is for half of the cost of the core contract, plus the benefits calculator. The bid represents a ceiling on costs which the Performance Team would seek to minimise each year via appropriate re-charges, thereby delivering in-year savings.	CSE	38			(38)		0

CSE_GR_003	**Electoral Registration Print & Postage Costs** The Electoral Services printing and postage budgets were set long ago, before Individual Electoral Registration (IER) made the process much more resource intensive and as such are no longer sufficient. The Electoral Registration Officer (ERO) is required to undertake activity to encourage potential electors to register to vote, to process those applications and to process absent voting applications. For things like postal and proxy vote applications, the ERO is also required to pay the return postage for applications submitted by post. The entire process is very strictly codified by legislation and there is little wiggle room. Electoral Services are also required to undertake an annual canvass of the Borough – again strictly codified in the legislation. Costs have already been minimised by, where possible, using our own staff to deliver bulk mail at canvass time rather than using Royal Mail	CSE	150					150
CSE_GR_004	**Digital cabling Alex House/River Park House decant** Costs associated with new data centre site and SD-WAN circuitry at the Wood Green office campus.	CSE	180					180

P&H_GR_001	**Planning, Building Standards & Sustainability** Affordable Bike Scheme - Linking into the social and climate justice, and the public health agenda. This would be to design and bring forward an affordable bike scheme, The objective would be to deliver low cost / free bikes to those who cannot pay, ensuring that they get the benefit of cycle lanes and active travel infrastructure. May result in a future capital bid. Carbon Programme Manager - The demand for supporting and capturing the outcomes is increasing on the Carbon and Climate Agenda Service needs a technical support programme manager to support this. This will increase resilience to the organisation through mapping of actions and progress, but also ensure that the technical support required is delivered in line with the Council's policy position. Development Control(Enforcement POCA) Where a planning enforcement case is successful, and it can be proven that the developer has made financial proceeds from crime, the Council can secure a share of the income via the Proceeds of Crime Act (POCA). Currently we use Financial Investigator services from LB Barnet which takes a % share.	P&H	230	(230)				0

EN_GR_001	**<u>Growth to address base budget pressures highlighted in 2022/23</u>** This growth is made up the following base budget pressures: - Parking income budget gap - caused by a number of factors such as Resident Permits & Pay for Parking including ULEZ compliance and change to parking behaviours. - Nuisance Vehicle Removal Budget Gap - Historic budget gaps due to unachieved savings, and an increase in the contract price when last tendered. - Unachieved Moving Traffic Enforcement Income Budget Gap - failure to achieve the additional income expected, due to increased compliance. - Anti-social Behaviour Fixed Penalty Notice underachievement of income - base budget pressure caused by a number of factors including income assumptions not being realised, and declining recovery rates. - School Swimming income - Budget pressure a reflection of reducing uptake.	E&N	2,546					2,546
EN_GR_002	**<u>Concessionary Fares - admin</u>** Increased charge from London Councils for administration of the Concessionary Fares scheme.	E&N	200					200

CYP_GR_001	**Rising costs of social care placements - Inflation assumption** We anticipate that next year we will need growth of £1m additional costs due to inflation. This is 5% of the placements' budget We expect this increase will apply to almost all settings including our foster carers, some of thom have not had an uplift for a number of years.	CYP	1,000					1,000
CYP_GR_002	**Rising numbers of children with SEND requiring SEND transport and rising costs of transportation** This has been a budget under pressure for a number years. We continue to see a 7% demand growth in children needing Education Health and Care plans and therefore numbers eligible for transport rise too. Significant rises in fuel costs has brought additional pressures to the newly procured transport routes for September. A number of actions in place to mitigate the rising pressures include: - New Route Mapping software to ensure the routes are as efficient as possible. - Developing more in-borough education placements to meet more demand locally - Ensuring travel budgets are processed efficiently and ensuring payments are only made for days that school is attended; - Providing support to young people to ensure that more are able to become independent travellers.	CYP	2,000					2,000

CYP_GR_003	**Addressing 2022/23 base budget pressure** Our in-year pressure is around £2M and this is after we have forecast we will achieve stretch targets through MTFS activities. As a result of our MTFS actions in relation to supporting children to move safely from high need residential placements to family placements we have seen children in residential placements fall slightly over the first quarter of the year, however this is a trend we continue to monitor closely and this is mitigating some of the rising costs.Our monitoring also shows a rise in the number of young people in semi-independent provision which is contributing to some of the pressure in the placements budget . Alongside existing pressures, new pressures to the budget that we are anticipating include: -rising numbers of unaccompanied asylum seeking children as the Government has announced that the National Transfer Scheme threshold is being raised from 0.07% to 0.1% with immediate effect. The Government does provide a grant of £6K per child for the first three months which covers some of the costs, however we know these young people arrive with significant trauma and the need for additional support. We are anticipating we well need extra resource for ancillary costs such as age assessments, interpreters and key work support. - further pressures on staffing to support the increased numbers in child protection and the associated legal costs.	CYP	2,000					2,000

CYP_GR_004	**Continuing to fund the Free School Meals expanded programme** This proposal is to continue with the January 2021 Council's Cabinet agreement to expand eligibility for free school meals to defined groups of primary school pupils who are not currently eligible for free school meals. The proposal expands free school meal provision in Haringey above and beyond what the government currently offers by targeting groups of children most in need. This includes : those in social housing with a parent on Universal Credit (and legacy benefits), those in private housing receiving Discretionary Housing Payments and those with No Recourse to Public Funds (NRPF) status. Additionally, an emergency fund would be created to cover the cost of school meals for children whose parents fall into short term financial distress.	CYP	350	(350)				-

CYP_GR_005	**Rising Green youth centre** This proposal is to secure ongoing revenue costs for the Rising Green youth hub and to ensure that the Haringey Community Gold project can continue to be supported. The proposal will ensure the universal offer at both Rising Green and Bruce Gove can be sustained and ensure that the delivery across the two projects is consistent and staffed by experienced youth staff. This model provides an option that will enable some aspects of all delivery but with less staff resource. This would ensure that all aspects of the work were covered but would mean capacity to deliver would be reduced across all areas. Whilst there would be an offer to young people, the service would not be able to meet the needs of as many young people as are currently supported. This proposal will require a staffing restructure and vacancies are being managed to minimise disruption and mitigate against redundancies. These costs would arise in April 2025 as Supporting Family Reserves would be used to fund the service until then.	CYP		312				312

CYP_GR_006	**Social Workers in Schools programme** The Haringey Social Workers in School has been running in Haringey for around two years and has social workers have been embedded in seven secondary schools. The programme was funded by the Department for Education until August 2022 and delivered through What Works for Children's Social Care. By putting forward a further business case to the DfE and demonstrating the impact to date, additional funding was secured for the team until the end of September 2023. The service is valued highly by schools and costs around £526K for each financial year. The presence of SWIS social workers has allowed better communication and enhanced support to schools to work through safeguarding issues. On average, the team are providing no less than 30 consultations per week to the Designated Safeguarding Leads (DSL) and other school staff members. The SWIS team are also supporting DSL's with utilising various risk assessment tools and leading on the work so intervention groups around contextual safeguarding are embedded within schools. This has allowed a coordinated approach where the early help contextual safeguarding team, the school's police officers and SWIS are targeting children and young people at a much earlier level to ensure that bespoke work occurs with children and the families around contextual safeguarding in order to reduce risks.	CYP	525					525

CYP_GR_007	**Technical Adjustment of funding between DSG and General Fund**	CYP	427	(400)	(600)			(573)
ACG_GR_001	**Legal - ext income** Resolution of base budget non-achievement of external income target.	ACG	300					300

Key	
AHC	Adults, Health & Communities
CSE	Culture Strategy & Engagement
P&H	Placemaking & Housing
E&N	Environment & Neighbourhoods
CYP	Children's Services
ACG	Corporate Governance

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Ref	Description	Area	2023/24	2024/25	2025/26	2026/27	2027/28	Total
			£'000	£'000	£'000	£'000	£'000	£'000
AHC_SAV_001	**Improved processes and practises to ensure that residents receive the right level of care** Improved processes and practises to ensure residents received the right level of care, part of this work is to identify/maximise the funding streams to meet the needs of residents. This will cover Adults, Mental Health and Learning Disabilities service area. Reviewing care packages to ensure that we are not over subscribing care and utilising our asset based approach. Focusing on early intervention and prevention, working with our assistive technology team to offer alternative support.	AHC	(2,245)	(850)				(3,095)
AHC_SAV_002	**Mental Health accommodation and outcomes** This proforma covers the work being undertaken in Mental Health Services to improve the offer to residents. This work looks at the accommodation facilities available to residents, the outcomes that can be achieved and stepdown to more independent living. In utilising more effective accommodation for Mental Health residents, results in a reduction in cost. Due to the lack of resources in Haringey, we find that a lot of the accommodation/stepdown provisions are currently out of area. We are working with providers to bring additonal Mental Health accommodation are within Haringey to enable individuals to draw on local support networks.	AHC	(188)					(188)
AHC_SAV_003	**Preventing debt build up for clients and sustainable financial pathway improvement** A project is being undertaken by corporate finance income recovery, alongside of Adult Social Care leads. These are looking at ways the existing provisions are to be dealt with as well as additional preventative measures that could be put in place to prevent client debt build up. Part of this work will be to looking at further sustainable financial pathways and the improvements to exisitng processes.	AHC	(800)	(700)	400	100		(1,000)

AHC_SAV_004	Contract Reviews: a total of £500k savings will be achieved through contract reviews In Housing Related Support this proposal will reduce spend on commissioned services providing housing-related support, by utilising contract end/extension dates to vary and streamline provision where duplicate services may be provided, and enhanced contract management. In adult social care reablement services we have seen a 25% increase in both activity and service demand, creating financial constraints on the financial envolope to deliver home from hosptial services under our better care fund programme in partnership with the ICS. The Better Care Fund is a joint Health and Social Care Fund, aimed at more joined-up processes and improved	AHC	(500)	(500)				(1,000)
AHC_SAV_005	**Improved commissioning and efficiencies** Following the success of implementation of the 'Safety Valve' (SV) programme within Children's services, Adults, Health and Communities (AHC) are undertaking a SV programme that will utilise the approach and methodologies to deliver improved commissioning arrangements and efficiencies. The AHC SV programme has three pillars: 1. Commissioning review - efficiencies will be achieved through an improved commissioning approach that will drive service improvements to deliver better outcomes whilst ensuring unit costs are in line with benchmarks. 2. Enabling and service improvement through investment to reduce or eliminate the need for out-of-borough care. 3. Working within an integrated system, alongside the ICB, the opportunity for collaborative working is improved. Co-producing services with residents to step-in earlier and avoid high cost interventions and improve outcomes. Urgent work is underway to fully cost the progamme and validate the expected benefits.	AHC	(1,300)					(1,300)

AHC_SAV_006	**Extended Provision (Lodges) and use of Council owned buildings as temporary accommodation** Increasing the supply of Lodge accommodation by 100 units. Conversion and extension of one of the existing hostels has been scoped and will now be using the Station Road site for a modular Lodge. There is also the possibility of repurposing /developing other council owned buildings; currently considering Stokely Court as a temporary accommodation option. Additional savings can be found if further sites can be identified	AHC	(99)	(361)	(118)			(578)
AHC_SAV_007	**Use of 1 bed social housing as Temporary Accommodation (TA)** Use of one bed social housing as temporary accommodation for families with a baby or young children. As of right now, there are more 1 bed social housing properties than other sized properties, therefore, using a small proportion as TA would reduce TA costs. Current Annual Lettings Plan allows for 10 properties to be used for this purpose. This will be expanded to 15 and then 30 in 2023-24. Moves will particularly be focused to ensure people from Lodge accommodation are moved on, freeing up lodge vacancies.	AHC	(69)	(69)	(69)			(207)
AHC_SAV_008	**Housing Demand - Targeted 1 bedroom move on project** HPG funding is in place for a Project Officer to work with single vulnerable people to enable them to move from temporary into permanent housing. Alongside the benefits to the residents this will create capacity to re-use some temporary accommodation to deal with any new demand. There are 103 people in temporary accommodation who require one-bedroom properties. Our target to move 23 households, based on available properties described in the Lettings Plan and a further 77 moves in 23/24. Quota commitments will need to be reviewed for 23/24 to ensure that more Lets will be available to this client group.	AHC	(80)					(80)

AHC_SAV_009	**Housing Demand - Targeting families that have been in TA for significant number of years** A Project Officer will be engaged to work with families to remove any bariers to moving on from temporary accommodation. Targetted casework will include but not limited to ensuring that housholds are 'move' ready and supporting households to bid realistically for social housing . This is envisaged to be a 2.5 to 3 year project that will benefit from new supply delivered through the new build programme.	AHC	(400)	(400)				(800)
AHC_SAV_010	**Housing Demand - Private Sector Lease conversion** Leases held by the Council are restricted by TA subsidy arrangements (rental at 90% of 2011 Local Housing Allowance (LHA)). This subsidy is insufficent, which results in a cost to the council for each property. If other organisations, such as Homes for Haringey, the Haringey Community Benefit Society or Capital Letters are not restricted in this way. Reaching an arrangement where a trusted organisation holds the lease on the councils behalf will reduces costs whilst ensuring that accommodation is within current LHA rates and affordable to residents.	AHC	(81)	(175)	(54)			(310)

CSE_SAV_001	**<u>Customer Services & Libraries Service Reviews</u>** **Customer Services:** Context for delivery of customer services has changed since the pandemic with fewer in person visits (51% of pre-2020 numbers) and digitisation of an increasing number of transactions. Digital Customer Service project will implement a Customer Relationship Management (CRM) system and improved website to remove significant manual processing of online forms (currently 30% of all Customer Service transactions) and enable faster responses to customers. Development of the Deal offer in a number of localities will enable us to provide more local access to services and significant cross-training of all customer-facing staff will ensure they are able to provide basic Digital Assist and triage / signposting to relational help where needed. Phase 1 in 2024/25 will reduce the number of posts in Customer Services by 4 as a result of reducing manual processing volumes. High levels of agency in the service currently and active vacancy management will mitigate against redundancies of permanent staff. Phase 2 in 2025/26 includes reduction of Business change team as development of the CRM infrastructure will give us much smarter insight and understanding of our residents, enabling better learning and service improvements. **Library Service**: Review of service has shown multiple areas where improvements can be made. Replacing Development Manager with business manager enables a staffing budget saving as well as reducing overtime as rotas are improved. Using couriers or volunteers for deliveries and integrating the Home Library Service with the main Library Services creates a further efficiency and improvement opportunity. The maintenance budget can be reduced as a result of capital investment and the stock budget can also be reduced as Haringey has joined the Libraries Consortium, giving us access to millions of other libraries' titles through inter-library loans.B13	CSE	(300)	(160)	(160)	-	-	(620)

CSE_SAV_002	**Additional commercial advertising opportunities** Large Platform: Use of large digital screen, which comes with carbon purifying technology, for advertising will generate income. Also, there is scope to convert 3 sites from advertising hoardings to digital sites to generate further income. Both will be for a 5 year term Small Platform: Second high street/parades small format advertising - these are a great source of local reach in community locations and would offer our SME's a local advertising OOH at an affordable rate. On street promotions - Working with licensing, on set locations across the borough. This will enables us to manage who is working across the borough and ensure the correct licensing and public liability is in place. It also means that we can move along/fine illegal traders. Organisations pay a £130 licence, and we charge £150 per day per location, or £1000 per week. Fleet advertising - a number of councils have advertising on the side of their fleets. Our housing fleet would be an excellent platform for advertising. Terms of agreement would be a year, and the cost of production would be pushed onto the advertiser. We have been approached by a provider and could deliver income at approx £30k per annum. Urban hubs: By working with a commercial provider we can introduce 'urban hubs'. These range from 'we buy any car' 'lockers' 'ev points' and 'car washes'. We can repurpose excess capacity and underutilised parking spaces/areas within our car parks into logistical and mobility hubs and transform underutilised urban spaces into community hubs that connect people to goods, services, and experiences. Other LA's have achieved approx £40k-£50k pa.	CSE	(202)	(10)	(50)	(5)	(5)	(272)

CSE_SAV_003	**Improved Debt Recovery** Sundry Debt Implementation of a Debt Management system which is anticipated to improve income collection by up to 30% and save resourcing costs by 50% - effectively by doing more with less. The system offers the possibility of more automations to free up resources and increase customer engagement. To be prudent saving estimates 10% improvement of Sundry Debt ("SD"). The new debt system is expected to offer improved transparency on reporting SD collection. An Invoice Dispute Procedure was agreed and rolled out regarding all corporate SD's. This was in conjunction with Legal, Audit and Finance. There is currently c.£1m debt held on SAP under the 'query' category and the Corporate Debt team have recently started to enforce this. This presents an opportunity to cancel invoices (remove debts from our ledger) if queries remain unresolved following 7 days of our final call for a resolution. This is BAU activity - no additional resource required. HBOP Debt Improved and more intensive customer contact using Telsolutions (a triple-touch engagement boosting automation service - SMS/email/outbound call) has been implemented on HBOP debts and is estimated to improve collection by 10% annually and subject to a full team in place	CSE	(365)	(300)	-			(665)
CSE_SAV_004	**Single Person Discount Reviews** Single Person Discount Reviews in Council Tax (CT) estimated to reduce current level of 38,000 by 5% overall (1,900). Based on a 5% reduction across each CT Band this gives a total of c.£800k of projected additional CT income. Reviews to be undertaken using data matching to internal (parking, elections, NFI) and external (credit refernce agency/financial) data and followed up with individualised communication tailored to residents' circumstances. The costs of this initiative is £110k which represents 2 SC5/6 staff (£90k) and data costs (£20k).	CSE	(290)	(400)				(690)

P&H_SAV_001	**Development Management & Building Control income and fees** The proposal is to increase the S106/CIL monitoring/admin fees we receive from developers.(£20k) Implementation of a new back-office and public facing Development Management (planning applications & enforcement etc) and Building Control system (£20k) in 2022-23 via an existing capital funded project.The webpages will have more automation, 'live' updates and email notifications for customer self-service. Increase planning application fees by 35% (minor applications) and 25% (major applications) (£100k) following Government announcement in May 2022 of its inetention. This is subject to consultation and the effect date is not known, expected Summer 2023 at the time of announcement by the Minster who has since been replaced.It is expected that the Government will attach certain conditions to the increase in fees i.e be ringfenced to Planning services (which was the case for previous fee increases) and 'must lead to a better service for applicants'. Additional income via the Proceeds of Crime Act (POCA) (£10k), where a planning enforcement case is successful, and it can be proven that the developer has made financial proceeds from crime, the Council can secure a share of the POCA Income. Increase pre-application and Planning Performance Agreement (PPA) fees (£20k). Pre-app advice and PPAs help ensure that planning applications that are submitted are of good quality, meet the Council's objectives, and planning decisions can be made in a timely manner.	P&H	(170)	(10)				(180)
P&H_SAV_002	**Efficiencies within the Regeneraiton & Economic Development programme activity** This Proposal is to capitalise £200k per annum of resource within the PMO for Regeneration & Economic Development following a review of work expected to be carried on the Capital schemes. This is not expected to impact on the delivery of the department's programmes, as no change is proposed to the establishment structure. This figure has been arrived at following a review of remaining general fund revenue in capitalisable roles. Its implementation is being achieved through a comprehensive review of the recharge schedule for the department, with implementation backdated to 1st April 2022.	P&H	(200)					(200)

EN_SAV_001	**Traffic & Route Management Improvements** This savings proposal encompasses the following items : -New 4-5 area Heavy Goods Vehicle Restriction Zones CCTV Enforcement (£574K saving) Annual projected income £624k less ongoing revenue requirement £50k = MTFS £574k -Moving Traffic Cameras Net Income following the instalment of 35 school street cameras. - Rollout of 3 LTN areas. The current MTFS models the financial effect of the current LTNs. Each will be reviewed within the eighteen months statutory period from their implementation, which will determine the future of each scheme. The subsequent years in the draft MTFS include continuing, but reducing, income from the LTNs; this is purely for financial modelling and does not prejudge the outcome of the statutory review process. Future financial plans will be updated as necessary -Increased parking income, generated through improved debt recovery (£500k). It is estimated that £500k can be achieved over a period of 3 years. This will be achieved through business as usual activities.	E&N	(6,490)	959	200	50	-	(5,281)
EN_SAV_002	**Savings relating to waste services review** This savings proposal is regarding the waste strategy review and options appraisal (net £1.3m from 25/26)	E&N			(1,300)			(1,300)
EN_SAV_003	**Property Licencing Reviews** This proposal refers to 3 types of property licencing schemes - additional, mandatory and selective. This provides for a more accurately costed model of delivery to ensure that expenditure matches revenue. (Net £150k - £50k 24/25 & £100k in 25/26). These schemes are ring-fenced, meaning that costs are net neutral to revenue.	E&N		(50)	(100)			(150)

EN_SAV_004	**Parks and Leisure income/efficiencies improvements** This savings proposal encompasses the following items: -Events Income Increases in other parks - excluding Finsbury Park (Net £150k) -Property Lease Income Increases (Net £81k) - provisions with existing leases and other parks building allow for rent reviews to generate additional income over the next 5 years (over and above existing MTFS savings) - Not recruiting to existing vacancies within the Parks Service (Net £45k) - Additional Fixed Penalty Notice Enforcement Income from Parks (Net £15k) - Reduced Small Green Space Improvement Programme - (Net £50k)	E&N	(124)	(40)	(89)	(44)	(44)	(341)
CYP_SAV_001	Improved Service Commissioning to offset inflation pressure	CYP	(1,000)					(1,000)
CYP_SAV_002	Extension of existing savings programmes - continuing to work with young people to support their needs and prepare them for stepping down from high cost placements to placements with families (e.g. foster placements)	CYP	(500)	-				(500)

Key	
AHC	Adults, Health and Communities
CSE	Culture, Strategy and Engagement
P&H	Placemaking and Housing
E&N	Environment and Neighbourhoods
CYP	Children's Services

APPENDIX 4: 2023/24 - 27/28 CAPITAL PROGRAMME

Source of Funding	
H	Haringey Borrowing
S	Self-Financing
E	External

SCHEME REF	SCHEME NAME	BRIEF DESCRIPTION	Source of Funding	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2023/24 - 27/28 Total
				£,000	£,000	£,000	£,000	£,000	£,000
101	Primary Sch - repairs & maintenance	A range of repairs to various schools covering boiler replacement, rewiring and other items.	E	5,000	5,000	5,000	5,000	5,000	**25,000**
102	Primary Sch - mod & enhance (Inc SEN)	A range of larger, substantial repairs to schools such as re roofing works, new windows, and major fabric replacement	H	13,480	11,000	4,000	0	0	**28,480**
110	Devolved Sch Capital	This is passed 100% to schools	E	531	531	531	531	531	**2,655**
114	Secondary Sch - mod & enhance (Inc SEN)	A range of larger, substantial repairs to schools such as re roofing works, new windows, and major fabric replacement	H	270	270	270	0	0	**809**
117	Children Safeguarding & Social Care	This scheme is designed to increase the capacity to retain LAC in-borough	H	26	0	0	0	0	**26**
121	Pendarren House	Works to the facility to bring it to a high standard of repair	H	4,667	0	0	0	0	**4,667**
122	Alternative Provision Strategy	To fund capital works that increase the number of AP places in the borough	H	1,200	3,000	4,500	1,800	1,500	**12,000**
124	In-Borough Residential Care Facility	The Council has a significant need to accommodate looked after children. Currently the need is met through out of borough placements which are expensive and can involve extended travel. The aim of this project is to provide these services in borough thus reducing cost, improving quality and reducing travel.	S	1,600	3,000	1,500	0	0	**6,100**
125	Safety Valve	A successful application has been made to the Department for Education for funding to create addition in-borough capacity for children with a range of learning difficulties	E	7,000	0	0	0	0	**7,000**
Children's Services				**33,774**	**22,801**	**15,801**	**7,331**	**7,031**	**86,737**
201	Aids, Adap's & Assistive Tech -Home Owners (DFG)	Grant funded programme of aids and adaptations to enable people to remain in their home	E	2,193	2,193	2,200	2,200	2,200	**10,986**
208	Supported Living Schemes	Funding to convert property to supported living schemes reducing high cost placements with no loss of quality of service	S	2,000	2,000	2,000	2,000	2,000	**10,000**

SCHEME REF	SCHEME NAME	BRIEF DESCRIPTION	Source of Funding	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2023/24 - 27/28 Total
				£,000	£,000	£,000	£,000	£,000	£,000
209	Assistive Technology	The funding for AT will provide a greater range of Assistive Technology interventions that will enable individuals to live independently and safely for longer in their own homes, as well as greater opportunity for improved outcomes through better information and proactive intervention.	**S**	846	300	0	0	0	**1,146**
211	Community Alarm Service	This is the funding for the capital element of the service	**H**	177	177	177	177	177	**885**
214	Osborne Grove Nursing Home	The scheme is in development to provide a 70 bed nursing home.	**H**	2,287	22,723	21,389	930	0	**47,328**
217	Burgoyne Road (Refuge Adaptations)	This project is to provide a new women's refuge	**E & S**	500	1,000	1,000	366	0	**2,866**
221	Social Care System Implementation	This budget is to provide funding for the implementation of a new social care system	**H**	1,947	0	0	0	0	**1,947**
222	Wood Green Integrated Care Hub	This is a contribution to the care hub capital costs that is being developed by the NHS	**H**	0	1,000	0	0	0	**1,000**
223	Welbourne Health Centre	This budget is to provide a contribution to the capital works at Welbourne Health Centre	**E**	3,152	0	0	0	0	**3,152**
224	Edwards Drive	The scheme is to develop a centre for adults with learning difficulties	**S**	1,200	500	10,300	7,000	2,000	**21,000**
225	Locality Hub	This funding is to support the rollout of the locality hubs programme. Exact sites are to be determined	**H**	1,500	1,500	0	0	0	**3,000**
Adults, Health & Communities				**15,802**	**31,393**	**37,066**	**12,673**	**6,377**	**103,310**
119	School Streets	The funding is to support the roll out of the schools streets initiative	**H & E**	600	600	0	0	0	**1,200**
301	Street Lighting	This is the annual investment in capital maintenance	**H**	1,300	1,300	1,300	1,539	0	**5,439**
302	Borough Roads	This is the annual investment in capital maintenance	**H & E**	9,529	10,909	10,909	7,858	0	**39,205**
304	Flood Water Management	This is investment in capital maintenance	**H & E**	710	0	0	0	0	**710**
305	Borough Parking Plan	This funding underpins the borough parking plan	**H**	321	321	321	0	0	**963**
307	CCTV	This funding underpins the borough CCTV plan	**H & E**	774	0	0	0	0	**774**
309	Local Implementation Plan(LIP)	This funding is provided by TfL for infrastructure works called the Local Implementation Plan (LIP)	**E**	1,000	1,000	1,000	1,000	1,000	**5,000**

SCHEME REF	SCHEME NAME	BRIEF DESCRIPTION	Source of Funding	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2023/24 - 27/28 Total
				£,000	£,000	£,000	£,000	£,000	£,000
310	Developer S106 / S278	This funding is provided by developers to address the impact of their development so that it is acceptable in planning terms	**E**	250	250	250	250	250	**1,250**
311	Parks Asset Management:	This is the annual investment in capital maintenance	**H & E**	1,075	300	300	300	300	**2,275**
313	Active Life in Parks:	This is the annual investment in capital maintenance	**H & E**	460	230	230	230	230	**1,380**
314	Parkland Walk Bridges	Investment in the refurbishment of a number of bridges	**H**	3,458	2,000	2,000	2,000	0	**9,458**
322	Finsbury Park	This budget is to cover investment in Finsbury Park funded through the events income	**E**	500	500	500	500	500	**2,500**
325	Parks Vehicles	This budget is to be used for the procurement of energy efficient park vehicles. It is self-funding and is aimed to reduce carbon emissions.	**S**	0	360	0	0	0	**360**
328	Street & Greenspace Greening Programme	This is an annual programme of investment in street & greenspace tree planting programme. The programme is used to match fund other external funds and sponsorship opportunities to deliver circa 200-250 trees per year. The current programme is much greater than this due to a large grant from the Urban Tree Challenge Fund and NCIL funding in four wards.	**H & E**	175	175	75	75	0	**500**
329	Park Building Carbon Reduction and Improvement Programme	A four year programme to improve the quality of the parks operational estate (13 buildings) including reducing the energy consumption and water usage by installing new technologies to reduce the carbon emissions to Zero in line with the Climate Action Plan targets for 2027.	**S**	1,050	1,000	750	550	0	**3,350**
332	Disabled Bay/Blue Badge	This budget is for extensions to existing bays	**H**	216	0	0	0	0	**216**
333	Waste Management	To upgrade waste infrastructure in the public realm	**S**	161	0	0	0	0	**161**
335	Streetspace Plan	This scheme is to improve the street environment within Haringey.	**E**	3,509	0	0	0	0	**3,509**
336	New River Sports & Fitness	This scheme is to improve the street environment within Haringey.	**S**	420	533	533	533	0	**2,019**
337	OFM Assets	This scheme's budget is largely to replace the vehicles currently hired from Veolia with Council owned vehicles. Whilst about 17% of the total budget is for the acquisition of OFM security body cameras and radios.	**H**	200	0	0	6	0	**206**

SCHEME REF	SCHEME NAME	BRIEF DESCRIPTION	Source of Funding	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2023/24 - 27/28 Total
				£,000	£,000	£,000	£,000	£,000	£,000
338	Road Casualty Reduction	Haringey Council is committed to improving road safety for all users and, in particular, to provide improved conditions for vulnerable road users, cyclists and pedestrians in the Borough. The Council is producing a Road Safety Strategy and Action Plan (RSSAP) to support Vision Zero. The RSSAP will assist in prioritising future infrastructure investment (e.g. locations of new crossings etc) that require an improved facility or safety measures, and make improvements to walking and cycling routes and facilities within the Borough.	**H & E**	1,000	1,600	1,600	1,600	0	**5,800**
339	Wildflower Meadow Planting	The Council is developing a new Biodiversity Action Plan (BAP) as part of its Parks and Greenspaces Strategy, a key plank of the BAP will be the diversification of the landscape within Haringey to support a greater range of species and habitats. This proposal seeks to support the establishment of a wide range of meadow habitats at different scales.	**H**	80	0	0	0	0	**80**
340	Wolves Lane: Market Garden City	This scheme provides additional funding to the Wolves Lane Market Garden City to complement significant external investment in the facility	**H**	160	0	0	0	0	**160**
Environment & Resident Experience				**26,948**	**21,078**	**19,768**	**16,441**	**6,349**	**90,584**
401	Tottenham Hale Green Space	This budget is to deliver improvements to green spaces within Tottenham Hale area.	**H & E**	5,331	1,129	0	2,958	0	**9,418**
402	Tottenham Hale Streets	This budget is to deliver public realm improvements in Tottenham Hale	**H & E**	8,092	1,377	70	0	0	**9,539**
4003	Tottenham Hale Housing Zone Funding	This budget funded by GLA is to invest in public realm within the Tottenham Hale Housing Zone	**E**	7,326	2,000	0	0	0	**9,326**
404	Good Economy Recovery plan	This scheme is to provide interventions in high streets, to promote economic activities.	**H**	1,150	0	0	0	0	**1,150**
411	Tottenham Heritage Action Zone (HAZ)	This budget funded by Historic England is to deliver shop front improvements, heritage restoration and public realm improvements within Bruce Grove Conservation Area	**H & E**	3,258	0	0	0	0	**3,258**
421	HRW Acquisition	The budget is for the acquisition of properties as part of the HRW redevelopment. The costs will be met by the developer.	**E**	38,180	12,200	4,600	112,600	0	**167,580**
429	Site Acq (Tott & Wood Green)	The budget is to provide the capacity to respond to opportunities to acquire properties. The spending of the budget is subject to a business case.	**S**	8,000	6,000	6,715	0	0	**20,715**
430	Wards Corner Development	The budget is to provide resources to undertake the CPO process on Wards Corner.	**S**	0	1,000	2,937	1,400	1,200	**6,537**
431	Gourley Triangle Development	The budget is to provide resources to acquire properties for the Gourley Triangle Development project.	**S**	6,000	9,575	26,590	43,007	0	**85,172**

SCHEME REF	SCHEME NAME	BRIEF DESCRIPTION	Source of Funding	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2023/24 - 27/28 Total
				£,000	£,000	£,000	£,000	£,000	£,000
457	Future High Sreeet Project	This budget funded by MHCLG is to deliver site acquisition, public realm improvements, workspace, market, community spaces and CCTV investments in Seven Sisters, Tottenham Green and Bruce Grove.	**H & E**	5,886	3,206	875	0	0	**9,967**
459	Wood Green Regen Sites	This scheme is to deliver the WG cultural quarter, WG central and Turnpike lane improvement plan.	**H & E**	1,681	1,053	4,204	5,040	0	**11,978**
465	District Energy Network (DEN)	The funding is to support the creation of a decentralised energy network and is subject to a successful business case	**S & E**	3,500	1,771	6,372	0	0	**11,643**
473	Enterprising Tottenham High Road (ETHR)	This budget funded by GLA is to invest in workspace in Bruce Grove	**E**	752	0	0	0	0	**752**
4011	Commercial Property Remediation	Funding to undertake landlord obligations.	**H**	2,003	1,000	1,000	3,000	3,000	**10,003**
316	Asset Management of Council Buildings	This scheme funds works to the council's operational buildings.	**H**	7,000	7,500	8,500	2,000	0	**25,000**
509	CPO - Empty Homes	The budget is to allow the Council to undertake CPO on properties should it be required	**S**	1,000	0	0	0	0	**1,000**
4012	Energy Performance Certificate improvements	This funding is to ensure that the Council's commercial property has the appropriate EPC	**H & S**	1,000	750	750	500	500	**3,500**
4013	Clean Air School Zones	This budget is for the initial implementation of the clean air school zones initiative	**H & E**	400	400	400	400	400	**2,000**
4017	Expansion of the School Street Programme	To extend the school streets programme	**H & E**		400	400	400	400	**1,600**
4014	Walking and Cycling Action Plan (WCAP) LTN delivery	This budget is to assist in the delivery of the WCAP	**E**	1,200	1,200	1,200	1,200	1,200	**6,000**
4015	Walking and Cycling Action Plan (WCAP) Strategic cycle route delivery	This budget is to assist in the delivery of the WCAP	**E**	1,750	1,750	1,750	1,750	1,750	**8,750**
4016	Walking and Cycling Action Plan (WCAP) Cycle Parking (Hangers) delivery	This budget is to assist in the delivery of the WCAP	**E**	200	200	200	200	200	**1,000**
Placemaking & Housing				**121,268**	**84,426**	**110,202**	**234,659**	**73,232**	**623,787**
330	Civic Centre Works	This scheme is for the Civic centre refurbishment works	**S**	4,752	31,234	26,097	3,584	0	**65,667**
602	Corporate IT Board	This budget consists of the following IT programmes: i. Enabling Staff to Support Residents in Need, ii. Automation for Residents, iii. Building A Strategic Data Led Council iv. IT development to support the new ways of working.	**H**	3,000	500	0	0	0	**3,500**
604	Continuous Improvement	This budget delivers upgrade to the council's IT infrastructure.	**H**	1,300	1,300	950	662	0	**4,212**

SCHEME REF	SCHEME NAME	BRIEF DESCRIPTION	Source of Funding	2023/24 Budget	2024/25 Budget	2025/26 Budget	2026/27 Budget	2027/28 Budget	2023/24 - 27/28 Total
				£,000	£,000	£,000	£,000	£,000	£,000
607	Financial Management System Replacement	The budget is to fund upgrades to the existing SAP system to enhance functionality, and is subject to a successful business case.	S	1,237	0	0	0	0	**1,237**
624	Digital Together	This budget is to support the Council's digital offer to residents	H	250	0	0	0	0	**250**
653	Capital Support for IT Projects	This budget provides IT support to other schemes in the programme and it's self-funding.	S	450	0	0	0	0	**450**
655	Data Centre Move	This bid is to relocate the data centre from River Park house.	H	750	500	450	0	0	**1,700**
464	Bruce Castle	The funding it to match fund eternal funding (should there be any) and spend is subject to a successful business case	S	8,500	5,000	5,900	0	0	**19,400**
447	Alexandra Palace - Maintenance	The funding is a regular capital maintenance budget for the upkeep of the palace.	H	470	470	470	470	470	**2,350**
656	BT Big Switch Off	Due to BT moving from analogue circuits to digital the Council's analogue circuits need to be updated	H	1,000	1,000	0	0	0	**2,000**
657	Corporate Laptop Refresh	This is the continuing refresh of the Council's laptop estate to ensure that they are reliable and up to date	H	400	400	400	400	400	**2,000**
658	ERP - Full Replacement (Investigation Only)	This is for the early investigation of a replacement for the Council's core system, SAP.	H	200	0	0	0	0	**200**
659	M365 Additional Functionality	This bid is to enhance the resilience & functionality of MS 365.	H	800	0	0	0	0	**800**
Culture, Strategy & Engagement				**23,109**	**40,404**	**34,267**	**5,116**	**870**	**103,766**
TOTAL GF CAPITAL PROGRAMME				**220,900**	**200,102**	**217,103**	**276,220**	**93,859**	**1,008,184**

New Capital for 2023/24 MTFS Programme

Description of Capital Bids	Directorate Area	Funding Source (LBH Borrowing, External, Self Financing borrowing)	2023/24 (£'000)	2024/25 (£'000)	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	Total (£'000)
Safety Valve The recently bid to the Department for Education for safety valve capital funding as part of its dedicated schools grant recovery plan has been successful. The funds will create additional in borough special educational needs and disability (SEND) provision and alternative provision capacity. This will improve quality and reduce costs.	Children's Services	External	7,000	0	0	0	0	**7,000**
Edwards Drive Edwards Drive is a 1.5 acre site in Bounds Green owned by Whittington Health. They are looking to dispose of the site, which currently comprises two buildings housing a number of health services and facilities, and have approached the Council to gauge our interest in acquisition. The outline intention for acquisition of the site would be to develop much needed supported living facilities with integrated on-site health and care services for learning disabled adults. This would improve health and social outcomes for residents, would enable significant savings and efficiencies in out-of-borough placement arrangements for this cohort, as well as reducing acute and reactive social care and health interventions through the provision of proactive health and care interventions that enable learning disabled adults to live longer, healthier and more independent lives. This bid is subject to a successful business case.	Adults, Health & Communities	Self Financing borrowing	1,200	500	10,300	7,000	2,000	**21,000**
Locality Hubs This bid is to continue that work by refurbishing existing community spaces within our asset portfolio which we will then utilise to deliver our Localities offer. To embed our growing Localities approach we are seeking to step up 4-6 locality hubs across the borough, which will facilitate neighbourhood level provision of Council, Health and VCS services and activities for our residents from engaging and welcoming environments within communities.	Adults, Health & Communities	LBH Borrowing	1,500	1,500	0	0	0	**3,000**

Description of Capital Bids	Directorate Area	Funding Source (LBH Borrowing, External, Self Financing borrowing)	2023/24 (£'000)	2024/25 (£'000)	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	Total (£'000)
Active Life in Parks Certain assets are at the end of the lifecycle (e.g. paddling pools) and need urgent investment in 2023/24 if they are to reopen for the summer. Other assets such are outdoor gyms continue to be very popular and in demand at other locations around the borough. This bid is seeking to increase the current allocation of £230,000 by £230,000 in 2023/24 to meet the ongoing investment needs to ensure our residents have an equitable access to public outdoor sports, play and fitness facilities.	Environment & Neighbourhoods	LBH Borrowing	230	0	0	0	230	**460**
Parkland Walk footbridge replacement works Parkland Walk is London's longest linear nature reserve and is held up by or goes under seven bridges managed by the Parks Service. Many of the bridge structures have been in place for over 140 years and require major refurbishment or replacement. The current programme of investment (as approved by the Council in March 2022) allows for the refurbishment / replacement of most of the remaining bridges. To complete the refurbishment of all the bridges and to resurface the whole length of the walk (4km), a further £2m will be required in 2027/28. The works are required to prevent the collapse / failure of the bridge structures and ensure that the public can continue to enjoy all the benefits of Parkland Walk.	Environment & Neighbourhoods	LBH Borrowing	0	0	0	0	2,000	**2,000**
Parks Asset Management Parks were a key resource for our residents during the pandemic and helped more than ever to support the public's physical and mental health. As part of the preparation of the new draft Parks and Greenspaces Strategy, a draft Parks Asset Management Plan has been developed. For 2023/24, it is proposed that the total allocation towards Parks Asset Management should be £600,000 per annum - an increase of £300k from the original 2021/22 baseline allocation of £300k. This will allow the continuation of asset replacement, over and above attending to the most immediate health and safety issues and critical improvements to infrastructure.	Environment & Neighbourhoods	LBH Borrowing	300	0	0	0	300	**600**

Description of Capital Bids	Directorate Area	Funding Source (LBH Borrowing, External, Self Financing borrowing)	2023/24 (£'000)	2024/25 (£'000)	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	Total (£'000)
Street Lighting Investment Programme This bid is for the extension of the £1.539m capital provision for investment in the Council's lighting infrastructure in 2026/27 into 2027/28. The current funding level is £1.3m with this lesser figure reflecting the separately funded replacement of street lighting with LED and the provision of a new central management system (CMS) to control each light's performance. By 2026/27, it is expected that a sufficient proportion of LEDs installed in previous years will begin to require replacement, thereby requiring an increase in the current baseline budget (which includes the replacement/upgrade of life-expired lighting columns and other forms of lighting infrastructure)	Environment & Neighbourhoods	LBH Borrowing	0	0	0	0	1,539	**1,539**
Wolves Lane: Market Garden City The project will create a new high quality flagship growing hub at the Wolves Lane Centre in Wood Green for community food education and distribution, skills and employment opportunities, and better connection with nature for local residents. 400sqm of commercial space and 750sqm of community space will be created across three buildings: a community hub (Building A); classroom and offices (Building B); and Distribution, Storage and Workshop (Building C). Further key outputs include 10 new/ safeguarded jobs, 15 businesses receiving support, 280 volunteers, 4300 local people engaged in the project and the creation of 12,000 sqm of public space. The innovative design approach champions low carbon technologies, construction materials and circular economy principles, thereby creating a pilot for future replicable models of sustainable urban food production and construction. A contribution of £160k leverages an additional £571k of match funding from the National Lottery Community Fund and the GLA's Good Growth Fund, and would ensure the scheme remains viable to deliver in full.	Environment & Neighbourhoods	LBH Borrowing	160	0	0	0	0	**160**

Description of Capital Bids	Directorate Area	Funding Source (LBH Borrowing, External, Self Financing borrowing)	2023/24 (£'000)	2024/25 (£'000)	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	Total (£'000)
Asset Management of Council Buildings Anticipating a continuing need for basic repairs and maintenance expenditure across the corporate estate, with a requirement to focus greater attention on buildings beyond the corporate centre. The rationale includes: - The existing cashflow is significantly below that expenditure our buildings have required in recent years. This indicates the demand on the estate is likely to continue to be greater than the current profile supports. - Proposed set of asset condition surveys will provide more in-depth survey information, leading to greater clarity about future demand. - An allowance has been made for additional expenditure to accommodate improving EPC ratings to maintain compliance with Minimum Energy Efficiency Regulations, that may not be self-financing or captured in building specific schemes. - Inflation pressures on capital delivery.	Placemaking & Housing	LBH Borrowing	2,619	2,000	2,400	0	0	**7,019**
Clean Air School Zones The Manifesto (Pg 13) sets out the ambition for clean air quality zones outside all schools on major roads alongside an Idling Project. This funding is for a PO4 officer to bring this forward and to deliver healthier interventions outside schools where a School Street cannot be delivered. E.g. Pavement widening, lesson plans for the school, living walls (pollution screens), school bike racks, idling signage and training for enforcement teams. There are approx. 20 schools that are not suitable for School Streets and / or on major roads. We have budgeted on £80k-£100k for each school (doing 4 a year alongside borough idling), plus an officer post over this 5-year period. Funding could be secured in partnership with public health teams and education. Some works could (but unlikely) be funded through GLA / SCIL / other, other Councils fund through Parking Revenue Account. Years beyond 2023/24 are subject to external funding.	Placemaking & Housing	LBH Borrowing & External	400	400	400	400	400	**2,000**

Description of Capital Bids	Directorate Area	Funding Source (LBH Borrowing, External, Self Financing borrowing)	2023/24 (£'000)	2024/25 (£'000)	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	Total (£'000)
Commercial Property Remediation Following changes as we emerge out of covid - the lifting of restrictions on Commercial property activity; the update to council policies, members manifesto and borough plan. The Property team need to invest in the commercial portfolio to better support Council services. The estate has been under invested in over the previous years, however there is the opportunity, through investing in the retained stock, securing new and divesting in others to deliver greater returns. This was reflected in the budget away days in July, which generated an action to review the councils commercial property portfolio to seek opportunities to improve income that will contribute to the MTFS.	Placemaking & Housing	LBH Borrowing & Self Financing borrowing	2,000	2,000	2,000	2,000	2,000	**10,000**
Energy Performance Certificate improvements By April 2023 all (non-housing, as residential is required to achieve the targets earlier) property leased out must achieve and EPC rating of 'E' or better and further enhanced energy ratings by 2027 and 2030 with all properties reaching EPC 'C' by 2027 and 'B' by 2030. The standards will be mandatory with legal penalties (fines up to £150,000) for commercial landlords, if the Regulations are not complied with.	Placemaking & Housing	LBH Borrowing & Self Financing borrowing	1,000	750	750	500	500	**3,500**
Gourley Triangle Construction Budget This new capital bid follows the Decision at Cabinet on 8th March 2022 to proceed with acquisition of the remaining 3rd party land interests and masterplan development to tender stage (RIBA Work Stage 3+). This is the construction budget and is subject to a successful business case.	Placemaking & Housing	Self Financing borrowing	4,000	4,575	21,590	29,200	0	**59,365**
Expansion of the School Street Programme Increased School Streets Delivery (to increase budget for School Streets by £400k per year Council Capital) (Manifesto pg 38) The Council's previous School Street scheme was designed to deliver 3 or 4 school streets per year, with an annual budget of £600k. The Manifesto sets out a new ambition of c15 per year. It has been noted that the current costs for each School Street is approximately £80k-100k each, meaning that we can do more within existing budgets. However, we need to increase the budget if we are to deliver c15 per year. Therefore, we will need a new annual budget of £1m per year to deliver the manifesto ambition. We can still include the expectation of external funding from TfL, government, and SCIL but at this time it cannot be guaranteed.	Placemaking & Housing	LBH Borrowing & External	0	400	400	400	400	**1,600**

Description of Capital Bids	Directorate Area	Funding Source (LBH Borrowing, External, Self Financing borrowing)	2023/24 (£'000)	2024/25 (£'000)	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	Total (£'000)
Selby Urban Village In 2019 the Council entered into a Memorandum of Understanding with the Selby Trust to seek to work together to bring forward development of the Selby Site. Its proximity to the Bull Lane playing field, which is a vacant asset prone to fly-tipping and other abuse, made the area a prime location for investment. In 2019, it was agreed that a single masterplan should be developed for the two sites to ensure that opportunities for the community were maximised. This is the construction budget and is subject to a successful business case.	Placemaking & Housing	Self Financing borrowing	5,446	15,000	15,000	10,000	1,236	**46,682**
SME Workspace Intensification This budget supports the delivery of workspace across the borough. The provision of affordable workspace is also an objective and priority in the Manifesto, and is subject to a successful business case.	Placemaking & Housing	Self Financing borrowing	0	4,000	5,000	2,400	0	**11,400**
Walking and Cycling Action Plan (WCAP) LTN delivery Haringey Council is committed to delivering the adopted Walking and Cycling Action Plan (WCAP) which is in line with the Councils priorities. The WCAP aim to change how we deliver walking and cycling in the borough. The expenditure in 2024/25 onwards is dependent upon external funding being made available.	Placemaking & Housing	External	1,200	1,200	1,200	1,200	1,200	**6,000**
Walking and Cycling Action Plan (WCAP) Strategic cycle route delivery Haringey Council is committed to delivering the adopted Walking and Cycling Action Plan (WCAP) which is in line with the Councils priorities. The expenditure in 2024/25 onwards is dependent upon external funding being made available.	Placemaking & Housing	External	1,750	1,750	1,750	1,750	1,750	**8,750**
Walking and Cycling Action Plan (WCAP) Cycle Parking (Hangers) delivery Haringey Council is committed to delivering the adopted Walking and Cycling Action Plan (WCAP) which is in line with the Councils priorities. The WCAP aim to change how we deliver walking and cycling in the borough. The expenditure in 2024/25 onwards is dependent upon external funding being made available.	Placemaking & Housing	External	200	200	200	200	200	**1,000**

Description of Capital Bids	Directorate Area	Funding Source (LBH Borrowing, External, Self Financing borrowing)	2023/24 (£'000)	2024/25 (£'000)	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	Total (£'000)
Wards Corner Construction Budget This is a new bid for a capital scheme following a Decision at the Cabinet meeting of 5th July to terminate the DA with Grainger and acquire property and land interests within the Wards Corner site (including large ownership from Grianger) in order to deliver a new council-led scheme. Cabinet approved a total budget allocation of £24.7m to fund the property and land acquisitions and design/project management fees for an alternative development strategy for the site (RIBA stages 0 - 2). This budget is for the early stages of design development, construction, and further spend is subject to a successful business case.	Placemaking & Housing	Self Financing borrowing	0	0	700	1,400	1,200	**3,300**
BT Big Switch Off BT are changing from analogue to digital 'phone lines. This affects all remote sites with broad band and affects any lines in lifts , auto fire alarms, auto boiler alerts etc. or emergency lines. It will have a major effect for Careline. This bid cover expenses within Digital Service only. The work will require analysis of affected areas which will take some investigation and time. The conclusions from the analysis will mean that investment in replacement equipment will be required. The full extent of cost will not be known until sometime in early 2023.	Culture, Strategy & Engagement	LBH Borrowing	1,000	1,000	0	0	0	**2,000**
Corporate Laptop Refresh All laptops are approaching end of life (EoL) and while extension of warranties will be investigated, real financial impact will be in financial years 2023/24/25. Laptops and other mobile computing and communication devices are vital to the running of the Council operations.	Culture, Strategy & Engagement	LBH Borrowing	400	400	400	400	400	**2,000**
ERP - Full Replacement (Investigation Only) This bid is to support investigations into the long term replacement of SAP. This bid is just for funds for 23/24 to start the investigation	Culture, Strategy & Engagement	LBH Borrowing	200	0	0	0	0	**200**
M365 Additional Functionality This bid is to enhance the resilience & functionality of MS 365.	Culture, Strategy & Engagement	LBH Borrowing	800	0	0	0	0	**800**
			31,405	**35,675**	**62,090**	**56,850**	**15,355**	**201,375**

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Appendix 6

Flexible Use of Capital Receipts

Flexible Use of Capital Receipts Strategy

1. The Government has provided a definition of expenditure which qualifies to be funded from capital receipts. This is:

> "expenditure on any project that is designed to generate ongoing revenue savings in the delivery of public services and/or transform service delivery to reduce costs and/or transform service delivery in a way that reduces costs or demand for services in future years for any of the public sector delivery partners"

2. The schedule of the proposed utilisation of the flexible capital receipts is split into two components. The first is a list of investments that are a continuation of previously agreed schemes but are required to be reaffirmed as part of the Council's budget setting process. The second list is of new proposals for 2023/24.

3. **List 1 - Previous indicative proposals for the flexible use of capital receipts requiring agreement**

a) Counter Fraud. This funding is employing resources to undertake investigations under the proceeds of crime act (POCA).

List 2 - New proposals for the flexible use of capital receipts

b) Corporate Support to all improvement programmes. A range of corporate services are required to assist in the delivery of the many improvement programmes. This funding will allow dedicated support to be accessed for all programmes. The savings are embedded in the individual improvement programmes so are not accounted for here.
c) Think Haringey First. The projects from the original Digital Together Programme have been absorbed into a broader digitally enabled organisational change programme called Think Haringey First. There were two streams of work from Digital Together, one focussed on digital customer service to provide a new website, significantly improved online offering and CRM for the contact centre has been moved into the Resident Experience workstream of Think Haringey First. The projects in the digital workplace programme will move into the Connected and Delivering workstream of Think Haringey First which is focussed on modernising and automating back office activity to generate efficiencies and improve productivity to which savings targets are attached.
d) Service Change Fund (Redundancies). This budget is to fund the costs of statutory redundancy payments.
e) Improvement to asset & energy management arrangements. The Council is working towards massively reducing its carbon footprint. This resource will enable the Council to ensure that the property we have is in an appropriate, compliant condition as well as providing funding for undertaking energy audits and responding to carbon reduction initiatives. All of which will reduce both costs and carbon in the future.
f) Accommodation Strategy. The Council seeking to reduce the overall level of its accommodation that it uses for its own purposes for direct office accommodation but at the same time increase its presence through its localities strategy. This funding will provide resource to continue to drive this process through.

g) Waste Service Strategic Review. The Council is reviewing its waste service in light of changing needs and regulatory changes. The MTFS includes a saving of £1.3m from this review.
h) Parking Service Improvements. To further improve the parking offer in the borough.
i) Demand In Care Services. This funding will continue the work to manage demand for high-cost placements in the adults and children's care services through providing services earlier and in local settings.

The guidance requires that the impact on the Council's prudential indicators should be considered when preparing a Flexible Use of Capital Receipts Strategy. The indicators that will be impacted by this strategy are set out below:

a. The Capital Financing Requirement will increase as these capital receipts would otherwise have financed capital expenditure or reduced borrowing.
b. Financing costs as a percentage of the net revenue stream will rise as more borrowing is undertaken but the savings generated by the schemes will offset the costs arising from the additional borrowing. Therefore, there is no impact on Council Tax.

The prudential indicators show that this strategy is affordable and will not impact on the Council's operational and authorised borrowing limits.

List 1 - Previous indicative proposals for the flexible use of capital receipts requiring agreement

		Estimated Investment						Estimated Savings					
Ref.	Title	2023/24 (£'000)	2024/25 (£'000)	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	**Total (£'000)**	2023/24 (£'000)	2024/25 (£'000)	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	**Total (£'000)**
a	Counter fraud work	90	0	0			90	-100	-100	-100	-100	-100	**-500**
		90	**0**	**0**	**0**		**90**	-100	-100	-100	-100	-100	**-500**

List 2 - New proposals for the flexible use of capital receipts

		Estimated Investment						Estimated Savings					
Ref.	Title	2023/24 (£'000)	2024/25 (£'000)	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	**Total (£'000)**	2023/24 (£'000)	2024/25 (£'000)	2025/26 (£'000)	2026/27 (£'000)	2027/28 (£'000)	**Total (£'000)**
b	Corporate Support to all improvement programmes	858					858						**0**
c	Think Haringey First	1,000	800				1,800	-3,000	-3,000	-3,000	-3,000	-3,000	**-15,000**
d	Service Change Fund (Redundancies)	1,000					1,000						**0**
e	Improvement to asset & energy management arrangements	500	500	500			1,500						**0**
f	Accommodation Strategy	300	300				600			(356)	(356)	(356)	**-1,068**
g	Waste Service Strategy Review	580	708				1,288			(1,300)	(1,300)	(1,300)	**-3,900**
h	Additional Parking improvements	200					200						**0**
i	Demand Management in Care Services	750					750						**0**
		5,188	**2,308**	**500**	**0**	**0**	**7,996**	**-3,000**	**-3,000**	**-4,656**	**-4,656**	**-4,656**	**-19,968**
Grand Total		**5,278**	**2,308**	**500**	**0**		**8,086**	**-3,100**	**-3,100**	**-4,756**	**-4,756**	**-4,756**	**-20,468**

APPENDIX 7

2023/24 - INDICATIVE BUDGET BREAKDOWN BASED ON DSG ALLOCATION / SCHOOLS FORUM

Funding Block	Stream	Indicative Budget breakdown based on DSG Allocation/School Forum				Total
Schools Block	Schools Block Allocation with Academies	217,660,268				
	Growth Fund	300,000				
	0.5% Schools block transfer to HNB	1,097,808				
	Attendance & Welfare Service	122,000				
	Split Site Nursery LA	60,000				
	School Block Total	**219,240,076**				**219,240,076**
Central Block	ESG - Other Statutory and Regulatory Duties (Includes SACRE)		377,851			
	ESG - Statutory Education Welfare Service		172,000			
	School Standards		273,035			
	Looked After Children Placements		534,065			
	Early Help		350,000			
	Servicing of Schools Forum		10,000			
	Admissions		300,000			
	Governor Support		130,000			
	Music & Performing Arts		168,000			
	Support Costs		192,000			
	Copyright Licences		202,840			
	Central Block Total		**2,709,791**			**2,709,791**
High Needs Block	*HNB-DSG Growth - Utilisation to be determined*			4,587,814		
	HNB Support to Alternative Provisions			2,446,212		
	HNB Support to Early Years			710,500		
	HNB Support to Schools (Hospital, Pay and Pensions grants)			937,388		
	Independent & Voulntary Schools			9,520,000		
	Learning Support Services			1,078,000		
	Maintained - Funding			6,535,000		
	Maintained - Top Ups			26,439,950		
	SEN contingency			1,825,732		
	SEND Team			702,000		
	Sensory Support			379,000		
	High Needs Block Total			**55,161,596**		**55,161,596**
Early Years Block	Additional Working Parents Funding(+15 Hrs)				3,956,470	
	Centrally Retained				836,673	
	Early Years Passported				4,317,791	
	Universal Funding (15 Hrs)				11,940,324	
	Early Years Block Total				**21,051,258**	**21,051,258**
					Total DSG	**298,162,721**

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2023-24 Budget Consultation Report

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1. Executive Summary

- This year, a total of 39 questionnaires have been completed – the majority came through the council's online survey platform, one by email. Respondents were asked for their views on growth proposals, savings proposals and capital proposals.

- Respondents to the consultation strongly supported growth proposals relating to crime prevention, clean air zones and investment in our public realm including cycling and walking infrastructure, roads, pavements and streetlights. Residents were asked for any proposals they thought we should not progress. Topics included plans investment in the New River Sports Centre, climate change prevention and investing in digital advertising.

- When asked about savings proposals, respondents strongly supported proposals relating to debt recovery initiatives, improved efficiencies and Extended Provision (Lodges) and use of Council owned buildings as temporary accommodation. Residents were asked for any proposals they thought we should not progress. Topics included plans for low traffic neighborhoods and controlled parking zones, adult social care and waste services

- With regards to capital proposals, respondents strongly supported proposals relating to improved debt recovery, asset management of council buildings and the walking and cycling action plan. Residents were asked for any proposals they thought we should not progress. These included plans for Ward's Corner, digital advertising and traffic route management.

- Residents were asked for any changes or proposals that they would like to see in the future which might save money. Respondents suggested digital initiatives, more traffic wardens; digital transformation; both insourcing and outsourcing our workforce; and, implementing revenue raising activity. There were also suggestions about council contract management and working with other Local Authorities to create multiservice contracts.

- Residents were asked for feedback on any changes or proposals that they would like to see in the future which would help to make Haringey a more equal borough. Responses included: investing and targeting public services, having a needs-based solution for waste, prioritisation of active travel, public highways and carbon reduction; and,workforce.

2. Introduction

2.1 Introduction

The budget proposals for **2023/2024** have been subject to a formal public consultation. This report sets out the findings from the Council's consultation on its budget for **2023/24** which also refreshes its Medium-Term Financial Strategy (MTFS) to cover the period up to **2027/28**. This report presents the findings of this consultation, to inform the final decision on the Council's budget for **2023/2024**.

2.2 Technical Details & Method

The general consultation consisted of an online questionnaire published on: https://www.haringey.gov.uk/local-democracy/policies-and-strategies/your-haringey-your-future together with a budget consultation booklet which provided background information about the council's budget setting process and the financial challenges the council faces. Paper copies were made available at libraries across the borough.

The consultation was widely promoted via the council's resident magazine, Haringey People Extra, the council's business e-newsletter, the council's website, Twitter as well as through various partners.

2.2.1 Questionnaire Design

The questionnaire was developed to ascertain residents' views on the proposals put forward in the budget. In particular, the consultation invited views on the:

- Proposals which respondents supported the most.
- Any other Proposals which respondents supported (the consultation also asked respondents to provide their reasoning).
- Any proposals which respondents thought we should not proceed with.
- Suggestions for ways in which the council could include to save money.
- Comments outlining whether respondents thought individuals with Protected Characteristics may be impacted by proposals.

2.2.2 Questionnaire Analysis

A number of themes arose from the consultation. These are reported in greater detail where they were raised repeatedly by different respondents to the consultation. The number of respondents for other themes were too low to draw any clear conclusions.

2.3 Response to the Consultation

A total of **39** questionnaires have been completed – the majority came through the council's online system and one via email.

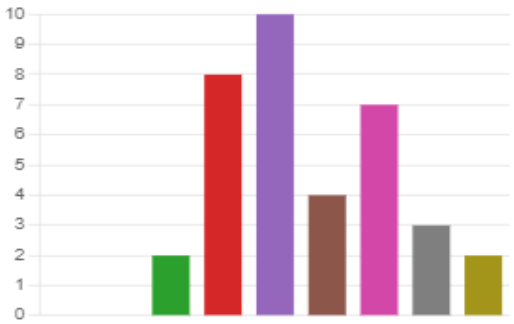
The equalities profile of responses is outlined below:

Which age group applies to you?

The majority of respondents who answered this question were aged between **40-49**.

8 respondents selected the **30-39**, while a further 7 individuals self-identified as **60-74**. There were 0 residents below the age of **21** who responded

Under 16	0
17-21	0
22-29	2
30-39	8
40-49	10
50-59	4
60-74	7
75+	3
Prefer not to say	2



What best describes your sex?

This question asked respondents to describe their sex. Of those who responded, the results are balanced with **16** responses from female and **15** from men. **5** respondents preferred not to say.

Male	15
Female	16
Prefer not to say	5
Other	0

Do you consider yourself to be Trans?

Trans is an umbrella term to describe people whose gender identity is not the same as, or does not sit comfortably with, the sex they were assigned at birth. 26 respondents selected **No** whilst **7** respondents preferred not to say.

Yes	0
No	26
Prefer not to say	7

Do you consider yourself to be disabled?

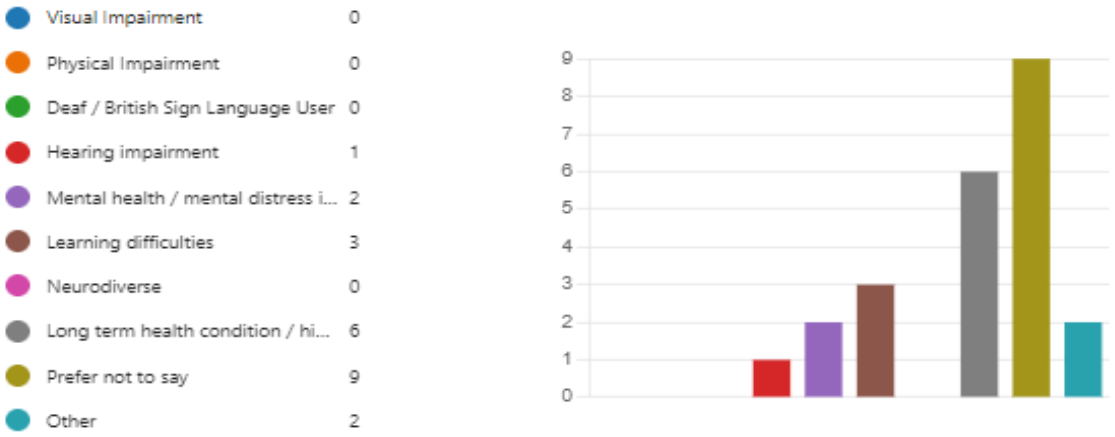
This question asked respondents to identify whether they have a disability or had any long-term mental or physical conditions. As the graphs shows, the majority of respondents stated that they **do not** consider themselves to be disabled **(23)**. **4** respondents did consider themselves to have a disability.

9 respondents preferred not to say.

Disability – Which of the following impairment groups apply to you?

From those respondents who identified a disability. **6** respondents had a **long-term health condition**. There were **3** respondents who had a **learning difficulties** and **1** with a **hearing impairment.**

9 respondents preferred not to say.



National Identity – How would you describe your national identify?

The majority of respondents to the budget consultation identify as being **British** (18) with 6 people identifying themselves as **English**. There were 2 respondents who selected **Irish** and **1** respondent who considered themselves as **Turkish** and **1** respondent who considered themselves as **Welsh**.

Ethnicity – What best describes your ethnic group.

The majority of respondents to the budget consultation would describe themselves as being **British (18)**. **6** respondents selected **English** and 2 respondents who selected **Irish** as their ethnicity.

3 respondents selected **other**

Sexual Orientation – What best describes your sexual orientation?
The majority of respondents described themselves as **heterosexual/straight** (18), **2** respondents selected **bisexual** and **1** respondent selected **gay/lesbian**.

8 respondents selected prefer not to say and **1** selected **other**.

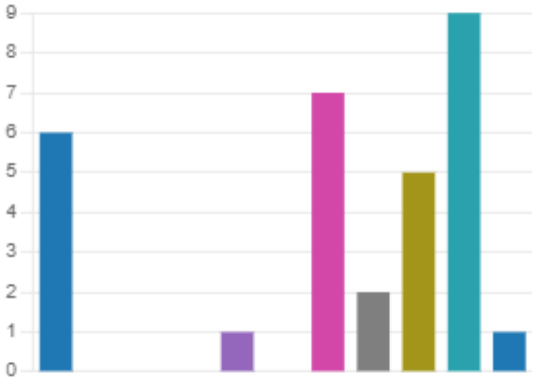
Heterosexual / Straight	18
Bi	2
Gay / Lesbian	1
Prefer not to say	8
Other	1

How would you describe your religious belief?
There were 40 respondents who selected **no religion** and 36 who selected **Atheist**.

There were 7 respondents who selected **Christian**, **2** who selected **Muslim**, 1 who selected **Jewish** and **6** selected **Atheis**t and 5 who selected **No religion**.

There were 9 respondents who preferred not to say.

Atheist	6
Hindu	0
Rastafarian	0
Buddhist	0
Jewish	1
Sikh	0
Christian (including Church of E...	7
Muslim	2
No Religion	5
Prefer not to say	9
Other	1

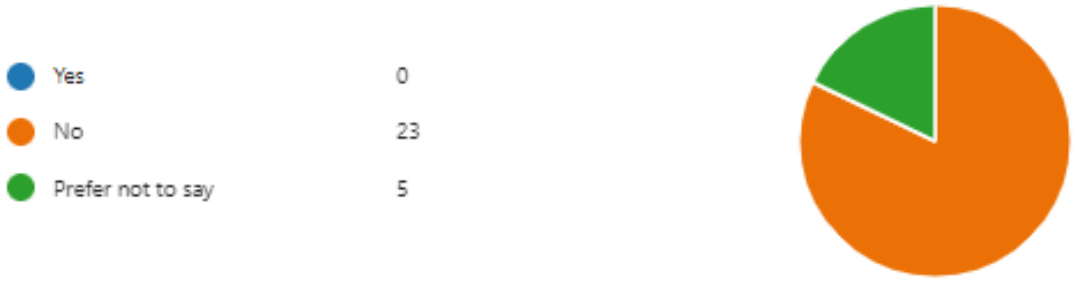


Pregnancy and Maternity

Are you currently pregnant?
22 respondents are not currently pregnant, **1** respondent is currently pregnant with **7** preferring not to say.

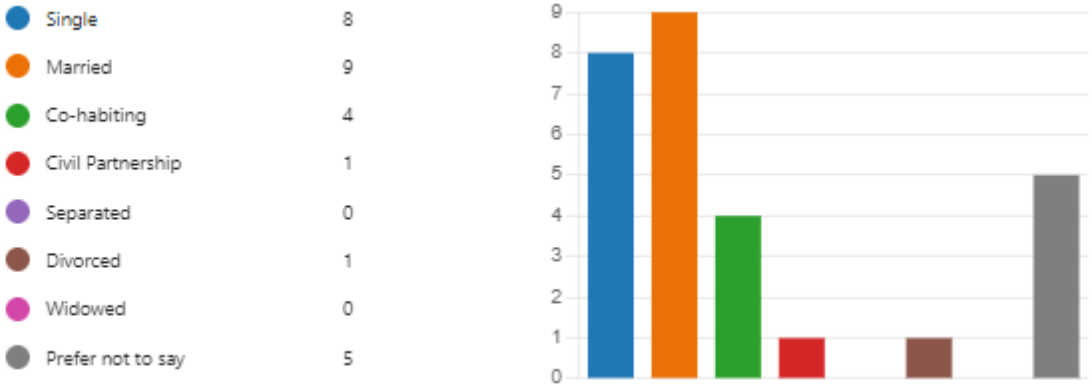
Have you had a baby in the last 12 months?

23 respondents selected **No.** There were **5 respondents** who selected prefer not to say**.**



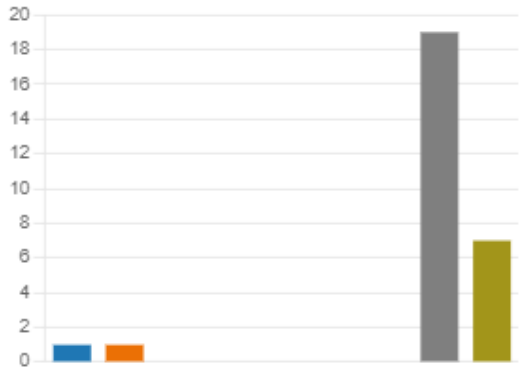
Marriage and Civil Partnership? What best describes you?
There were **9** respondents who are **married**. 8 respondents were **single** and 4 who are currently **co-habiting**. **1** respondent is divorced and 1 respondent is in a **civil partnership**.

There were **5** respondents who **preferred not to say**.



Socio-Economic status – Are you on any form of Income Support?
The majority of respondents **(19)** were not on any kind of benefits. 1 respondent is on **Universal Credit** and **1** receives child tax benefits.

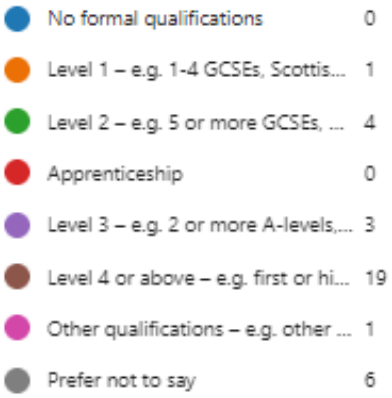
7 respondents preferred not to say.

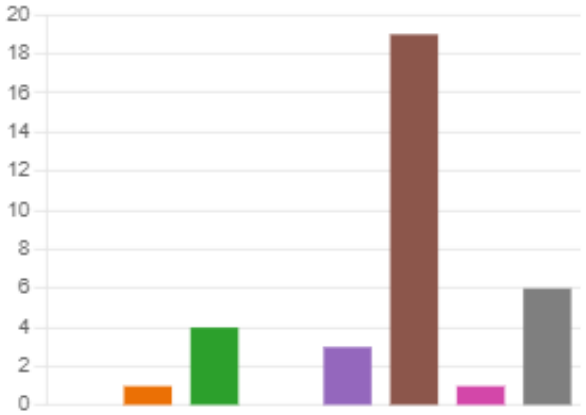


Socio-Economic status – What is your level of Education?

The majority of respondents had a **level 4** or above education **(19)**. **3** Respondents **selected Level 3** as their level of education. There were 4 for **level 2** and **1** who selected **Level 1**. There was 1 respondents who selected **other.**

7 respondents selected **prefer not to say**.





Preferred language

The vast majority of respondents selected **English** as their preferred language **(28)**. There was 1 respondent for **Turkish, French, German** and other respectively. 1 respondent selected **Other**.

3. Detailed Findings

3.1 Detailed Findings – Q1 – Which proposals do you support and why?

Roads – LTN/CPZ

There was a mixture of feelings about Low Traffic Neighbourhoods. Whilst some residents supported the aim of seeking to reduce car traffic and support active travel, others did not agree with the approach or did not feel it should be prioritised. Reasons given included that they were not felt to have reduced pollution and that they were disruptive to local residents.

"…Low Traffic Neighbourhoods. Pay back the TFL money and abolish plans for the

LTNs"

"….LTNs. They concentrate traffic on roads that cannot cope with the additional traffic.

They stop emergency vehicles. They reduce property values of homes outside the LTNs"

"….More should be spent on social care and education, less on walking, cycling and above all LTNs"

Clean Air Zones

There was support for Clean Air Zones, particularly in areas where Low Traffic Neighborhoods may not be feasible.

"Cleaner air, for obvious reasons"

"Clean Air Schools Zones: important to implement measures where School Streets are not feasible"

Civic Centre

Respondents sometimes expressed doubts about the value of plans to develop and refurbish the Civic Centre. A common theme was the of concern was the cost of the work. Other issues mentioned included it now being surplus to requirements given changes to the way council staff are likely to work in the future and that the money could be spent better elsewhere.

Crime and Public Safety

There was support for our plans to tackle crime.

"I support hospitals and crime budgets"

"As residents, we do not feel safe living in Haringey with such a high crime rate and lots of homeless people and anti-social behaviour"

Wolves Lane: Market Garden City

There was support for our plans to create a hub on Wolves Lane, however, one respondent felt an increased budget was required to support this work.

"I am writing to support the Wolves Lane centre (the nursery, Palm House etc). I applaud their community work and am very pleased they have won lottery funding and that the Council have agreed to match this so that they can develop their site"

"I support the Wolves Lane nursery and market garden investment -- however I think a small contingency allowance is needed more immediately to keep the warm environment plants now at risk through lack of money for heating"

Detailed Findings – Q2 – Which proposals do you not support and why?

CPZ/LTNs

There were concerns raised about Controlled Parking Schemes and Low Traffic Neighbourhoods. This centered on the impact they were having on traffic.

"…My commute to/from work, shopping visiting friends, doctors/hospital appointments via public transport have been massively delayed and have massively disrupted my family life of quality time spent with them."

"…I feel that council has made a proper mess with the closure of the streets"

Advertising space

Comments were raised about the investment in street advertising. There were concerns over the financial viability as well as the aesthetics of the advertising boards.

"…Large Digital Platform, they are electronic, cost a lot to maintain, as do the glass with Logit's Advertising boards by the bus stops - the big black pillar ones that are hard to see in dark; they are dangerous when glass smashes and they are expensive to maintain"

"Street advertising, it's ugly and takes up space"

Waste

There were concerns raised about savings related to the waste services review, although reasons for concerns were not included in responses.

"The reduction in waste (£1.5 million spend)"

"Reduction of waste services"

Detailed Findings – Q3 – Are there any other growth proposals, which you think we should have included in this budget, and why?

Council Tax

Some residents felt that council tax be covered for all residents, to reflect cost of living pressures. Others disagreed:

"Council tax should be covered for everyone as we are in a cost of living crisis"

"Council tax could be raised by at least 1% more"

Energy

There were several comments related to the increased cost of energy. These included comments about ways to support individuals as well as how the council manages its own energy bills.

"Help out energy bills!"

"Reduce energy usage in buildings and make your staff hybrid"

Sports Facilities

There were a number of calls to help provide affordable access to exercise for residents:

"I would like to see more sporting areas for people to use, more play area for secondary age children, not just primary, wild play area to climb and jump, tennis wall so you can play on your own in the parks that are safe and patrolled by police"

"Put money back into a failing sports centre that the community uses for mental/fitness stability"

Detailed Findings – Q4 – Are there any changes or proposals you think we should consider in future which might save money, generate income or achieve even better value from council spend? E.g. through greater use of innovative technology.

Roads and Parking

Some respondents felt that parking enforcement could be better used to generate income.

"You could enforce parking regs by putting more traffic wardens on the beat. Doesn't this generate income?

"- Charge more for car parking, especially from visitors driving to the Borough and parking here, as well as from motorised delivery and commercial vehicles"

Contracts

Some respondents felt that the council could commission services and manage contracts differently or more effectively. This included a suggestion to work with other authorities on shared contracts.

"… Bigger multi borough contracts for uniform services"

"Renegotiate Veolia contract as their crews are appallingly negligent"

Waste

Suggestions were put forward with regards to waste to ensure the council with a focus on more efficient collection schedules and commercial waste costs.

"Smart garbage collection"

"Make local businesses pay more to access council-run services, e.g., businesses which creating waste should pay a bigger share to collect"

Detailed Findings – Q5 – We also have a commitment and responsibility to make Haringey a more equal borough. In considering our proposals, please let us know if you think there are ways that we can narrow the gaps in life chances and opportunities available to different groups of residents in the borough.

Affordable housing

There were calls for us to improve the affordability of housing ensuring that people can feel their homes are safe and can be managed.

"Affordable housing"

"Housing is a key determinant of quality of life. Focus on ensuring that children and other living in rented accommodation have safe manageable homes"

Exercise opportunities

There were various comments on how the Council could help increase opportunities for people to exercise including cycling, both in outdoor spaces and gyms.

"Making cycling easier for all groups has to be a good thing"

"Continue to maintain gym equipment in the park and keep parks usable for all, create new spaces for people to use and improve areas of cycling lanes

Development opportunities

Respondents also raised the potential for encouraging development as a way of creating more opportunities for local residents.

"…More development and therefore opportunities. Encourage large firms or institutions into the borough through greater development"

"...The budget disproportionately underrepresents young professionals in the area who may not have children and don't have adult social care or housing needs. Young professionals like myself would therefore have liked to have seen more expenditure on regenerating Wood Green to attract more people into the area to spend and contribute to the local economy"

Air pollution

Reducing the negative impact on air quality of car use was seen by some as being an important equality issue.

"Limit air pollution created by a minority of car drivers, which effects everyone"

Haringey Council Staff

Some respondents to the consultation wanted to see the council demonstrate its commitment to equality in the way it managed recruitment to council jobs and monitoring pay equality.

"You need to give managerial jobs right people"

"Try to pay all council employees the London Living Wage; investigate and publish any gender, sexuality, ethnicity-based pay gaps"

Targeted service delivery

A number of residents felt that services targeting specific resident groups, parts of the borough, or which were more reflective of the level of need, would contribute to greater equality.

"More and better services for elderly, disabled, and low income children/ low income family teenagers. Social care and SEND services have been cut to the bone"

"We require a needs-based solution on waste and enforcement solutions in the east of the borough"

"Agree with aim to tackle inequality in the borough"

"Fully support efforts to reduce this gap in east of borough"

Detailed Findings – Q6 - Do you have any other comments on our proposed budget?

Other comments included how the council spends its operational budget, managing its energy bills and investment in nature.

"At home we are all trying to turn our heating down to save money, even pending any additional insulation measures.. Is the council doing the same in its offices?"

"Yes please plant fruit trees around our parks. And educate people for nature"

Detailed Findings - Full list of responses

In this section we include all direct responses from the public received in response to the consultation. These are included for further information and transparency.

Q1 – Which proposals do you support and why?

Anything for cycling and active travel. Feeding kids at school. LTNs and getting rid of traffic from our streets. Building more council homes is a good thing too.
Haringey budget consultation. Not a lot positive to say I'm afraid- my main purpose in answering this is to say more should be spent on social care and education, less on walking, cycling and above all LTNs. Most of the cycle routes I use do not improve thing much. Cyclists' safety is more a question of how drivers behave, visibility of cyclists to HGV drivers, and availability of cycling storage to flat dwellers - nobody wants to have a bike if it's only going to get stolen or damaged by rain, and rust reduces the bike's safety. Social care and education should be the over-riding priorities and deserve an increase in council tax larger than you have proposed. Those who can't afford it can claim the reduction. However more could be achieved on reducing temporary accommodation costs by freeing up LARGER social rent dwellings. Many older people have spare bedrooms and would be happy in 1 bedroom accommodation if it was plenty warm enough, if they had physical and logistic help to move and free storage space for possessions that don't fit into a smaller flat. Please offer a voluntary downsizing policy and link it to floating 'housing support' like some HAs offer to parallel for residents in non-sheltered housing the kind of oversight and support generally offered to those in sheltered housing.
I support hospitals and crime budgets. Please stop charging parking penalties or closing roads are wrong policy. We spent more times on traffic or making us more poor paying it. If we need to protect our borough we should bring Haringey unite id cards. And support diversity equal. Why do I need to envy other boroughs when I travel. All free parking so people can buy and sell without worry. Stop putting dictatorship policies.
efficiencies proposed e.g. debt recovery and generally parks and leisure
Adult and children’s social care increases in funding and other changes - area of high need and impacts on vulnerable peoples quality of life
To tackle crime in Haringey, make the Borough safe. As residents, we do not feel safe living in Haringey with high crime rate and lots of homeless and anti-social behaviour .
Stop wasting money on the Black Boy lane name change fiasco
Merging into One Fund 1) Extended Provision (Lodges) and use of Council owned buildings as temporary accommodation with 2) Housing Demand - Targeted 1 bedroom move on project - this will free up more money and staff time, and give flexibility where necessary on Lodgings or Homeless men (which is more common and not often helped). Any money left over will help pay off debt from FY 2021/22
Clean Air Schools Zones: important to implement measures where School Streets are not feasible. Wolves Lane: this looks a good investment as it attracts additional funding for this exciting project.
Don’t know

In general, I do support the ethos of the council I trying to support the most vulnerable people
Funding for wolves lane garden centre and maintaining the palm house None.
Giving support to young people, expanded free school meals, and tackling the climate emergency
Wolves lane market garden city
Support most of the proposals, council has the right priorities in terms of focusing resource on those most in need, cost of living crisis, climate emergency and housing crisis.
To many PO1 MANAGERS doing almost nothing at library
maintain critical support for our children and young people – despite little direct funding from Central Government - including Free School Meals for an additional 650 children who are just above the entitlement threshold; and putting the funding for the Rising Green Youth Hub on a long-term footing Why-Looking at current climate I feel this is fundamental to help children and young people to have better chances in life
Nothing because what is the funds really being spent on because the other day I asked harbinger council for a living fund payment to be refused because they don't pay for food, clothes, electric or even help me sort out my council tax form thing knowing I have mental health problems
I support the Wolves Lane nursery and market garden investment -- however I think a small contingency allowance is needed more immediately to keep the warm environment plants now at risk through lack of money for heating. I support the continued health and social care interventions in particular.
o public realm including roads, pavements and streetlights o parks and green spaces o school buildings these are all areas that impact all family life
Free school meals
I am writing to support the Wolves Lane Centre (the nursery, palm house etc). I applaud their community work and am very pleased they have won lottery funding and that the Council have agreed to match this so that they can develop their site. I do however now ask that a portion of the £160,000 funding match agreed by the Council be earmarked for the basic commitment of heating and insulating the Palm House. Wolves Lane Centre is such a special place to have locally - I am a new parent and have felt really welcomed by their community work. It is wonderful to see the children experiencing the wonder of the Palm House and to know there has been a long-standing community effort to bring special experiences for all there, I really treasure it. Terrapins and tropical splendor for free in Wood Green! The 50-year old stock of plants in the Palm House, the fish and terrapins are all long-standing residents. But I understand that due to funding problems the heating had to be turned off in December just before a major freeze, and that the plants were in cases severely damaged. To lose this wonderful and iconic part of the site just as the rest of it is going to be developed would be really sad and shortsighted. Please support the wonderful volunteers and all those who already work so hard to give us this special place locally by making sure the whole site is supported, and earmarking funds to ensure the Palm House is protected. Thank you. Cleaner air, for obvious reasons.
1. We welcome the high priority given to tackling the climate emergency, and public realm including cycling and walking infrastructure and parks and green spaces. 2. We regret that local authority funding has been cut by governments and that councils are thereby obliged to raise council tax, which is not a progressive tax, but we recognise this as the least bad option in the circumstances. 3. We support the affordable bike scheme. 4. We support the appointment of a Technical Support Programme Manager in

the carbon management team but think this should be a permanent post 5. We support the efforts to secure Proceeds of Crime from planning enforcement cases. 6. We support the programme to bring the council's commercial property portfolio up to at least a EPC B rating. 7. We support the proposed investment in the Walking and Cycling Action Plan
Mental Health Services: accommodation and outcomes Important that the support for residents is local and individualised for them Preventing debt and increasing financial sustainability - engaging with residents early on to prevent financial issues is very important in then allowing them to better manage their affairs Single Person Discount Reviews - I am totally in support of anything that prevents intentional fraud
Adult social care costs, as this will be all of us at some point as we start living longer, plus current provision is inadequate. SEND provision.
I would like more budget for litter and fly tipping enforcement. Employing more officers. An education campaign around it in different languages. The campaign to be targeted at schools and local businesses as well as local people. More enforcement officers are needed to create a presence and get the message out.
expansion of LTNs - it's made a measurable difference to lives of residents and particularly safety of children walking in the area. Clean air school streets
WCAP cycle route delivery as Tottenham is in dire need of better cycling infrastructure. Wolves Lane Market Garden City and Selby Urban Village as they will greatly improve deprived areas in an ecologically friendly way. Generally; implementation of automation and technologies to improve cost efficiency. Implementation of LTN's - Air quality should be improved for all residents even if this is at the cost of the car-driving minority.
Increased council tax
Growth proposal for electoral registration print costs. It's especially vital residents are engaged in democratic processes given the introduction of ID requirements. I broadly support the introduction of LTNs as a way of reducing car dominance in the borough. If resulting penalties can also raise much needed cash, so much the better. I support investment in street lighting, which doesn't seem to be sufficiently resilient at present.

Q2 – Which proposals do you not support and why?

Wasting money on renaming Black Boy Lane and dodgy property deals. Please don't start playing roulette with your reserves by making dodgy investments like some LAs have done. Councils are not investment banks.
none
The reduction in waste (£1.5 million spend)
LTNs - the one around Sirdar/Boundary Roads where I live was not necessary and has created a lot of controversy. I was always a lovely quiet area. Now people have to drive much further to station and shops if they have heavy stuff. The Bounds Green one is notorious for having created traffic jams and held up buses. Too much in this programme for walking and cycling (see above). Social care 'savings' of £2.245 m would be a disaster given how inadequate is the existing budget. Care clients need real people much more than technology. £2.4mn on the New River Sports Centre also seems a vast amount for a few users as % of the population and it's the only leisure centre with no concessions for seniors.
Closing road for easy traffic, I dont support.I pay my road tax , so it is enough.
LTNs - this increases the time spent in cars waiting in traffic and only adds to pollution to the main roads where mostly people walk and where there are schools and homes of relatively lower income. Cleaner environment is important, but more focus should be on reducing litter and fly tipping.

Parking: could be read that you are looking to make up income shortfall by introducing lens and more enforcement cameras. And probably by charging all of us more money to park or buying tickets for people who visit by car. not everyone is fit enough to cycle and these proposals impact adversely on older and disabled people the more income from events in all parks is fundamentally at odds with ,providing green spaces to support peoples health and well being which is severely compromised by large loud music and other events. Again those impact disproportionately on the old, disabled ,and poor who can't / aren't able to escape the impact. Small community based locally led events are the way to go not enabling music promoters to monetise our parks. Your waste consultation is dishonest. I know you are looking to take 1.6 m out of the waste contract but nowhere does it say that in the public consultation. I profoundly disagree with a lack of integrity when consulting: you should be setting the context and being explicit about what you are seeking to do. saying other councils do this is a race to the bottom: if everyone's service is going to be the same why not have a big su regional contract and reduce our council tax?
Do not support the Climate Change/School Zones, etc, because it causes too much traffic and actually more pollution by making No Access Roads, bicycle lanes, etc.
Stop wasting money on the Black Boy Lane name change fiasco
1)Large Digital Platform, they are electronic, cost a lot to maintain, as do the glass with Logits Advertising Boards by the Bus Stops - the Big Black Pillar ones that are hard to see in dark; dangerous when glass smash and expensive to maintain. lots of taxpayers money could be saved by turning off lights and having removed. 2) Traffic & Route Management Improvements - to expensive at £5,281 to start, once you get going you have not factored in the future costs of maintaining CCTV; Staff Salaries, cost of sending out Fines, maintaining cameras etc your looking into £100,000 annually upwards. cost you don't have. scrap the plan and you open up more than £1500,000
Wards Corner: could end up being a very costly project. The fact that Grainger pulled out indicates the risks involved.
Don't know
160k for Wolves lane. As a longstanding volunteer, I understand that this amount is match funding but I urge the council to ensure a chunk is ringfenced for the renovation and preservation of the *palm house*. The consortium have been disgracefully neglectful, it has never been heated despite solar panels bing installed specifically for this purpose, its borderline fraud to not use donor monies in the correct way. It needs an economic heat source to keep it above e3degrees C, some repairs to glass, a small fund to replace plants that they have allowed to die despite best efforts of volunteers who pay for fertiliser, donate plants etc fro mthier own pocket. There is nothing in writing that guarantees the proportion of the £2m plus that the consortium has raised that will go to wolves lane. So far they spend all their Grant money on salaries and deficits it seems. PLEASE protect our precious and unique borough resource with this money. Thank you
All of them, principally none are enough.
Street advertising, it's ugly and takes up space
Traffic management low emissions clean air zones
The budget for regeneration and planning, bearing in mind the fact that the built environment impacts all other elements of the councils budget, almost every building work undertaken by the council of privately in the borough, must funnel through planning, however the staffing levels and funding do not come close to covering the capacity actually needed to deliver. This is resulting in delays in decisions, constant complaints etc even when officers are frequently working over the weekend which is unsustainable - the department has one of the smallest teams in London, totally misaligned with the workloads, this need a significant increase in funding. Mental health services are awful, practically no existent with residents going round in circles to be pushed out because the services provided are so limited, only to have to start the whole circle again as there is no alternative - except paying privately which is unaffordable with a cost of living crisis, resulting in vulnerable people just being ignored. The whole mental health service should be reviewed and funding significantly increased. Electoral registration letters are sent out far too frequently, which is a completely unnecessary waste of resources.
home library service must stay the same
our public realm including cycling and walking infrastructure, roads, pavements and streetlights Why- I feel that council has made a proper mess with with closure of the streets. I commute every day and the traffic on the road from cars in traffic resulted in me being diagnosed with asthma. Bicycle routes are full of potholes, dark and can feel isolated. I support cycling lanes as my children feel safe but I really urge council to remove

the closed street as they push the traffic on main roads and with this Council is damaging health for all residents who live there. trying to cycle when whole of road is filled with slow/not moving cars is so dangerous, I can not support this at all but money was spent on this already
I don't support the fact there is no help at all and if you need speak with some one higher up you can't because they all ways on holiday probably what Haringey's funds are used for to pay for there holidays
o tackling the climate emergency whilst important there are far more pressing and urgent matters to be dealt with first
Reduction of waste services
Low Traffic Neighbourhoods. My commute to/from work, shopping visiting friends, doctors/hospital appointments via public transport have been massively delayed and have massively disrupted my family life of quality time spent with them. The traffic is atrocious. The fumes emitted on these routes when I decide to alight the bus is disgustingly think with stand-still traffic it affects my breathing capability/efficiency and always leaves me feeling with a rough throat. Is has been a very bad decision for the sake of generating money from cameras on LTN routes.
Ban housing on greenfield sites. Stop the demolished of existing housing stock. Create a one way system around Topsfield parade to enable freeflow of traffic and widen pavement access.
Adults, mental health and learning disabilities service - "review our approach to care packages, including to ensure we are taking an asset based approach and not oversubscribing care" Having been tasked with sorting out my mothers care in fact more care was needed. Also I can see nothing in the budget about the rapid response team which we are paying an additional amount in our council tax for (adults services) and when needed for emergencies is not forthcoming. So I disagree with the approach of not over subscribing care.
Affordable bikes scheme; there seems plenty of Lime and Santander bikes locally for people to use, thus negating the expense of setting up schemes and having to provide bike accommodation. Expansion of bike hangar scheme, for the same reasons as above. Additionally, the majority of people requesting hangars and pushing the agenda can probably afford their own bike storage solutions.
The LTNs
A lot of them I'm afraid
It is both worrying and saddening that the Waste Services Review is being listed as a Savings Proposal at a time when littering, fly tipping and dumping are running rampant throughout the borough. Action desperately needs to be taken to invest in catching and fining guilty parties, if done right, with some increased investment now this should become self financing. Something needs to be done to curtail the funnelling of public money into private pockets. Every contract should be reviewed and renegotiated to ensure the best possible value is being achieved. As an example, the idea that Microsoft are looking to charge £15-25 per user/per month for backing up services is absolutely absurd. It is also worrying to see plans to invest in digital billboards and advertising sites, further allowing private corporations to invade the psyche of vulnerable residents. Whilst I appreciate central government are laying siege to local councils by cutting essential funding, turning to investment from private enterprise is playing directly into their hands. Please remember the current government will likely not be in power in a couple of years, but the effects of the decisions you make now will remain.
Cuts to Development Management and Planning Services Enforcement. It is clear that the increase in fees that predicates these has not yet been implemented by national government. Cutting planning is a false economy. It helps increase Council tax and rates revenue. It facilitates regeneration and economic growth.
I can't see anything around further investment in street cleansing and proactively addressing flytipping and waste issues, which is vital. Please ensure any commercial and advertising opportunities don't further clog up already congested pavements with unnecessary street furniture. This is a big issue e.g on the narrow pavements of West Green Road where I've seen promotional banners actively blocking the pavement.

Q3 – Are there any other growth proposals which you think we should have incuded in this budget and why?

Fix the parking permit system and improve it. I'll volunteer my services as a tester.
warm home discount

Significantly more investment in environment and neighbourhoods aka the basics. We need cleaner streets, safer neighbourhoods, stronger enforcement, better outreach and more engagement. Cutting the budget seems bonkers to me, when the main driver for Haringey council is to get these basics right. Therefore more team resource and infrastructure is needed, especially in the east of the borough.
Council tax could be raised by at least 1% more and the social care precept by some fraction of 1%. People need to recognise their responsibility for elders, disabled and children as a community, even if they don't have dependents themselves and are fortunate enough to enjoy good health. The actual impact per household per week would be less than most people spend on trivia like coffee in cafes or sweets.
Yes, we should look after our old populations like old times. We dont need money. There are lots of voluntary people for every sector, but we have got bad management to put right force in our sectors. I want to help homes for Haringey but no1 takes full responsibility to provide me space for helpingthem free of charge. Everything is not money!
Regenerating Wood Green by investing in the high street (in addition to parks) and innovative independent businesses such as the Blue House Yard. Also investment in more frequent cleaning of the high street and surrounding areas, in particular lordship lane where fly tipping and littering is constant.
Reestablishing your own older peoples and childrens homes: more cost effective than buying in private places. Your proposal for high needs young people is a case in point Do it in a n London consortium to save money. reduce energy usage in buildings and make your staff hybrid buy IT systems that work unlike your parking system Move councillors into the same regime as staff: provide their own tea/ coffee and sandwiches. Dunns will survive Reduce the parks income target and renegotiate the in perpetuity licences granted to the merry fiddler et al. Proper gulley cleansing service so prevent flooding
More support to help the homeless and get people off the streets begging. North Tottenham is so so dirty with people dumping rubbish etc, everywhere. What is the point of the CCTV cameras if you cannot tackle illegal dumping??!
Asset Management of Council Buildings - If the Council Gets started on Refurbishment in Janissary 2023, of the Civic Centre. then once its refurbished, the Councillors and any other necessary officices can move in by end of year and reshuffles can be done, so any buildings coming to end of lease this year can be let go.
Implementing improvements in masterplan for White Hart Lane Rec.
Council tax should be covered for everyone as we are in a cost of living crisis
Joining up all the local local community groups in a haringey-wide community virtual network so that we can share resources, be more diverse and inclusive
Maintaining the palm house
Help out energy bills!
Carbon Credits for local business
Better cheaper public transport to reduce need to use private cars
White Hart Lane Recreation Grounds revitalisation. This park is severly underused and there's a prior investment in landscape proposal designed by architects. There are significant plots of flat land that could be generating income for the council in form of cafe. The bare minimum that we as council should finance is repairing the concrete floor in the pond so it can hold water.
I think that roads need to improve, they are there to be used not to be closed. more one was system instead. I would like to see more sporting areas for people to use, more play area for secondary age children , not just primary, wild play area to climb and jump, tennis wall so you can play on your own in the parks that are safe and patrolled by police
Yes help for anyone that needs help with stuff like clothes as more of us in haringey are on benefits and can’t make ends meat let alone get clothes
Home care support for people diagnosed with frailty or long term conditions expected to worsen as a preventive measure avoiding where possible extra costs and burden later in life.
Another school in the Tottenham Hale area due to huge increase in new builds

More bicycle hangars
Prioritise where money is being wasted towards where the community are suggesting you target it towards. Put money back in to a failing sports centre that the community uses for mental/fitness stability. Return weekly rubbish collection and road cleaning. Actually clean the streets, storm drains that prevent flooding. The basics of keeping a community happy. Police the areas where drugs are being consumed would clean up the borough too. It's got such a high crime rate that keeps increasing and was reported in the media recently because of this. Do those decision makers life in LaLa Land who are totally oblivious and deluded of what specific pockets of the borough has become?
1. We would like to see transparent figures showing how enforcement revenue from LTNs and school streets are invested in active and sustainable transport. Given the controversy about these measures, such openness could help with arguments. 2. We are disappointed that there isn't funding allocated for climate adaptation, given the heat waves and floods that increasingly affect the people of the borough.
Electoral Registration Print & Postage Costs - As this is a legislative area it is important that money is spent to ensure that this is met. To be honest I find the way the consultation is written is very long winded and most residents who are not articulate enough will not bother to complete this.
Quite a lot - particularly there doesn't seem to be any proposals supporting Tottenham residents 2 key concerns a. Flytipping and b. The horrendous service often by Fusion at Tottenham Pools and Fitness. At the moment this facility is closed, there have been major safety incidents in the past not mentioning consistent difficulties with cleanliness, barriers to booking and freezing pool temperatures. Effectively residents in the poorest part of your consituancy do not have access to vital health and fitness services (not to mention library and childcare at the moment). A plan needs to made to improve the building and change provider
As mentioned, the waste services review should be considered a growth proposal, investment is needed now to bring the endemic of dumping and fly-tipping under control.
Savings from highway budgets through greater charges for park of permits and revenue through more enforcement. Discretionary charges for highways works could be introduced to allow developers to pay more for highway works when urgently needing works completed. Increase council tax for vacant and second homes.

Q4 – Are there any changes or proposals you think we should consider in the future which might save money, generate income or achieve better value from council spend? e.g through greater use of innovative technology?

You could enforce parking regs by putting more traffic wardens on the beat. Doesn't this generate income?
- charge more for car parking, specially from visitors driving to the Borough and parking here, as well as from motorised delivery and commercial vehicles - make local businesses pay more to access council-run services, eg. businesses creating waste should pay a bigger share to collect, organise, recycle and dispose-off waste and excesses, rather than only individual customers paying
consider helping households
See q 3 Also better insulation for council homes, and some logistic support for private owners who want to do that, like arranging whole-street offers of insulation of walls with economies of scale and convenience of commissioning. This would create jobs and increase people's capacity to pay council tax and higher rents, because they would spend less on heating.
Putting higher penalties who puts rubbish on the streets. Dogs foults too.And who secretly having dangerous dogs.
fly tipping and littering is a major problem in wood green, in particular lordship lane, where litter and commercial waste is dumped often in the same locations. The counsel could consider investing in monitored cctv in those frequent problem areas (which can be determined by the frequency of reports logged via the 'Love Clean Streets' app), and enforcement of fines for littering and fly tipping. This will not only generate income for the council, but will provide us with cleaner streets.
We don't need 32 London boroughs : be bold and lead a reorganisation down to 6 bigger multi borough contracts for uniform services Focus on what residents want and use them to co design services : you

are probably providing things that no one wants Hand parks over to CICs who care about green spaces Target prevention services through gps to stop people getting ill and then needing support at an earlier stage
More technology so reducing the number of staff employed since many staffs do not provide a good service for the customers anyway.
Stop wasting money on the Black Boy lane name change fiasco
the Council wants to have its Offices in the Freehold buildings, so later down the way it has no costs. if they all have working solar and wind Energy then they will save money and make money by selling electricity to the National Grid. They need backup generators encase of emergency, and new Cable IT Technology in Civic Centre.
Stop wasting money on token projects
Renegotiate veolia contra t as their crews are appallingly negligent and lazy either skip b8ns or smash them. Get a better deal from them! Communal gritting bins for side streets, many people get house bound from fear of slipping, we can do the gritting ourselves
Energy bills
Smart garbage collection
Traffic flow which does not effect local businesses and providing better parking to enable access to local business .
There are significant numbers of agency staff working long term for the council, with some departments having over 50% of the staff as agency - need to streamline the process for restructures and more flexibility with council pay to help departments realistically reduce agency costs, getting people into permanent roles. Larger scale estate renewal - small pocket schemes on car parks do positively contribute to housing numbers and the schemes coming through have been excellent, however with demand being so great and funding these schemes becoming more challenging, larger scale redevelopment is financially more efficient and a better use of council funding.
Please do not continue with closing of the roads if feel you are just ripping people off and creating havoc on the roads.
Yes more cctv on back roads and ally ways and more police because just today I saw 4 Romanians smoke crack and heron out side the south haringey school in haringey ladders as well as I see needles that I fell I need to pick up and bin so a child don't step on them it's a very big problem
Happy for innovative technology saving on things like monitoring progress of work --- but not at expense of access to information physically by people without digital access [i.e. many elders]
stop spending money on cycle lanes (mostly unused) and their bollards that impact traffic flow. Impose fines on cyclists using pavements
Increase council tax; coordinate multi-council bids for services (to allow for more negotiating power); provide more opportunities for residents to volunteer/deliver services (not everyone has money but everyone has time to donate); mandate light and temperature controls on all public buildings; increase all car parking permit fees (including visitors); extract more money from the Spurs stadium (eg local tax; income sharing)
Get rid of those who do not listen to the real community, act upon what is actually needed and stop being selfish for their own needs of generating money from the already poor and do what they are supposed to do of supporting and servicing the community for the long term. The borough has gone from bad to one of the worse borough in the country! They must be proud but ignorant.
Increase the zero carbon levy, and resident parking charges for very large cars and SUVs.
More CCTV working cameras to prevent flytipping. The number of flytipping cases every year is high and causes a major resource issue for the council to investigate. It is hard to prevent people from flytipping as sometimes it is not local residents so the only way to prevent this is to capture them on cctv and fine them so increase the revenue to the borough.
Stop the LTNs, as the council is spending additional funds on securing cameras to check on the LTN cameras, when money could be better spent elsewhere. Instead, charge residents an annual fee to drive through the areas; most of them would pay and generate income. Insist ALL new builds have solar power panels, enough to generate at least 50% of required power for the buildings.
Start thinking proactive rather than reactively.

Sensible investment into technologies to catch and fine fly tippers and dumpers. Temporary/mobile surveillance systems which can be moved to fly-tipping hot spots as identified by the love clean streets app.
Surely there must be a more cost effective way to manage the Tottenham Green Leisure Centre which offers better value to both the council and residents. Fusion appear to be managing it extremely poorly - can this contract be reviewed with a view to achieving a better deal for the borough? I note parking penalties are achieving below target income. This seems like a red flag - the borough is full of illegally and antisocially parked vehicles on pavements, etc. Surely more effective and proactive enforcement could raise some extra revenue in this area. Whenever I've flagged illegal parking to enforcement they don't do anything because it's "outside operational hours" - this seems like a missed opportunity both from an income perspective and in the interests of walkable, accessibly streets.

Q5 – We also have a commitment and responsibility to make Haringey a more equal borough. In considering our proposals, please let us know if you think there are ways that we can narrow the gaps in life chances and opportunities available to different groups of residents in the borough.

Making cycling easier for all groups has to be a good thing.
try to pay all council employees the London Living Wage; investigate and publish any gender, sexuality, ethnicity based pay gaps
Equal rights for residents temporary accommodation seekers. whether you work or not as haringey borough resident or london borough resident. because the residents who pay the local tax contributions, should also get the help for accommodation in temporary or emergency situations. not only unemployed or on benefits residents or people only policy.
We require a needs based solution on waste and enforcement solutions in the east of the borough
More and better services for elderly, disabled, and low income children/low income family teenagers. Social care and SEND services have been cut to the bone. Youth clubs and day centres have been closed over recent years and the one new youth hub in Wood Green is not going to help youth living far from it. - the youth are often afraid to travel round the borough for fear of being attacked by gang rivals etc outside of their own area. School buildings, facilities and meals are so important. School gardens could be funded and encouraged to help provide a source of fresh veg and fruit for children. Also tree planting in parks should be frequently of fruit trees so people can pick free fruit.
you need to learn good advices and give managerial jobs right people.
Whilst it's great that the council is intending to spend on adult social health services, children's' services and on affordable housing for residents with low income, the budget disproportionately under represents young professionals in the area who may not have children and don't have adult social care or housing needs. Young professionals like myself would therefore liked to have seen more expenditure on regenerating Wood Green to attract more people into the area to spend and contribute to the local economy. This could be through investing in cleaner and safer streets, and to regenerate the high street/ shops and leisure activities and parks.
Housing is a key determinant of quality of life. Focus on ensuring that children and other living in rented accommodation have safe manageable homes. Focus on cost of living support. Recognise how your charging and other policies disadvantages those most in need. Be more compassionate and kind to those who can't use technology : your approach causes untold distress.
Equal Rights for everyone not just certain groups for political correctness.
Stop wasting money on the black boy lane name change fiasco
reduce the cost of help to buy apartments to those who live in the borough
Agree with aim to tackle inequality in the borough.
Encourage more mixing between East and west ends of the borough, we are too ghettoised,
Affordable housing and free adult training
More development and therefore opportunities. Encourage large firms or institutions into the borough

through greater development, providing collaboration with educational providers.
continue to maintain gym equipment in the park and keeping parks usable for all, create new spaces for people to use and improve areas of cycling lanes
[COMMENT REMOVED: CONTENT INCLUDED HATE SPEECH]
Fullysupport efforts to reduce this gap in east of borough
current opportunities adequate
Invest in early childhood eduction
If you want to generate more income put more residential parking bay and extend the operational hours in the Crouch End, Muswell Hill area as well as the Haringey part of Stamford Hill area. The yellow lines and parking restrictions surprisingly stop just past South Tottenham Overground station. Be fair and equal to ALL communities and ALL area of a borough Haringey is allegedly meant to serve. It seems to be only taxing the worse off than the ones who have more money at the end of the day.
More local engagement with residents in the parts of the borough that have high unemployment, lack of access to digital services to find ways of supporting them better. Working closer with the voluntary groups to achieve this such as the Bridge renewal trust. Providing where appropriate language lessons in the community centres and not necessarily in the central hub. Surveying customers to find out when it would be suitable for them to attend sessions and to be flexible with the learning plan to allow them to be able to attend.. As well as having the Customer service staff directly supporting the residents, on a bi-monthly basis have an engagement day where different services come to the service centres and serve the public. The four main contacts are Housing, Parking Council Tax , Benefits,.but it could also including Envirionment (ASB) Highways, childrens services etc..
Focus proposals on the east of the borough! Giving residents an equal opportunity leisure centre is really important to raising health standards and aspirations
Limit air pollution created by a minority of car drivers which effects everyone.
Invest in making pavements wider and less cluttered by removing redundant street furniture and ending pavement parking so that they’re accessible to disabled or sight impaired residents. This is really important - so many streets in Haringey are not accessible.

Q6 – Do you have any other comments on our proposed budget?

no
Not clear what allowances are being made for inflation which is very high at present. Nor what economies are being practised about energy use in council buildings. At home we are all trying to turn our heating down to save money, even pending any additional insulation measures. Is the council doing the same in its offices?
Yes please plant fruit trees around our parks. And educate people for nature.
Overall, the budget appears to disproportionately cover services and needs of lower income residents with far less investment in regenerating the area for attracting professionals.
You need to operate with more integrity. you have a track record of ignoring consultation and doing poor/ dodgy deals. You were listed in the guardian as one of the most complained about councils in the country. here the message : principles don’t cost anything.
Stop wasting money and use wisely to what Residents need NOT what the Council Staffs think should be.Listen to the Residents Complaints and Suggestions. Stop being Politically Correct and Be Productive, Use Common Sense.
Stop wasting money on the black boy lane name change fiasco
201,375 -5,281 = set the budget at £196,094
No
Thank you
No
the cost has increase and I wonder if this consultation will actually be listened to

Overall a fair balance --- but wouldlike to see contingency for urgent needs, as mentioned above for instance for Wolves Lane
How much is proposed for non-job management positions
Prioritise spending where it is needed. Not where it is wanted. Make it fit for purpose, not pretty and non-practical or non-functional. Spend on contractors who'll give value for money and FINE THEM for poor quality and over-running on scheduled contracts. Stop closing the back roads for our travels, remove the cameras and LTN's, improve speed restrictions, don't cattle residents in to certain roads, areas. This does it win the people's votes if that's what you are looking for.
No
I have emailed a consultation response to consultation@haringey.gov.uk. I would be grateful if ths could be acknowledged. thanks [NAME & EMAIL REMOVED FOR DATA PROTECTION REASONS]
You've got a massive challenge to balance the books, and despite what you say it feels like you are desperate for the income from LTN fines to help plug the gaps, even though thrg are only trials.
I would like more budget for litter and fly tipping enforcement. Employing more officers. An education campaign around it in different languages. The campaign to be targeted at schools and local businesses as well as local people. More enforcement officers are needed to create a presence and get the message out.
Continue to support young people in the borough. Improving their lives now improves everyones lives in the future.

Budget Scrutiny Recommendations

Housing, Planning and Development Scrutiny Panel – Economy Priority					
Ref	**MTFS Proposal**	**Further info requested if appropriate)**	**Comments/Recommendation**	**Cabinet Response Req'd (Yes/No)**	**Agreed/ Not Agreed**
New Savings Proposals					
AHC_ SAV_008	Housing Demand - Targeted 1 bedroom move on project	The Panel requested a written breakdown of the £10m spend on Temporary Accommodation and how many families were expected to be moved on as part of the £80k saving.	The Panel would like further information on how this saving relates to spend for the 100 households targeted for a one bedroom move. An £80k saving spread across 100 households equates to a saving £800 per household. This does not seem to equate with the breakdown provided. What part of the Temporary Accommodation spend are we saving to reach the figure of £80k. In light of time constraints, the Panel are happy to receive a separate written update rather than a response for the Cabinet meeting on 7th February.	No.	
Response to further info request: *See full breakdown at bottom of this document.					
AHC_ SAV_008	Housing Demand - Targeted 1 bedroom move on project	The Panel noted a seeming discrepancy in the figures of the 103 people in TA who required one-bedroom properties, the breakdown of the figures only added up to 100.		No	

		Are you saying that only 100 of the 103 people identified are targeted for a move or is this a typographical error.			
AHC_ SAV_008	**Response to further info request**: There are currently 100 approved households with a 1 bed need in TA (figures accurate as of 3/01/23).				
AHC_ SAV_007	Use of 1 bed social housing as Temporary Accommodation	Clarification requested on whether a review of suitability of TA accommodation was carried out and the frequency with which this was done.	Given the propensity of young families to grow and given the length of average stay in Temporary Accommodation, the Panel recommends that the suitability of accommodation used for Temporary Accommodation should be reviewed annually, on family by family basis. The Panel notes that in the below response, a review is carried out every 18 months. The Panel would like Cabinet to agree to this occurring annually and on a family by family basis.	Yes	Agreed
AHC_ SAV_007	**Response to further information request**: Our aim is to assess or review households every 18 months and include changes in household composition. If it becomes clear the customer's family has naturally increased in size whereby, they are classed as severely overcrowded (i.e. by 2 rooms or more) then we would list them for a transfer in addition to providing advice on their settled housing options. The speed at which a family may be able to move when severely overcrowded is dependent on a large number of factors. Generally, our reporting allows us to quickly ascertain who may be classed as severely overcrowded. Customers also keep us informed if they have a change in their circumstances and the importance of highlighting this is detailed in the correspondence, they're provided with throughout their homelessness application.				

AHC_ SAV_007	**Response to recommendation to Cabinet:** Agreed				
AHC_ SAV_007	Use of 1 bed social housing as Temporary Accommodation	The Panel requested a written clarification on the maximum number of adults and the maximum number of children, and the ages of the children, that would be placed in a one-bedroom property.	That Cabinet agree that the placing of families into one-bedroom temporary accommodation should be limited to families with one child only.	Yes	Agreed
AHC_ SAV_007	**Response to further info request**: The TA placements policy passed by Cabinet on 18 October 2016 sets out that: Accommodation must provide adequate space and room standards for the household and be fit to inhabit. Households in temporary accommodation will often be placed into units with 1 bedroom less than they would be entitled to on a permanent basis, with the expectation that the living room provides dual purpose as a living and sleeping area. The following minimum size criteria will apply: … One bedroom accommodation • Lone parents or couples with 1 child over the age of 1 year (no upper age limit) • Lone parents or couples with 2 children of the same sex (no upper age limit) • Lone parents or couples with 2 children of opposite sexes where both children are under the age of 10 years.				

AHC_ SAV_007	**Response to recommendation to Cabinet:** Agreed				
HRA Budget					
N/A	London Affordable Rent Model	Further information requested on whether any of the 840 new homes scheduled to be allocated to the London Affordable Rent model had not yet received Planning Permission.		No	
London Affordable Rent Model	**Response to further information request:** 68 have not yet received planning permission.				
N/A	London Affordable Rent Model	It was commented that the gap in affordability to the cap from LAR to formula rent seemed to be slightly larger than was presented in the report.		No	

		The Chair requested some clarity and reassurance of the relative affordability of LAR against formula rent, based on the actual formulas used, rather than their relative proximity to the cap.			
London Affordable Rent Model	**Response to further information request:** Formula rents charged for the same bed size varies due to several factors including property values. Hence the gap between formula rent and LAR also varies depending on the location of the property in the borough. The gap between the average actual 2022/23 formula rent, and average LAR (£32.36) is slightly higher than that between average formula rent cap and average LAR (£13.73). However, LAR is significantly less than the Local Housing Allowance rate. This means that any tenant entitled to Housing Benefit, or the housing element of Universal Credit would have their housing costs covered.				
N/A	General point.	Clarification requested on the number of people in Council and Temporary accommodation		No	

		who were working and not in receipt of benefits.			
General Point – TA figures	**Response to further info request:** Around 8,290 households renting from the Council – 56.7% - don't get any benefits. We can safely assume that the vast majority work. Around 420 households in TA – 16.8% - don't get any benefits. We can safely assume that the vast majority work. These figures are calculated from December's LIFT data on benefit claimants, data on tenanted Council stock, and data on TA residents. There are some caveats. As these data sources are separately collected, there may be a slight margin of error. There is another very small margin of error connected to the fact that LIFT data excludes a very small group of TA residents (maybe 20-30) in private sector leases whose housing costs are paid by benefits but won't be picked up by LIFT because of a loophole in benefit legislation relating to TA tenants on UC. But they are a very fair indication.				
N/A	London Affordable Rent Model	None	When producing reports in future, that Cabinet commit to the Council being clear, when it talked about different rent levels, about exactly what it was referring to. Rather than using terms like social rents or council rents seemingly interchangeably, the term formula rent should be used when formula rents were meant and similarly London Affordable Rent should be used when that was meant.	Yes	Agreed.

			The Council should also be clear that if a proposal was slightly vaguer on what model should be used, then it should also be clear about this. Members commented that there seemed to be differing expectations at Planning Committee meetings about whether a scheme was using formula rent versus LAR.		
London Affordable Rent Model	**Response to recommendation to Cabinet:** Future reports to Planning Committee and to Cabinet (and any other council committee) will use specific terms for rents.				
N/A	London Affordable Rent Model	None	That the Housing, Planning and Development Scrutiny Panel be kept informed of which individual schemes used London Affordable Rent and Formula rent going forwards, and that this be reported regularly to the panel as an update.	Yes	Agreed.
London Affordable Rent Model	**Response to recommendation to Cabinet:** It is suggested that an update report to Housing, Planning and Development Scrutiny Panel be presented in 6 months' time with an update on which rents various schemes are using.				

Environment & Community Safety Scrutiny Panel – Environment & Neighbourhoods					
Ref	**MTFS Proposal**	**Further info requested by the Panel (if appropriate)**	**Comments/Recommendation**	**Cabinet Response Req'd (Yes/No)**	**Agreed/ Not Agreed**
PL20/9	Full Cost Recovery of Services for Match Day Cleansing Costs.	None	That Cabinet give assurances that it intends to engage robustly with Tottenham Hotspur F.C. to ensure that THFC pays its fair share of the clean-up costs from match days and other event days. The cost should not be borne solely by local tax Council Taxpayers. The Panel would also like clarity as to the amount of money involved in relation to the clean-up costs and how much it is estimated THFC have failed to contribute. The Environment & Community Safety Panel is happy to either receive an update on the figures involved at Cabinet or for a written response to be provided separately.	Yes	See Response

PL20/9	**Response to recommendation to Cabinet:** Financial Position • A 2021/22 MTFS target to recover £130,000 costs for from the club for matchday cleansing was agreed by Cabinet. • The total costs of match day cleansing will vary each season dependent on the number of matches. • During 2022/23 the service is forecast to spend £100,100 on match day cleansing. • In 2023/24 the service forecasts it will spend a total of £115,000. • To date, the club have contributed no funding towards these costs. LAMP • The Local Area Management Plan (LAMP) was developed and all agreed except for match day cleansing as arrangements for cleansing. responsibilities and costs have yet to be agreed and formalised. • The club provide operational resources within the agreement to undertake waste and cleansing activities pre and post matches, however this is supplemented by the Council to ensure cleanliness is at an acceptable level across all areas directly impacted by matches. Next steps to achieve the recommendation. • The LAMP is due for a review, and this is an opportunity to reset expectations across the agreement in its entity including waste and cleansing requirements. • In keeping with the Haringey Deal, we believe that this review should be fully transparent and include Scrutiny, ward councillors, residents and Spurs within the process.				
ENV_ SAV_004	Not recruiting to existing vacancies within the	None	The Panel would like Cabinet to reconsider this saving. The Panel would like to see the weed control operative post within the Parks service retained and recruited to, and the net saving found from elsewhere.	Yes	See response.

	Parks Service (Net £45k)				
ENV_ SAV_004	**Response to recommendation to Cabinet:** The impact of these savings will be mitigated by training a number of existing staff in the use of the new weed treatment systems. Whilst this will take staff away from other work, it will mean that there is more resilience within the team to cover the weed treatment works programme.				

Children and Young People's Panel – Children's Services					
Ref	**MTFS Proposal**	**Further info requested by the Panel (if appropriate)**	**Comments/Recommendation**	**Cabinet Response Req'd (Yes/No)**	**Agreed/ Not Agreed**
N/A		None	The Panel recommends that, in future years, consultation with residents and stakeholders on the MTFS should aim to be more meaningful, reach a wider range of people and provide a greater opportunity for them to influence proposals.	Yes	Agreed
Consultation Process	**Response to recommendation to Cabinet:** The council is currently undertaking programmes of work not just to develop our consultation practice but also to broaden the range of approaches we use for meaningfully engaging residents in decisions that affect them. As part of this, officers will review the budget consultation process with a view to identifying how it can be developed to reflect this recommendation and to align with the wider commitments to a different way of working set out in the Haringey Deal.				
N/A		None	The Panel emphasised the importance of rigorous monitoring and reviewing of external risk and measures to mitigate it so that any changes can be responded to in a timely manner. It recommends that, in particular, the budgetary impact of the Safety Valve programme be closely monitored and requests that this be included in the regular quarterly finance updates to the Overview and Scrutiny Committee.	Yes	

Rigorous Monitoring	**Response to recommendation to Cabinet:** The Safety Valve programme has robust scrutiny and oversight through the Safety Vave Steering Group which is co-chaired by the Director of Finance and Director of Children's Services and meets on a monthly basis. In addition, the programme is subject to rigorous monitoring externally through quarterly reporting to the Department for Education. Quarterly finance updates provided to the Overview and Scrutiny Panel will include an update on this programme as part of routine reporting on the Dedicated Schools Grant.				
N/A		None	The Panel recommends that, in future years, the equalities impact of specific proposals in the MTFS be outlined more clearly in order to provide Members with a clearer understanding of them.	Yes	See response
MTFS - Equalities Impacts	**Response to recommendation to Cabinet:** It is important that members have access to available equalities impact analysis to inform the budget decision making process. This reflects our shared responsibility for discharging the public sector equality duty (PSED). Officers will review the process for capturing, and providing members with, equality impact analysis on individual proposals as part of the budget process and will make necessary improvements to this to ensure that members have access to analysis at the right stages of the process.				

Adults and Health Scrutiny Panel – People Priority					
Ref	**MTFS Proposal**	**Further info requested (if appropriate)**	**Comments/Recommendation**	**Cabinet Response Req'd (Yes/No)**	**Agreed/ Not Agreed**
New Revenue Savings Proposals					
AHC_SAV_001 & AHC_SAV_005	Improved processes & practices/Improved commissioning & efficiencies	None	Officers explained to the Panel that much of the previously agreed savings proposals, based on demand management approaches had not been possible to achieve (proposals PA9 & C19 on the MTFS Savings Tracker) and so they had been scrapped in favour of alternative savings proposals based on commissioning efficiencies. The Panel observed that the bulk of the new revenue savings for 2023/24 were based on just two proposals and expressed concerns about the risk to the budget if these savings were also not achieved. In relation to improved processes & practices, the Panel would like assurances that residents will continue to have access to the care packages that they need.	Yes	See response
AHC_SAV_001 & AHC_SAV_005	**Response to recommendation to Cabinet:**				

	As a result of additional specific funding for Adult Social Care announced in the local government financial settlement it has now been possible to reduce the level of savings required from Adult Social Care by £2.7m. It is still recognised that the approach to the delivery of savings in 2023/24 and future years needs to be robust with clear plans in place with rigorous controls to ensure delivery of savings in full.				
N/A	Winter discharge funding	Breakdown to be provided on the distribution of the additional winter discharge funding across the 5 NCL Boroughs.		No	
Winter discharge funding	**Response to further info request: **** *See full breakdown at bottom of this document.*				
New Revenue Growth Proposals					
AHC_GR_001	Acuity/complexity in adult social care clients	None	This proposal related to an additional £2m of funding over and above the £2.8m provided in the existing MTFS due to the increased level of acuity and complexity observed in adult social care clients since the pandemic. The Panel observed that this was an ongoing risk to the Budget in the	Yes	See Response

			medium/long term and requested further information which showed that a further £3.1m had already been allocated to the 2024/25 adult social care budget due to anticipated growth pressures. The Panel acknowledged the current challenging financial circumstances for adult social care services and sought reassurance from the Cabinet that further anticipated increases in demand on services had been adequately factored into the MTFS going forward.		
AHC_GR_001	**Response to recommendation to Cabinet:** Levels of acuity and complexity will continue to be a challenge for the service from both older adults and younger people transitions. Forecast growth will be regularly reviewed for both older and younger adults, to ensure that any changes are understood by the service and shared with corporate colleagues. At the same time ensure where appropriate health pay for their fair share of the cost of care packages.				
AHC_GR_002	Inflationary Pressures	None	This proposal related to an additional £4m of funding to meet additional costs to adult care purchasing budgets resulting from increased costs to providers. The Panel heard that an expected inflation rate of 5% had been used to calculate the additional funds required. The Panel noted that other projected inflation figures were considerably higher than this. The Office	Yes	See response

			for Budget Responsibility (OBR) for example had recently predicted the inflation rate for 2023 to be 7.4%.* The Panel expressed concerns about the risk of a budget shortfall in 2023/24 should the actual rate of inflation prove to be higher than 5%. (* Based on the Consumer Price Index – see p.19, Economic & Fiscal Outlook – November 2022, OBR https://obr.uk/efo/economic-and-fiscal-outlook-november-2022/)		
AHC_GR_002	**Response to recommendation to Cabinet:** It is acknowledged that the impact of inflation on providers will continue to have an impact across 2023 and potentially beyond. Fee increases paid to providers in 2023/24 will be rigorous but fair to help address inflationary pressure and market challenges taking account of the £4m built into the 2023/24 budget together with new funding announced in the provisional local government financial settlement through the Adult Social Care Market Sustainability and Improvement Funding of £1.914m which has now been included in the service budget. Provider cost pressures will remain under review as any provider failure can be extremely expensive to the service.				
N/A	Additional funding – 2024/25	Details to be provided on the additional funding that had already been			

		allocated for 2024/25.			
Additional funding - 2024/25	**Response to further info request:** The net demographic / inflation growth allocation for Adults Social Care (above current MTFS) for 2024/25 is £3.1m.				
Draft Capital Programme – 2023/24 to 2027/28					
201	Aids & Adaptations	It was agreed that further data would be provided to the Panel on what the DFG (Disabled Facilities Grant) was currently funding in Haringey and the revised grant position which would be available in early 2023.		No	
201 – Aids and Adaptions	**Response to further info request:** As of 13th Jan 2023, the 2023/24 grant allocation is yet to be confirmed.				

214	Osborne Grove Nursing Home	The Panel discussed the inflationary pressures on capital projects with a particular focus on Osborne Grove Nursing Home given the significant levels of investment in this project. The Panel was informed that there had been continuous business case reprofiling on Osborne Grove over the past 12 months and that the project remained financially viable. It was agreed that a more detailed update report would be brought to a meeting of the Panel in 2023. This has been added to the	The Committee requested a breakdown of the financial benefits expected, if the scheme went ahead. This was so that these could be shared with the co-design group, in order to elicit further engagement/buy-in from residents.	Yes	Response provided.

		Panel's Work Programme.			
214 – Osbourne Grove	**Response to recommendation to Cabinet:** The business case clearly defines the local need for nursing provision within the borough with only one privately run nursing home located in Haringey at present and two potential new developments in planning for nursing homes which are aimed at the private care market. The creation of OGNH will include 18 Reablement supported accommodation units. An innovative new service that will benefit from its co-location to the nursing home. This provision is aimed at diverting residents from admission into residential and nursing care following hospital discharge. Increased local nursing provision and Reablement supported accommodation will also support wider system savings relating to delayed discharges from acute hospital. An updated business case will be presented to Cabinet when ready.				
General issues					
N/A	Estimated Minimum Revenue Provision (MRP)	The Panel queried whether capital expenditure was sustainable at the projected levels given the costs incurred by rising interest rates - noting that paragraph 8.35 (Table 8.4) of the Cabinet report on the Budget & MTFS (6th Dec		No	

		2022) illustrated a rise in the estimated MPR from £13.3m in 2022/23 to £37.9m by 2027/28.			
MRP	**Response to further info request:** The overall level of capital spending and resultant borrowing must be affordable and prudent, and the assessment of this forms part of the MTFS process and the report, including the Treasury Management Strategy. The capital programme schemes serve a number of purposes as is stated in the report and the inclusion of a scheme in the capital programme is not in itself permission to spend, as a variety of approvals are required before a scheme can proceed. The capital programme is also an enabling mechanism so that the Council can respond to changes in the environment whilst staying within the budget and policy framework. A significant number of schemes in the programme are assumed to be self-financing and the MTFS assumes that those schemes will produce savings and/or income that at least meets the cost of the borrowing. Whether they will proceed is dependent on their subsequent business case covering the cost of the investment and being approved, and it was noted in the Cabinet report that the current cost and interest rate environment is making it increasingly difficult for business cases to meet this hurdle. Nevertheless, the capital programme must facilitate the possible progression of these schemes and hence their inclusion. The estimated MRP charges (not interest charges) arising from the capital programme are expressed in that table as gross to ensure that there is clarity over the financial effect of the capital programme. Table 8.8 (of the Cabinet report on the budget – 6th Dec 2022) shows the effect of the compensatory savings that are assumed as arising from the self-financing programme that offset the costs set out in table 8.4.				

N/A	Council Tax	The Panel asked for an estimate to be provided on the funds that would be raised by a 1% increase in Council Tax.		No.	
Council Tax	**Response to further info request:** A 1% rise in Council Tax would raise an estimated sum of approximately £1.2m				
N/A	Future reports on the Budget/MTFS to Scrutiny Panels	None	The Panel would like to see future MTFS reports with a panel specific cover report, setting out the key information relevant to each panel and the main Cabinet report attached as an appendix. There was an acknowledgement that this was done to some extent already, but Members would like to see a few extra pages added that pick out the specific parts of the MTFS report relevant to each panel. It was suggested that Members already needed to know their way around the pack to understand where one appendix ended and another began. The Panel would also like to see additional information in relation to joined up budgets between Adult Social Services and Health partners, at future quarterly budget monitoring reports. It was suggested that information was lacking in relation to the health side of joint budgets	Yes	Agreed

Future reports on the Budget/MTFS to Scrutiny Panels	**Response to recommendation to Cabinet:** Next years budget scrutiny process will take on board the recommendation and look to prepare specific panel reports setting out the key information relevant to each panel / Committee. Further information on joint budget / funding between Adult social services and health partners will be provided at future Adults and Health panel quarterly budget monitoring reports.				

Culture, Strategy & Engagement					
Ref	**MTFS Proposal**	**Further info requested (if appropriate)**	**Comments/Recommendation**	**Cabinet Response Req'd (Yes/No)**	**Agreed/ Not Agreed**
New Revenue Savings Proposals					
CSE_SAV_002	Additional commercial advertising opportunities	Clarification to be provided on the definition of "carbon purifying technology".		No.	
CSE_SAV_002	**Response to further info request:** Some operators in the market have developed air purifying technology that is embedded in their large format screens. As we would be going out to a competitive tender for this contract it is not possible at this stage to provide further detail on the specific technology or its effectiveness as this is likely to vary between providers. This is something that would be explored through the tender process.				
CSE_SAV_002	Additional commercial advertising opportunities	The Committee raised concerns about the commercialisation of the Council vehicle fleet, given their high profile. The Committee requested a briefing note	The Committee request that Cabinet remove the portion of the overall saving, CSE_SAV_002, that specifically relates to advertising on Council fleet vehicles. In light of the £30k anticipated income stream from having commercial advertising on Council vehicles, the Committee felt that the risks to the Council's image outweighed the relatively low sum of money involved.	Yes	Partial

		which provided assurances about how realistic the assumptions were, and a breakdown of how much income was expected to be raised through this proposal. The Committee also requested information about the oversight of fleet advertising and for example, how the Council could prevent its vehicles being used to advertise a company or organisation that it may not be comfortable with associating itself.			
CSE_SAV_002	**Response to further info request:** The council have been working with external advertisers over the last 6 years – from large businesses to other public sector bodies to local small businesses. We ensure that before				

	working with any organisation we undertake appropriate due diligence this includes confirming that for instance they are fully up to date with regards to business rates and regulatory requirements e.g. food hygiene. We have an advertising policy which also ensures that the council are able to refuse advertising where this is appropriate.				
CSE_SAV_002	**Response to recommendation to Cabinet:** The Cabinet share the Committee's view that reputation of the council is crucial. This is why the council has put in place a rigorous advertising policy and strict terms and conditions for advertising. It is proposed that this element of the income generation is moved into year 2 of the draft MTFS. This will create time for further discussion with the Committee about whether the existing policy provides sufficient assurance for this measure to proceed or whether bespoke, additional arrangements should be considered.				
Draft Capital Programme – 2023/24 to 2027/28					
330 & 464	Civic Centre Works/Bruce Castle	The Committee requested further reassurances on the impact on the revenue budget from the borrowing costs and the ability of the Council to meet those costs, given the economic climate and the significant sums involved. Further		No	

		details were required on the self-financing nature of these schemes and what this meant in practice.			
330 & 464	**Response to further info request:** Both of these schemes are included in the capital programme as self-financing. This means that a business case (following the 5 Case Business Case model process, which is the standard model for public sector investment) would need to be prepared before any significant investment was undertaken. The business case would need to prove that the expenditure would generate sufficient income and/or savings to pay the capital financing charges. If the schemes were to proceed, then there would adjustments in the Council's budgets to reflect the savings and/or increased income generated by the investment which would offset the cost of the investment.				
General issues					
N/A	Updated budget figures.	It was agreed that any updated figures for the overall proposed 2023/24 budget, given that new information may be now available that was not available at the time that the original finance reports were		No	

		provided to the Cabinet and Scrutiny Panels in Dec 2022, should be provided to the OSC ahead of its meeting on 19th Jan 2023.			
	Response to further info request: A verbal update was provided to OSC by the Director of Finance on 19th January.				

* Housing, Planning & Development Panel - Summary of Housing Demand's projected EOY spend as at P8 - 2022/23

Summary of Housing Demand's projected EOY spend as at P8 - 2022/23		
Area of expenditure	**£k**	**Detail**
Staffing	4,552	Total staff & other costs
Direct costs of TA	11,145	cost of NPA/PSL/Lodges/AST etc. Includes BDP and HB subsidy
Indirect TA costs	477	Legal and other client costs
Corporate OHDS	1,401	Corporate overheads
Other Hsg initiatives outside HD	907	Various Homelessness Initiatives.
HPG contribution	-8,394	Homelessness prevention grant received
P8 EOY projection	**10,088**	

Number of families expected to be moved as part of the project = 100 households

** Adults & Health Panel - Breakdown on the distribution of the additional winter discharge funding across the 5 NCL Boroughs

North Central London						
Borough	LA Allocation	ICB Allocation		TOTAL	% of London Total	% of England
		Weighted ICB population Allocation	Discharge Performance Allocation			
Barnet	1.21	2.02	4.46	11.87	18%	2%
Camden	1.07					
Enfield	1.08					
Haringey	0.96					
Islington	1.07					
Total	5.39	6.48				

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Equality Impact Assessment

2023-24 Budget and 2023-2028 Medium Term Financial Strategy

January 2023

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5. Consultation

1. Introduction

1.1. Purpose of report

This report considers the implications of the proposals in the **2023-24 Budget and 2023-2028 Medium Term Financial Strategy** (MTFS) report on people who share the protected characteristics as defined in the Equality Act 2010.

Where relevant, service areas have carried out EqIAs for each individual MTFS proposal. This report considers the impacts of the proposals, including the ways in which any negative impacts might be minimised or avoided. In addition, this report considers the wider context internal and external to Haringey Council in terms of potential equalities impact.

1.2. Public Sector Equality Duty

The Council has a Public Sector Equality Duty under the Equality Act (2010) to have due regard to the need to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share the protected characteristics and those who do not
- Foster good relations between people who share the protected characteristics and those who do not

The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty. These are sometimes referred to as the three aims or arms of the general equality duty.

Haringey Council also has specific duties to publish information to demonstrate compliance with the Equality Duty, at least annually; and to set and publish equality objectives, at least every four years. This includes publishing information relating to people who are affected by our policies and practices who share protected characteristics.

Haringey Council undertakes Equality Impact Assessments (EqIAs) on significant changes to policy or services and decisions that may impact on individuals or groups protected under the Equality Act 2010.

Equality Impact Assessments enable to Council to:

- Demonstrate due regard for the provisions of the Public Sector Equality Duty
- Identify possible negative impacts of decisions on individuals and groups with protected characteristics and plan mitigating action accordingly

- Identify additional opportunities to advance equality within policies, strategies, and services

Haringey Council guidance stipulates that EqIAs should:

- Contain enough relevant information on the groups likely to be affected by a decision to enable the Council to demonstrate that it has had due regard for the aims of the equality duty in its decision making
- Consider ways of mitigating or avoiding any adverse impacts

EqIAs need to be proportionate to the decision being made. All proposals for changes in policy, practice, procedure, budgets are screened to establish whether a full EqIA is needed to inform the decision-taker. If a full EQIA is not assessed as being needed, officers will nonetheless be required to provide detail on their assessment of equality impacts. In some cases, it may be anticipated that an EQIA will be needed, but that a proposal is not yet sufficiently developed for an EQIA to be meaningful. Where this is the case, officers are asked to identify at what stage it will be possible to produce an EQIA.

Further detail on EqIAs in Haringey Council, including contextual information, published EqIAs and how to complete an EqIA, is available on the Haringey website[1].

1.3. Equalities profile of Haringey

According to the 2021 census, which is at this point in time our most reliable source of socio-demographic data, the total population of the borough is 264,238.

In terms of equality, demographics break down as follows:

Sex:

- There is a relatively equal split by sex in Haringey, just over half of the population is female (51.8%), in line with England and London.

Age:

- Haringey has a relatively young population with just under a quarter of the population under the age of 20.
- 89% of the population is aged under 65 (88% London; 81% England).

[1] Haringey Council. 2021. *Equality Impact Assessments (EqIA)*. [ONLINE] Available at: https://www.haringey.gov.uk/local-democracy/about-council/equalities/equality-impact-assessments-eqia. [Accessed 7 January 2021].

Ethnicity:

- In 2021, Haringey's population of 264,238 comprised 150,581 (57%) White, 23,080 (8.7%) Asian, 46,466 (17.6%) Black, 18,556 (7%) Mixed or multiple ethnicities and 25,555 (9.7%) Other ethnic groups
- Black, Asian, Mixed and Other ethnicities made up almost half (43%) the total of Haringey's population in 2021, ranking it the 24th most diverse local authority in the country (19th highest in London).
- The largest growth in population over the decade was in Other ethnic group which more than doubled by 13,500 (4.9%), increasing its share from 4.7% in 2011 to 9.7% in 2021. Mixed or multiple ethnicities also recorded a nominal increase of 0.5%.

Religion:

- Almost two-fifths (39.3%, 103,944) of people in Haringey reported their religion as Christian. There were 33,295 Muslims (12.6%), 9,397 Jewish (3.6%), 3,529, Hindus (1.3%), and 6,164 (2.3%) who reported another religion. Almost a third (31.6%, 83,535) of people stated no religion and 21,027 people (8%) chose not to answer.
- Haringey's Jewish population (3.6%) is more than double London's (1.7%)

Disability:

- In 2021, in Haringey, the proportion of disabled people was 16.6%, slightly above that for London (15.6%) and just below England & wales (17.8%)
- Haringey has the 12th highest percentage of disabled residents in London (16.6%) and the 10th highest percentage of residents whos day-to-day activities are limited a lot (7.9%)

Marital Status and Civil Partnership:

- The number of people in marriage or civil partnerships (72,881, 33.7%) has remained largely unchanged (0.1% decrease) since 2011. Those reported as separated, but still legally married or still legally in a civil partnership fell slightly by 1.2% from 8,066 in 2011 to 6,035 in 2021. Divorced or civil partnership dissolved and widowed or surviving civil partnership partner comprise 8.2% and 3.5% respectively

Sexual Orientation:

- 12,167 (5.6%) people identified with an LGB+ orientation (“Gay or Lesbian”, “Bisexual” or “Other sexual orientation”); 5,912 people (2.7%), 4,503 (2.1%) and 1,752 (0.8%) respectively, all with higher percentages than both London and England & Wales

Gender reassignment:

- A total of 1,377 people (0.6%) answered “No”, indicating that their gender identity was different from their sex registered at birth. Within this group:
  - 389 (0.2%) identified as a trans man
  - 383 (0.2%) identified as a trans woman
  - 537 (0.2%) identified as another gender identity

1. Internal context

Haringey Council’s Corporate Delivery Plan 2022/23 and 2023/24 commits to the council tackling inequalities as a central objective for everything we do.

This is about recognising that:

- we need for us to use the levers available to us to reduce poverty and economic inequality in the borough and mitigate its worst impacts.
- some groups of residents experience unacceptable structural inequalities related to their protected characteristics and circumstances.
- as we respond to the climate emergency, we understand that there are some residents and communities who will need to be supported to secure a just transition to net zero – and who will be more affected by the impacts of climate change
- social inequalities drive the unacceptable health inequalities which have been all too starkly thrown into relief in the last two years.

The objective of reducing inequality needs to influence how we work with all our communities, target our resources, support and develop our workforce, design our services, and mobilise around key issues.

There are a number of key policy levers which have potential equalities impacts.

1.2. Review of Fees and charges

Every year the Council reviews the level of fees and charges levied on service users.

The draft 2023/24 Budget and MTFS 2023/24-2027/28 assumes that fees and charges increase by a minimum of Consumer Price Index (CPI) at September 2022 (10%) in 2023/24 unless there is good reason not to.

The proposed 2023/24 fees and charges will be presented to Cabinet in February 2023 as part of a separate report, which includes an equalities impact analysis.

During the EQIA screening processes, no increases were seen as disproportionately impacting protected groups.

Blue Badge Administration charges are not within the discretion of the Council and will therefore remain unchanged as will the refund administration fee which was only implemented recently. However, a waiver is proposed to the £10 replacement fee for stolen Blue Badges.

For an increase of fees above inflation for commercial organisations such as developers and businesses, an EQIA has not been completed.

Officers will continue to monitor for any equalities implications and modify the proposed initiatives to mitigate any issues which arise.

1.3. Council Tax Reduction scheme

Following the abolition of Council Tax Benefit by the then Conservative-Lib Dem coalition UK Government in 2013, many of the lowest income households in Haringey became liable to pay at least 19.8% of the Council Tax charge according to the band in which their property falls.

In response to the abolition of Council Tax Benefit at a national level, local Council Tax Reduction Schemes have been developed by individual local authorities. Haringey Council developed its own Council Tax Reduction Scheme (CTRS) in 2012/13 and decided to protect working-age claimants on a prescribed disability-related or disability premium. Those working age claimants received the same maximum level of CTR as those of pensionable age (100%).

Haringey Council amended its 2019/20 CTRS in order to provide more financial support to working age claimants with children and so re-instating extra support for over 6,000 families in Haringey on low income. Changes were made to the CTRS in 2022 to simplify and improve the accessibility of our scheme for working-age residents, including automating the claims process for residents who are awarded Universal Credit.

The maximum level of Council Tax Reduction continues to be 100% for pensioners and working age claimants in receipt of disability related benefits.

1.4. Council Tax rise

This budget assumes a 2.99% increase in Council Tax in 2023/24 and 2024/25, the threshold announced in the PLGFS after which it returns to 1.99% for each subsequent year and a 2% Adult Social Care (ASC) Precept for 2023/24 and 2024/25, the allowable charge as announced in the PLGFS after which it is assumed to cease.

The Council Tax Reduction Scheme will provide financial assistance with Council Tax bills for residents who are on a low income or less able to pay.

1.5 HRA: Social Housing rents

The Autumn Statement implemented a temporary amendment to the policy on increases for social housing rents. For 2023/24 only, this has placed a 7% ceiling on rent increases, without which the maximum rent increase allowed would have been in excess of 11%. This report recommends that rents are increased by 7%.

2. External context

The impact of the council budget proposals cannot be seen in isolation. Since the last budget, the UK has experienced a generational increase in the cost of living, significantly increasing the pressure on households in Haringey, on top of an already extremely challenging few years. The 2022-23 budget Equalities Impact Assessment detailed some of the combined impacts of both Covid-19 and government policy in recent years across groups with protected characteristics, with some key findings outlined below.

2.1 Impact of government policy in recent years

Prior to Covid-19, analysis conducted by the Equalities Human Rights Commission indicated that;

- Overall, changes to taxes, benefits, tax credits and Universal Credit (UC) announced since 2010 are regressive, however measured – that is, the largest impacts are felt by those with lower incomes.
- Moreover, the changes will have a disproportionately negative impact on several protected groups, including disabled people, certain ethnic groups, and women:

- Negative impacts are particularly large for households with more disabled members, and individuals with more severe disabilities, as well as for lone parents on low incomes.
- In addition, there will be particularly negative impacts on intersectional groups who experience multiple disadvantages (for example, lone parents with disabled children).

2.2 Impact of Covid-19

Mirroring this national picture, the impact of Covid-19 has not been felt equally by all households in Haringey. The Council undertook a Community Impact Assessment in 2021 to inform the Recovery and Renewal framework for refreshing the Borough Plan. The Assessment highlighted the extent of pre-existing inequalities within the Borough, as well as demonstrating the unequal impact of Covid itself. Key findings of the assessment include:

- The Covid-19 pandemic and the lockdown have highlighted and exacerbated existing inequalities and had a detrimental impact on the social determinants of health, raising the likelihood of long-term health inequalities among groups of people who are already vulnerable or marginalised
- Older people, Black people, migrants, disabled people, and people from disadvantaged socio-economic backgrounds have been more affected by the Covid-19 virus in terms of illness and deaths
- BAME communities have been relatively disadvantaged in terms of physical and mental health, housing, household incomes, employment, and food security
- Gender inequalities have deepened during the lockdown. While men have been more likely to die from Covid-19, women have been more economically disadvantaged. Black women have been disadvantaged to a greater extent.
- Household incomes have been negatively affected, with people living on lower incomes experiencing the largest proportionate drop in income.

2.3 Impact of the cost-of-living crisis

While all households have been affected by the cost-of-living crisis, some have been much more deeply impacted than others, with lower-income households bearing the brunt of these changes. Given the relationship and unequal distribution of poverty and low income across age, sex, race and disability within Haringey, the impact of the cost-of-living crisis will likely be felt disproportionately by groups who share protected characteristics under the Equality Act 2010.

In October 2022, inflation reached its highest level in 40 years, largely driven by rising prices for energy, food, and other goods. CPI inflation averaged around 9% in 2022, more than double the level of recent years. Rises in basic goods have a particularly unequal impact, as they make up a higher proportion of the spending of lower-income households. This is borne out by data which shows

some significant increases in people being unable to afford essentials. For instance, in November 2022, 28% of adults said they could not afford to eat balanced meals, and 11% of adults reported being hungry in the past month because they lacked enough money to buy food. These figures are up from pre-pandemic levels of 9%, and 5% respectively. A 70% increase in the price of energy over the same time period has resulted in an increase from 5% to 27% of adults being unable to adequately heat their home.

These outcomes are more common among groups already known to experience disadvantage, and which have protected characteristics under the Equality Act 2010. For example, 41% of people with a disability said they could not afford to keep their homes warm, compared to 23% of the non-disabled population. Almost 31% of people with a disability say they have had to reduce their expenditures on food, compared to 18% of the non-disabled population. Similarly, on average 48% of all non-White ethnicities are now experiencing moderate and severe food insecurity, as compared to 29% of White ethnicities. These outcomes are causing further financial hardship and creating problems for the future as people try to manage unsustainable pressures. 24% of workers in low-income families are behind on at least one priority bill payment, in contrast to 10% of all workers.

Unsurprisingly, this crisis is harming mental and physical health. 64% of those receiving benefits are in emotional distress, compared to 42% of those who do not receive any benefits. Splits by ethnicity suggest that Black and Mixed ethnicities are experiencing a decline in mental health at a faster rate than other groups.

While the data cited is nationwide, we would expect the distributional patterns in Haringey to be similar.

2.4 Policy response

The unprecedented rise in energy bills has seen significant government intervention to protect household incomes over the last year. A £400 energy bill rebate and the £2,500 Energy Price Guarantee over the winter prevented direct debit customers' bills from rising to the extent feared in the summer. Despite this, average energy bills will still be the highest on record. The withdrawal of the one-off £400 rebate, and a higher cap for the Energy Price Guarantee from April 2023 means that a typical energy bill will be 43% higher in 2023/24 than 2022/23. Pre-payment customers, who are likely to be on lower incomes, will be less protected, and are exposed to a big jump in monthly energy costs next winter after the new support package comes into effect.

As well as the reduction in energy bills through the Energy Price Guarantee, the Government has committed to providing further support through Cost of Living Payments worth £900 to those on means-tested benefits, £300 to pensioners and £150 to those on disability benefits.

The Government's decision to uprate benefits in April 2023 by the value of CPI inflation in September 2022 of 10.1%, including the benefits cap and pension credit, will go some way to allowing households receiving benefits to maintain their incomes. Benefits will

also be uprated in April 2024 by the rate of inflation in September 2023. However, it is important to note that that these increases will only actually return the real value of benefits to where they were in March 2020, and hence not make lower-income households any better off than they were 3 years ago.

Finally, the impact of fiscal policy will have an impact on household finances from April 2023. Tax rises coming into effect will mean reductions in income across all income vigintiles. The typical household will be £700 less well-off as a result of these changes. Middle-income households will be hardest hit as a proportion of their total income, losing 1.6%. This compares to a rate of 1.3% for the top 5% richest of households, and a fall of 0.6% for the bottom 5% of households.

3. Overarching EqIA of Medium-Term Financial Strategy and Savings Proposals

3.1. MTFS proposals

The proposals in this budget have been developed a backdrop of unprecedented economic uncertainty and high inflation. The council recognises that this is a challenging time for our residents, businesses and communities and this budget has been developed in this context, seeking to achieve the best possible outcomes with the limited resources available to us.

This comes on the back of two years of the Covid 19 pandemic whose legacy is still very much being felt, particularly in the care services where the incidence of complexity and acuity of those presenting to the Council for services has increased putting additional strain on the finite resources.

The proposals prioritise equality by:

- Ensure we can continue to meet the significant need of our most vulnerable residents – through further, year on year additional investment in children's and adult's services.
- Continue to improve services by getting the basics right – in line with the Haringey Deal – with a strong focus on improved accessibility and removal of barriers to service access.
- Provide financial advice and support to residents who need it including through Council Tax Reduction discounts; our Financial Support Team; and the Haringey Support Fund.
- Maintain critical support for our children and young people – including Free School Meals for an additional 650 children who are just above the entitlement threshold; and putting the funding for the Rising Green Youth Hub on a long-term footing.

The council has also continued to invest for the long term in:

- Tackling the climate emergency, including in recognition of the unequal impact of climate change

- Additional properties to be used for high quality, temporary accommodation

The proposals developed through the budget setting process are summarised below:

People (Adults)
The growth proposals in adult social care respond to increasing and more complex demand and to inflationary pressures affecting workforce costs and service delivery. There are a range of service improvement and transformation proposals which are intended to achieve savings. These include proposals to: improve service delivery, early intervention and prevention; strengthen local pathways; provide more local accommodation; and reduce the reliance on out of borough care.

People (Children)

Proposals will support continuity and expansion of service provision in challenging financial circumstances. By responding to inflationary pressures across the board, the service will continue to be able to meet the needs of children in social care placements through incentivising foster carers with better pay and meeting increased costs of SEND transportation and other ancillary services. The proposals will extend service provision to vulnerable young people beyond simple growth in demand due to demographic change, through the expanded free school meals provision, social workers in school, and the Rising Green Youth Hub. To offset the expansion of provision in certain areas, there are a number of administrative changes and improvements to allow for greater efficiencies with no change to service quality for children and young people.

Place

Proposed investment will improve Haringey's public realm and deliver a number of climate-related priorities, from improvements to traffic and route management, through to delivery of affordable bike hire for the Borough. Improvements to pedestrian and cycle infrastructure, alongside interventions to create clean air in the Borough should benefit the health of multiple groups with protected characteristics. Investments in asset management in parks, with an equalities focus, including street lighting, should help create a more welcoming and inclusive public realm. Careful management of the impact of changes to transport infrastructure should help to mitigate any negative impacts as the Borough responds to the need to shift from car-dominated mobility.

Housing

Proposals focus on optimising the use of the Council's assets to meet housing need. By creating a larger amount of temporary accommodation, those at risk of homelessness will be able to be housed in more secure accommodation. Similarly, targeted

proposals aim at moving on those who have been in temporary accommodation for the longest time to move on to more secure accommodation.

Economy

Proposals focus on capital expenditure on a number of key sites across the Borough in order to deliver significant economic and social benefits to Haringey residents and businesses. Across a number of different key regeneration sites the Council is advancing mixed-use redevelopment schemes to increase housing numbers, provide new workspace and employment opportunities, and improve public realm in the Borough.

Culture, Strategy & Engagement

Growth proposals include investment in software which supports the targeting of income maximisation and other support, to low-income residents; service redesign in libraries; and electoral registration costs. Savings proposals relate to service improvement and transformation; revenue raising activity; and service efficiencies. Where new service models are being designed, EQIAs of these are planned.

Assessing impact of MTFS proposals on equalities

The extent of the assessment of the MTFS proposals in terms of impact on equalities breaks down as follows:

- 58 were deemed not to require a full EqIA at this stage
- 9 had a full EqIA conducted

The table below shows the detail of all of the MTFS proposals, noting where a proposal has had a full EqIA conducted and a summary of the findings set out therein:

People – Adults

Proposal	Full EQIA conducted?	Positive Impacts anticipated	Negative Impacts anticipated	Mitigating actions anticipated
		Growth		
Complexity of adult social care demand over and above the £2.8m provided in the existing MTFS	No	Neutral – this proposal is to fund residents newly in receipt of adult social care support.	None	None
Rising costs of social care placements – inflation assumption	No	Socioeconomic status - Pay rises to many council staff including foster carers, who have not had pay rises for a few years.	None	None
		Savings		
Adults, mental health and learning disability service	No	Disability – Ensure funding helps meet the need of residents Increased use of prevention/early intervention and assistive technology to help meet need Race & Ethnicity – Likely to have a positive impact on non-white communities given their overrepresentation within the Haringey population receiving support	None	N/A

Mental Health services – accommodation and outcomes	No	Disability – Increased availability of mental health accommodation and local step-down services means residents will be better able to draw on local support networks This means better outcomes are anticipated for residents Race & Ethnicity – Likely to have a positive impact on non-white communities given their overrepresentation within the Haringey population receiving support	None	N/A
Preventing debt and increasing financial sustainability: put in place processes that will improve our ability to prevent debt and manage existing debt, with the aim of increasing residents' financial resilience and over the longer term, supporting the collection of income due	No	This proposal is for the council's income reconvert team to work with adult social care clients to increase their financial resilience. As such it is anticipated that the impact will be positive for: Older residents – who are more likely to be in receipt of adult social care Disabled residents, including people with mental health issues, who are more likely to be in receipt of adult social care	None	N/A

Housing related support contract reviews	No	None – this proposal aims to reduce spend on commissioned services providing housing-related support, by streamlining provision, reducing duplication and enhancing contract management.	None	N/A
Improved Commissioning and Efficiencies	No	Disability – Service improvement through investment looks to reduce/eliminate the need for out of borough care Collaborative working and co-production will enable early intervention, leading to better outcomes for residents Race & Ethnicity – Likely to have a positive impact on non-white communities given their overrepresentation within the Haringey population receiving support	None	N/A
Extended Provision (Lodges) and use of Council owned buildings as temporary accommodation	No	Age – recognising that certain age groups are at greater risk of losing their housing, increased provision of TA should have a positive impact.	None	N/A

		Disability - recognising that certain disabled residents are at greater risk of losing their housing, increased provision of TA should have a positive impact. Sex – single parents, who are more likely to be women, face increased housing insecurity and risk of housing loss resulting from the current cost of living crisis coupled with legacy issues faced by single parents in balancing child-related costs with wider living costs. Increased provision of TA should have a positive impact. Race and ethnicity – overrepresentation of BAME people in temporary, insecure or lower-paid jobs makes them more vulnerable to housing insecurity and increases their risk of housing loss. Increased TA provisions should positively impact these groups. Socio-economic background – residents from lower socio-economic backgrounds are far more		

		likely to live in insecure housing and are at increased risk of housing loss. Increased TA provision will have a positive.		
Use of 1 bed social housing as Temporary Accommodation (TA)	No	Age – recognising that certain age groups are at greater risk of losing their housing, a general increase in TA provision should positively impact those who share this protected characteristic. This proposal aims to provide TA for families with young children or babies; as such, there will be specific positive impacts for children. Disability - recognising that certain disabled residents are at greater risk of facing the loss of their housing, increased TA provision should have a positive impact. Sex – single parents, who are more likely to be women, face increased housing insecurity and risk of housing loss resulting from the current cost of living crisis coupled with legacy issues faced by single parents in balancing	Data held by the council suggests that women, young people, and BAME people are over-represented among those living in temporary accommodation. It is possible that allocating a few additional 1-bedroom properties may increase wait times for 1-bedroom households on the housing register.	None required, the council has more 1-bedroom social properties than any other type so using an additional 15 for TA should have only a minor impact on housing register wait times. Additionally, the benefit of being able to house homeless families with young children in TA outweighs the possible minor increase in wait times for single bedroom households already in TA and therefore this decision is deemed a proportional mean of achieving a legitimate aim

		child-related costs with wider living costs. A general increase in provision should positively impact this group, especially the TA in question, as it will be provided explicitly to households with young children or babies. Race and ethnicity – overrepresentation of BAME people in temporary, insecure or lower-paid jobs makes them more vulnerable to housing insecurity and increases their risk of housing loss. Increased temporary accommodation provisions should have a positive impact on these groups. Socio-economic background – residents from lower socio-economic backgrounds are far more likely to live in insecure housing and are at increased risk of housing loss. Increased temporary accommodation provision will positively impact these groups.		
Housing Demand - Targeted 1 bedroom move on project	No	Age – Council data suggests that young people	None	N/A

		are significantly overrepresented in TA, so this proposal, which aims to move people on to settled accommodation, should positively impact this group. Additionally, recognising that certain age groups are at greater risk of losing their housing, the proposal's secondary impact of freeing up TA for reuse should have a positive impact. Disability - recognising that certain disabled residents are at greater risk of losing their housing, the proposal's secondary impact of freeing up TA for reuse should have a positive impact. Sex – Council data suggests that women are significantly overrepresented in TA, so this proposal, which aims to move people on to settled accommodation, should positively impact this group. Race and ethnicity – Council data suggests that BAME people are significantly overrepresented in TA, so		

		this proposal, which aims to move people on to settled accommodation, should positively impact this group. Additionally, the overrepresentation of BAME groups in temporary, insecure or lower-paid jobs makes them more vulnerable to housing insecurity and increases their risk of housing loss. Therefore, the proposal's secondary impact of freeing up TA for reuse should have a positive impact. Socio-economic background – most, if not all, residents in TA are from a lower socio-economic background, so this proposal, which aims to move people on to settled accommodation, should positively impact this group. Additionally, those from low socio-economic backgrounds are far more likely to live in insecure housing and are at increased risk of housing loss. Therefore, the proposal's secondary impact of freeing up TA for		

		reuse should have a positive impact.		
Housing Demand - Targeting families that have been in TA for significant number of years	No	Data held by the council suggests that women, young people, and BAME people are over-represented among those living in temporary accommodation, so this proposal which seeks to help move on households who have been living in TA for a significant number of years, should have a positive impact on these protected characteristics.	None	N/A
Housing Demand - Private Sector Lease conversion	No	None – this proposal will have no direct or noticeable impact on residents	None	N/A
		Capital		
Purchase of Edwards Drive to provide supported living facilities with integrated on-site health and care services for learning disabled adults.	No	Disability - This would improve health and social outcomes for residents along with being able to enable significant savings and efficiencies in out-of-borough placement arrangements for those in need, as well as reducing acute and reactive social care and health interventions through the	None	N/A

		provision of proactive health and care interventions that enable learning disabled adults to live longer, healthier and more independent lives. This bid is subject to a successful business case.		
Locality Hubs – refurbishment of existing community spaces within our asset portfolio to deliver our Localities offer.	None	The council is adopting locality working in part to better reach communities who may be less likely to access advice and support via a more centralised customer service offer. These potentially income lower income residents, disabled residents, older people and residents from specific ethnic communities or nationalities.	No	N/A

People – Children

Proposal	Full EQIA conducted?	Positive Impacts anticipated	Negative Impacts anticipated	Mitigating actions anticipated
		Growth		
Rising costs of social care placements - Inflation assumption We anticipate that next year we will need growth of £1m additional costs due to inflation. This is 5% of the placements' budget We expect this increase will apply to almost all settings including our foster carers, some of them have not had a rise in pay for a number of years.	No	Age – Meeting additional costs due to inflation will provide continuity of service for children and young people, and for some areas of provision, such as foster carers, protect against a disincentive to become or continue being a foster carer by raising pay Sex - Continuity of service will benefit both male and female children in our care and allow for us to better meet individual needs which may relate to their gender. Disability (including SEN) – overrepresentation of children with SEN and other disabilities cared for by service means providing for continuity of service will have positive impact for them. Race and ethnicity – overrepresentation of BAME communities among children in our care. Continuity of	None	N/A

		service will have a positive impact for them.		
Rising numbers of children with SEND requiring SEND transport and rising costs of transportation. This has been a budget under pressure for a number of years. We continue to see a 7% demand growth in children needing Education Health and Care plans which brings a rise in numbers eligible for transport. Significant rises in fuel costs have brought additional pressures to the newly procured transport routes for September. A number of actions in place to manage the rising pressures include: - New Route Mapping software to ensure the routes are as efficient as possible. - Developing more in-borough education placements to meet more demand locally - Ensuring travel budgets are processed efficiently and ensuring payments are only made for days that school is attended; - Providing support to young people to ensure that more are able to become independent travellers. Currently, there is a £2m gap in the budget which we are combatting via a £1m growth proposal along with mitigating actions to relieve the pressure	Yes	Disability - There will be promotion of more independent travel options to support children. There will be more transparency around the decision-making process and transport options. More efficient routes and development of more in-borough education placements. Reduction in emissions Age – Positive impacts of greater support and transparency for younger residents who make use of this service Race & Ethnicity – Likely to have a positive impact on non-white communities given their overrepresentation within the Haringey population receiving support	Implementation may have the following negative impacts: Disability – Introduction of behavioural standards could impact services for children who are disruptive General – Application cut-off times may cause reduced access to the service	LBH will work closely with parents and schools where there is challenging behaviour to gather more information on specific needs and how to support them. Travel assistance will still be made in cases of late applications, but there may be a delay. Deadlines will be communicated well in advance and will not apply to people with exceptional circumstances
Addressing 2022/23 base budget pressure in Children's Services This proposal seeks to respond to an in-year base budget pressure of around £2M, including as a	No	This proposal comprises additional investment to meet rising demand for services. It is considered to have a	None	N/A

result of a rise in the number of young people in semi-independent provision. Alongside existing pressures, new pressures to the budget that we are anticipating include: -rising numbers of unaccompanied asylum-seeking children as the Government has announced that the National Transfer Scheme threshold is being raised from 0.07% to 0.1% with immediate effect. The Government does provide a grant of £6K per child for the first three months which covers some of the costs, however we know these young people arrive with significant trauma and the need for additional support. We are anticipating we will need extra resource for ancillary costs such as age assessments, interpreters and key work support. - further pressures on staffing to support the increased numbers in child protection and the associated legal costs.		positive equalities impact for the following groups Age: Children and young people will benefit from the continuity of service that this additional investment will provide. Race & Ethnicity – additional resource for unaccompanied asylum-seeking children for ancillary costs, such as age assessments, interpreters, and key work support		
Continuing to fund the Free School Meals expanded programme. This proposal is to continue with the January 2021 Council's Cabinet agreement to expand eligibility for free school meals to defined groups of primary school pupils who are not currently eligible for free school meals. The proposal expands free school meal provision in Haringey above and beyond what the government currently offers by targeting groups of children most in need. This includes those in social housing with a parent on Universal Credit (and previous benefits being replaced by UC), those in private housing receiving Discretionary Housing	No	This proposal is for additional investment to continue with a Free School Meals expanded programme. It is considered to have the following positive equalities impacts: Age: the proposed expansion of eligibility for free school meals represents a measure to meet the needs of disadvantaged children where they differ from their less disadvantaged peers.	None	N/A

Payments and those with No Recourse to Public Funds (NRPF) status. Additionally, an emergency fund would be created to cover the cost of school meals for children whose parents fall into short term financial distress.		Race and ethnicity: Due to the intersectional nature of deprivation in Haringey, an expanded free school meal offer can be expected to benefit BAME children. Disability: Due to the intersectional nature of deprivation in Haringey, an expanded free school meal offer can be expected to benefit families where one or more adults has a limiting health condition or disability.		
Rising Green Youth Hub This proposal is to secure ongoing revenue costs for the Rising Green Youth Hub. The proposal will ensure the universal offer at Rising Green can be sustained and ensure that the delivery is consistent with the offer at Bruce Grove and staffed by experienced youth staff. These costs would arise in April 2025 as Supporting Family Reserves would be used to fund the service until then.	No	This proposal is for investment to continue delivery of services through Rising Green Youth Hub. It is considered that this will have a positive equalities impact for children and young people, by providing continuity of service.	None	N/A
Social Workers in Schools programme The Haringey Social Workers in School has been running in Haringey for around two years, with social workers have been embedded in seven secondary schools. The programme was funded by the	No	This proposal is considered to have the following positive equalities impacts, by providing continuity of service.	None	N/A

Department for Education until August 2022 and delivered through What Works for Children's Social Care. By putting forward a further business case to the DfE and demonstrating the impact to date, additional funding was secured for the team until the end of September 2023. The service is valued highly by schools and costs around £526K for each financial year. The presence of SWIS social workers has allowed better communication and enhanced support to schools to work through safeguarding issues. On average, the team are providing no less than 30 consultations per week to the Designated Safeguarding Leads (DSL) and other school staff members. The SWIS team are also supporting DSL's with utilising various risk assessment tools and leading on the work so intervention groups around contextual safeguarding are embedded within schools. This has allowed a coordinated approach where the early help contextual safeguarding team, the school's police officers and SWIS are aiming to engage with children and young people at a much earlier level to ensure that bespoke work occurs with children and the families around contextual safeguarding in order to reduce risks.		Age – Better communication and enhanced support to schools to work through safeguarding. Better engagement with children and families on safeguarding through this programme has helped to reduce risk. Race & Ethnicity – Likely to have a positive impact on non-white communities given their overrepresentation within the Haringey population receiving support		
		Savings		
Improved Service Commissioning to offset inflation pressure. Identifying efficiencies through further exploration of opportunities to improve on commissioning and	No	This proposal is considered to have a neutral equalities impact. Changes to service commissioning are limited to generating administrative	None	N/A

contracts; working with partners to ensure increasing efficiencies in service delivery and keeping costs trends below the current inflation rates to ensure better value for money service.		efficiencies via better procurement and contract management practices. There will be no substantive changes to service provision for children and young people.		
Extension of existing savings programmes We continue to focus on our MTFS plans which are mitigating pressures as far as possible. These include: -Implementing our edge of care approach – -Targeting our most expensive Independent Fostering Agency foster carers and placing children wherever possible with in-house foster carers and providing wrap around family support if required. -Work with commissioning is ongoing to mitigate the rising costs of placements which reflects a national supply and demand issue. Our focus includes developing relationships with new providers and working to increase the capacity in the placements team to secure and negotiate placements at the best possible price.	No	This proposal is considered to have a neutral equalities impact, as changes to service provision will not result in inferior quality of care. The edge of care approach involves the provision of intensive support for young people to provide the stability necessary to be able to step down from longer-term acute interventions and prevent entry to care. Moves towards in-house foster carers will not change the quality of provision, rather reduce payments to external organisations. Developing more strategic and systematic approaches to negotiating purchasing will allow for financial savings without compromising quality of provision.	None	N/A

Capital				
Safety Valve Cabinet recently agreed to bid to the Department for Education for safety valve capital funding as part of its dedicated schools grant recovery plan. Should the bid be successful the funds will create additional in borough Special Educational Needs and Disability (SEND) provision and alternative provision capacity. This will improve quality and reduce costs.	No	This proposal is considered to have a positive equalities impact. Funds offered by government are predicated on the delivery of transformation and change projects which should result in better quality service provision. Resources will be prioritised for children and young people with SEND which will improve outcomes by having a clear focus on early intervention, service improvement, reduce overall demand for EHCPs and financial pressure. This will impact positively on the following groups; Age, Disability, Sex.		

Place

Proposal	Full EQIA conducted?	Positive Impacts anticipated	Negative Impacts anticipated	Mitigating actions anticipated
		Growth		
Planning, Building Standards & Sustainability Affordable Bike Scheme - Linking into social and climate justice, and the public health agenda. This would be to design and bring forward an affordable bike scheme. The objective of which would be to deliver low cost / free bikes to those who cannot pay, ensuring that they get the benefit of cycle lanes and active travel infrastructure. This may result in a future capital bid. Carbon Programme Manager - As the demand for supporting and capturing the outcomes on the Carbon and Climate Agenda Service increases, there is a need for a technical support programme manager to support this. This will increase resilience for the organisation through mapping of actions and progress, but also ensure that the technical support required is delivered in line with the Council's policy position. Development Control (Enforcement POCA) - Where a planning enforcement case is successful, and it can be proven that the developer has made financial proceeds from	No	Affordable Bike Scheme: the proposals are for investment in order that a scheme can be designed. As such, at present, they are neutral in their equalities impact. Further equalities analysis will be necessary when the scheme is designed. Carbon Programme Manager: the proposal is for a new post to deliver the range of projects under the Council's Climate Agenda. As such, the proposal is neutral in its equalities impact at this stage. Individual carbon reduction projects will be subject to detailed equalities analyses to consider their individual and collective impacts. Development Control Enforcement POCA: This proposal is for the Council to recoup money from the proceeds of crime in a more	None	N/A

crime, the Council can secure a share of the income via the Proceeds of Crime Act (POCA). Currently we use Financial Investigator services from LB Barnet which takes a % share.		financially advantageous manner, and as such is considered to have a neutral equalities impact		
Growth to address base budget pressures highlighted in 2022/23 This growth is made up the following base budget pressures: - Parking income budget gap - caused by a number of factors such as Resident Permits & Pay for Parking including ULEZ compliance and change to parking behaviours. - Nuisance Vehicle Removal Budget Gap - Historic budget gaps due to unachieved savings, and an increase in the contract price when last tendered. - Unachieved Moving Traffic Enforcement Income Budget Gap - failure to achieve the additional income expected, due to increased compliance. - Anti-social Behaviour Fixed Penalty Notice underachievement of income - base budget pressure caused by a number of factors including income assumptions not being realised, and declining recovery rates. - School Swimming income - Budget pressure a reflection of reducing uptake	No	This proposal involves investment to respond to the shortfalls in income across a number of different services. Meeting this budget gap in and of itself does not change the provision of any of the services in question, nor does it have any specific or disproportionate impact on any groups with protected characteristics. As such it is considered to have a neutral equalities impact.	None	N/A

Savings				
Development Management & Building Control income and fees. The proposal includes a number of elements: - an increase the S106/CIL monitoring/admin fees we receive from developers. (£20k) The project will include implementation of a new back-office and public facing Development Management (planning applications & enforcement etc) and Building Control system in 2022-23 via an existing capital funded project. - an increase in planning application fees by 35% (minor applications) and 25% (major applications) following currently ongoing Government announcement in May 2022 of its intention. This is subject to consultation and the effect date is not known. It is expected that the Government will attach certain conditions to the increase in fees i.e. be ringfenced to Planning services (which was the case for previous fee increases) and 'must lead to a better service for applicants'. - additional Income via the Proceeds of Crime Act (POCA), where a planning enforcement case is successful, and it can be proven that the developer has made financial proceeds from crime, the Council can secure a share of the POCA Income. - Increase pre-application and Planning Performance Agreement (PPA) fees pre-app advice and PPAs help ensure that planning	No	These proposals are together considered to have a neutral equalities impact as they refer to fees for administrative services for areas of the council's operation for which there is no evidence that there is any disproportionality in terms of access. As such, there will not be any disproportionate impact on groups with protected characteristics.	None	N/A

applications that are submitted are of good quality, meet the Council's objectives, and planning decisions can be made in a timely manner.				
Traffic & Route Management Improvements This savings proposal encompasses the following items: - New 4-5 area Heavy Goods Vehicle Restriction Zones CCTV Enforcement (£574K saving) Annual projected income £624k less ongoing revenue requirement £50k = MTFS £574k -Moving Traffic Cameras Net Income following the instalment of 35 school street cameras. - Rollout of 3 LTN areas. The current MTFS models the financial effect of the current LTNs. Each will be reviewed within the eighteen months statutory period from their implementation, which will determine the future of each scheme. The subsequent years in the draft MTFS include continuing, but reducing, income from the LTNs; this is purely for financial modelling and does not prejudge the outcome of the statutory review process. Future financial plans will be updated as necessary. - Increased parking income, generated through improved debt recovery (£500k). It is estimated that £500k can be achieved over a period of 3	Yes (for LTN rollout and School Streets)	HGV Restriction Zones: This is considered to have a neutral equalities impact, as there is no evidence that there is any disproportionate impact on groups with protected characteristics. School Street Cameras: The School Streets Action Plan was subject to a full Equalities Impact Assessment in 2020, which was subsequently reviewed in March 2022. The review found that there were positive impacts for; Age – older people and younger are disproportionately impacted by air pollution. Reducing air pollution therefore has a positive impact for this group. Children under 10 are disproportionately harmed as pedestrians by car accidents. Therefore reducing road	School Street Cameras: Disability: Those with disabilities may be negatively impacted by limiting vehicular access to particular streets at particular times. Pregnancy & Maternity: Pregnant people may be negatively impacted by limiting vehicular access to particular streets at particular times. LTN rollout: The EQIAs for the rollout of the three LTN areas found: Age – older people who may need access to a vehicle due to limited mobility may find	School Street Cameras: Disability: People with disabilities' access to their areas of residence will be maintained by way of the exemption permit system Pregnancy & Maternity: Pregnant people may still retain access to the street where necessary, subject to the school requesting a temporary permit to enable access for, say, a parent in a later stage of pregnancy, as per the exemptions criteria. LTN rollout: The principal means of mitigation is for

years. This will be achieved through business-as-usual activities."		danger has a positive impact for this group. Pregnancy and Maternity – Pregnant people and infants are disproportionately impacted by air pollution, therefore reducing air pollution will have a positive impact for this group. Rollout of LTN areas: Each of the three LTN areas has been subject to a full EQIA. These found the following positive impacts for groups with protected characteristics: Age: Children and older people are disproportionately impacted by air pollution, therefore reducing air pollution will have a positive impact on this group. Children are also more vulnerable to harm from motor vehicle collisions, so reduced road danger as a result of the scheme will have a positive impact on this group.	journey times increasing Disability – disabled people who may need access to a vehicle due to limited mobility may find journey times increasing. Sex – women who are more likely to be primary carers for children and rely on a car may find journey times increasing.	exemptions to pass through camera – operated filters. Blue Badge holders living within or on the immediate boundary of a given LTN, Special Educational Needs and Disabilities (SEND) transport, Haringey Council services and commissioned service transporting people with a disability and Transport for London's Dial-a-Ride service will all be granted exemptions to mitigate the impact of longer journey times on groups with protected characteristic, such as young people with SEND, older people, disabled people, carers, and pregnant people. An individual circumstance exemption will also be available for other circumstances outside of the

		Disability: Disabled people are much more likely to be injured as a pedestrian than non-disabled people. LTNs create many more 'low road danger' streets and easier crossing which particularly benefits high risk groups like disabled people. Race and ethnicity: Deprived and ethnically diverse neighbourhoods have the worst air pollution levels. Tackling air quality would contribute to increasing healthy life expectancy and reducing early death from cardio-respiratory diseases in this protected group. Black, Asian and ethnically diverse Londoners, both adults and children, are twice as likely as white Londoners to be injured on the road. Reducing road danger should benefit this protected group. Pregnancy and maternity: Pregnant women, infants, and unborn children are disproportionately impacted		automatic exemptions, which may also mitigate impact on groups with protected characteristic.

		by air pollution, therefore reducing air pollution will have a positive impact for this group.		
Savings relating to waste services review This savings proposal is around the waste strategy review and options appraisal (net £1.3m from 25/26)	No	This proposal is for an indicative savings target. The potential impact of this savings target on service delivery, and hence equalities impact on groups with protected characteristics will be analysed through a full equalities impact assessment as the substantive proposals are developed. Therefore it is considered to have a neutral equalities impact.	None	N/A
Property Licencing Reviews This proposal refers to three types of property licencing schemes - additional, mandatory and selective. A review of the cost of delivering these schemes has highlighted that the council has underestimated its costs. This proposal provides for a more accurately costed model of delivery. (Net £150k - £50k 24/25 & £100k in 25/26). These schemes are ring-fenced meaning charges should equal cost. This proposal results in	No	This proposal refers to changes in the estimations of cost of operations for three types of property licensing schemes, and not to the operation of the schemes themselves. Therefore it is considered to have a neutral equalities impact.	None	N/A

reduced budgets within the Directorate when properly attributed to the schemes.				
Parks and Leisure income/efficiencies improvements This savings proposal encompasses the following items: - Events income increases in all parks (£150k) - Crematorium & Property Lease income increases (Net £81k) - provisions with existing leases for Enfield Crematorium and other parks building allow for rent reviews to generate additional income over the next 5 years (over and above existing MTFS savings) - Not recruiting to existing in vacancies within the Parks Service (Net £45k) - Additional Fixed Penalty Notice Enforcement Income from Parks (Net £15k) - Reduced Small Green Space Improvement Programme - (Net £50k)	No	This proposal is considered to have a neutral equalities impact. The increase in income through events will come from commercial hires, not community events. Similarly, increased income through crematorium lease will not impact access to services for residents. The Small Green Space programme has run its planned 2 year course, with achieved outcomes, and hence won't result in any loss of service.	None	N/A
		Capital		
Parkland Walk footbridge replacement works. Parkland Walk is London's longest linear nature reserve that crosses and goes under seven bridges which are managed by the Parks Service. Many of the bridge structures have been in place for over 140 years and require major refurbishment or replacement. The current programme of investment (as approved by the	No	This proposal will allow for investment to complete the refurbishment of the Parkland Walk footbridges. The works include DDA compliant access and have a 120 year design life minimising the need to	None	N/A

Council in March 2022) allows for the refurbishment / replacement of most of the remaining bridges. To complete the refurbishment of all the bridges and to resurface the whole length of the walk (4km), a further £2m will be required in 2027/28. The works are required to prevent the collapse / failure of the bridge structures and ensure that the public can continue to enjoy all the benefits of Parkland Walk."		undertake future maintenance works and ensuring the continued use by residents and Parkland Walk users. The delivery of the replacement bridge will lead to improved access for some protected groups, including disabled people, people with health conditions affecting mobility and/or parents of young children		
Parks Asset Management Parks were a key resource for our residents during the pandemic and helped more than ever to support the public's physical and mental health. For 2023/24, it is proposed that the total allocation towards Parks Asset Management should be £600,000 per annum - an increase of £300k from the original 2021/22 baseline allocation of £300k. This will allow the continuation of asset replacement, over and above attending to the most immediate health and safety issues and critical improvements to infrastructure.	No	This proposal is for additional investment to allow for replacement of assets in parks, in line with the Asset Management Plan. The Asset Management Plan specifically aims for Inclusion as one of its' key objectives. This means that investment in assets will be done with a view to increasing accessibility of parks and facilities, and encouraging a broadening of participation from under-represented groups of park users, comprising protected characteristics such as race and ethnicity, sexual orientation and disability. As such, it is considered that	None	N/A

		this will have a positive equalities impact on the following groups with protected characteristics:		
Street Lighting Investment Programme This bid is for the extension of the £1.539m capital provision for investment in the Council's lighting infrastructure in 2026/27 into 2027/28. The current funding level is £1.3m with this lesser figure reflecting the separately funded replacement of street lighting with LED and the provision of a new central management system (CMS) to control each light's performance. By 2026/27, it is expected that a sufficient proportion of LEDs installed in previous years will begin to require replacement, thereby requiring an increase in the current baseline budget (which includes the replacement/upgrade of life-expired lighting columns and other forms of lighting infrastructure).	No	This proposal is for additional resource to continue delivery of the Council's street lighting programme. The Street Lighting Investment Plan has been assessed to have the following positive impacts: Age: Improved colour rendering through installation of LED lights will improve visibility at night, and hence could improve perceptions of safety for young adults and older people who are known to feel less safe in the Borough at night. Sex: Improved visibility at night through upgrades of the lighting stock could improve perceptions of safety for women, who are known to feel less safe in the borough at night. Disability: Improved visibility at night through upgrades of	The implementation of the works programme may have the following negative impacts: Age: Reduced accessibility on the footway while works are taking place, impacting younger children and older people with limited mobility. Individual streetlights will have reduced functionality while upgrades are taking place – this may impact those with a greater fear of crime disproportionately, such as older people or young adults. Disability: Reduced accessibility on the footway while works are taking place may	Schemes will be individually planned and undertaken to minimise disruption, including taking place when footways are less likely to be in use, and at a time when lighting is less likely to be needed. Communication and engagement will be undertaken, and necessary adjustments for groups with protected characteristic will be made on a case-by-case basis.

		the lighting stock could improve perceptions of safety for disabled people, particularly those who are visually impaired, and are known to feel less safe in the borough at night. Improvements to active travel infrastructure, with enhanced lighting, may encourage less car use at night, and hence improve air quality for those with respiratory illnesses. Race and ethnicity: Greater activation of public spaces through enhanced visibility, accessibility, and hence increased natural surveillance and social interaction may have a positive impact on crime rates and anti-social behaviour, which are higher in the East of the Borough. BAME residents are over-represented in the East of the Borough, so could benefit disproportionately from improved lighting.	impact those with limited mobility as a result of disability or long-term illness. Individual streetlights will have reduced functionality while upgrades are taking place – this may impact those with a greater fear of crime disproportionately, such as disabled people Pregnancy and maternity: Reduced accessibility on the footway may impact those using pushchairs or prams for infants. Sex: Individual streetlights will have reduced functionality while upgrades are taking place – this may impact those with a greater fear of crime disproportionately, such as women.	
Wolves Lane: Market Garden City	No	This proposal is considered to have a neutral equalities impact as it will provide a	None	N/A

The project will create a new high quality flagship growing hub at the Wolves Lane Centre in Wood Green for community food education and distribution, skills and employment opportunities, and better connection with nature for local residents. 400sqm of commercial space and 750sqm of community space will be created across three buildings: a community hub (Building A); classroom and offices (Building B); and Distribution, Storage and Workshop (Building C). Further key outputs include 10 new/ safeguarded jobs, 15 businesses receiving support, 280 volunteers, 4300 local people engaged in the project and the creation of 12,000 sqm of public space. The innovative design approach champions low carbon technologies, construction materials and circular economy principles, thereby creating a pilot for future replicable models of sustainable urban food production and construction. A contribution of £160k will bring an additional £571k of match funding from the National Lottery Community Fund and the GLA's Good Growth Fund, and would ensure the scheme remains viable to deliver in full.		local community asset which will provide benefit for all.		
Asset Management of Council Buildings Anticipating a continuing need for basic repairs and maintenance expenditure across the corporate estate, with a requirement to focus greater attention on buildings beyond the corporate centre. The rationale includes:	No	This proposal is considered to have a neutral equalities impact as it provides for a budget envelope across the entire corporate estate, without specifying the different buildings and impact on services any potential works may have.	None	N/A

- The existing cashflow is significantly below that expenditure our buildings have required in recent years. This indicates the demand on the estate is likely to continue to be greater than the current profile supports. - Proposed set of asset condition surveys will provide more in-depth survey information, leading to greater clarity about future demand. - An allowance has been made for additional expenditure to accommodate improving EPC ratings to maintain compliance with Minimum Energy Efficiency Regulations, that may not be self-financing or captured in building specific schemes. - Inflation pressures on capital delivery.		Where there may be changes to service provision which may have an equalities impact as a result of capital works, these will be subjected to detailed equalities analysis as the works are progressed.		
Clean Air School Zones The Manifesto sets out the ambition for clean air quality zones outside all schools on major roads alongside a project tacking Idling. This funding is to bring this activity forward and to deliver healthier interventions outside schools where a School Street cannot be delivered. E.g. Pavement widening, lesson plans for the school, living walls (pollution screens), school bike racks, idling signage and training for enforcement teams. There are approx. 20 schools that are not suitable for School Streets and / or on major roads. We have budgeted on £80k-£100k for each school (doing 4 a year alongside borough idling)d. Funding could be secured in partnership with public health teams and education. Some	No	This proposal is to progress the development of interventions to provide cleaner air outside of schools, short of a full 'School Street' intervention. Any consideration of equalities impacts as a result of potential changes to the public realm can only, and will be, considered as the schemes come forward for detailed design work in the future. As such, this proposal is considered to have a neutral equalities impact.	None	N/A

works could (but unlikely) be funded through GLA / SCIL / other, other Councils fund through Parking Revenue Account. Expenditure in years 2024/25 onwards are subject to external funding being generated.				
Commercial Property Remediation Following changes as we emerge out of covid including, the lifting of restrictions on Commercial property activity; the update to council policies, members manifesto and borough plan, the Property team need to invest in the commercial portfolio to better support Council services. The estate has been under invested in over the previous years, however there is the opportunity, through investing in the retained stock, securing new and divesting in others to deliver greater returns.	No	This proposal is considered to have a neutral equalities impact, as it relates to improving the condition of the Council's commercial estate.	None	N/A
Energy Performance Certificate improvements By April 2023 all (non-housing) property leased out must achieve and EPC rating of 'E' or better and further enhanced energy ratings by 2027 and 2030 with all properties reaching EPC 'C' by 2027 and 'B' by 2030. The standards will be mandatory with legal penalties (fines up to £150,000) for commercial landlords, if the Regulations are not complied with. The funding from 2024/25 will be on the basis that it is self financing.	No	This proposal is considered to have a neutral equalities impact as it relates to improving the energy performance of all of the Council's non-housing property, without any disproportionate positive or negative impact.	None	N/A
Expansion of the School Street Programme	Yes	The School Streets Action Plan was subject to a full Equalities Impact	Disability:	Disability:

Delivery of an Increase to the School Streets programme (to increase budget for School Streets by £400k per year Council Capital) The Council's previous School Street scheme was designed to deliver 3 or 4 school streets per year, with an annual budget of £600k. The Manifesto sets out a new ambition of raising this to around 15 per year. It has been noted that the current costs for each School Street is approximately £80k-100k each, meaning that we can do more within existing budgets. However, we need to increase the budget if we are to deliver around 15 per year. Therefore, we will need a new annual budget of £1m per year to deliver the manifesto ambition. We can still include the expectation of external funding from TfL, government, and SCIL but at this time it cannot be guaranteed. Expenditure in years 2024/25 onwards are subject to external funding being generated.		Assessment in 2020, which was subsequently reviewed in March 2022. The review found that there were positive impacts for; Age: older people and younger are disproportionately impacted by air pollution. Reducing air pollution therefore has a positive impact for this group. Children under 10 are disproportionately harmed as pedestrians by car accidents. Therefore reducing road danger has a positive impact for this group. Pregnancy and Maternity: Pregnant people and infants are disproportionately impacted by air pollution, therefore reducing air pollution will have a positive impact for this group.	Those with disabilities may be negatively impacted by limiting vehicular access to particular streets at particular times. Pregnancy & Maternity: Pregnant people may be negatively impacted by limiting vehicular access to particular streets at particular times.	People with disabilities' access to their areas of residence will be maintained by way of the exemption permit system Pregnancy & Maternity: Pregnant people may still retain access to the street where necessary, subject to the school requesting a temporary permit to enable access for, say, a parent in a later stage of pregnancy, as per the exemptions criteria.
Walking and Cycling Action Plan (WCAP) LTN delivery Haringey Council is committed to delivering the adopted Walking and Cycling Action Plan (WCAP) which is in line with the Councils priorities. The WCAP aims to change how we deliver walking and cycling in the borough.	Yes	The WCAP EQIA found the following positive impacts: Sex: Improvements to cycle infrastructure should help address the barriers to cycling which result in more men cycling than women, tackling the safety and	Age: Older people are more likely to be dependent on cars for travel, rather than walking and cycling particularly as they are more likely to have a disability. They may be	The action plan will recognise the needs of those who cannot walk and cycle. The action plan is not intending to eliminate car use. The action plan promotes

Expenditure in years 2024/25 onwards are subject to external funding being generated.		intimidation barriers, and supporting them to achieve the health and financial benefits of active travel. Age: Children and older people will benefit from improved personal health as a result of safer and healthier streets and improved air quality. Opportunities for cycle training will enable more people to feel confident about cycling and will result in more participation. Older people who choose to cycle will enable them to stay fit which could improve current or future health conditions. Disability: Disabled people will benefit from safer and healthier streets and improved air quality. The action plan specifically recognises the needs of mobility impaired users of all transport modes. Race and ethnicity: There are differences in the level of cycling between racial and ethnic groups. The WCAP will be successful if it tackles the barriers Haringey's	negatively impacted by the action plan. Disability: Disabled people are more likely to be dependent on cars for travel rather walking and cycling. They may be negatively impacted by the action plan's priority to enable more walking and cycling.	reorganising car parking to enable better/wider footways and improved cycling infrastructure, in line with TfL healthy streets criteria. The action plan recognises that for some, walking and cycling is not the first preference for travel. Where appropriate/impact of changes to the public realm will be felt more acutely by groups with protected characteristics, e.g. in the case of LTNs, exemptions to camera operated filters will be granted based on criteria related to impaired mobility/reliance on a car/disability.

		communities face and support them to achieve the health and financial benefits of active travel. However, people from a Black and Minority Ethnic background are more likely to be impacted by transport poverty and will equally benefit from safer and healthier streets, improved health from being enabled to take up active travel options and from improved air quality. Pregnancy and Maternity: Pregnant woman will benefit from safer and healthier streets, improved health from being enabled to take up active travel options and from improved air quality. Improvements to the walking environment will help women (and men) push buggies in the borough and feel safer to walk around with a baby.		
Walking and Cycling Action Plan (WCAP) Strategic cycle route delivery Haringey Council is committed to delivering the adopted Walking and Cycling Action Plan	Yes	The WCAP EQIA found the following positive impacts: Sex: Improvements to cycle infrastructure should help	Age: Older people are more likely to be dependent on cars for travel, rather than walking and cycling	The action plan will recognise the needs of those who cannot walk and cycle. The action plan is not

(WCAP) which is in line with the Council's priorities. Expenditure in years 2024/25 onwards are subject to external funding being generated.		address the barriers to cycling which result in more men cycling than women, tackling the safety and intimidation barriers, and supporting them to achieve the health and financial benefits of active travel. Age: Children and older people will benefit from improved personal health as a result of safer and healthier streets and improved air quality. Opportunities for cycle training will enable more people to feel confident about cycling and will result in more participation. Older people who choose to cycle will enable them to stay fit which could improve current or future health conditions. Disability: Disabled people will benefit from safer and healthier streets and improved air quality. The action plan specifically recognises the needs of mobility impaired users of all transport modes. Race and ethnicity: There are differences in the level of	particularly as they are more likely to have a disability. They may be negatively impacted by the action plan. Disability: Disabled people are more likely to be dependent on cars for travel rather walking and cycling. They may be negatively impacted by the action plan's priority to enable more walking and cycling.	intending to eliminate car use. The action plan promotes reorganising car parking to enable better/wider footways and improved cycling infrastructure, in line with TfL healthy streets criteria. The action plan recognises that for some, walking and cycling is not the first preference for travel. Where appropriate/impact of changes to the public realm will be felt more acutely by groups with protected characteristics, e.g. in the case of LTNs, exemptions to camera operated filters will be granted based on criteria related to impaired mobility/reliance on a car/disability.

		cycling between racial and ethnic groups. The WCAP will be successful if it tackles the barriers Haringey's communities face and support them to achieve the health and financial benefits of active travel. However, people from a Black and Minority Ethnic background are more likely to be impacted by transport poverty and will equally benefit from safer and healthier streets, improved health from being enabled to take up active travel options and from improved air quality. Pregnancy and Maternity: Pregnant woman will benefit from safer and healthier streets, improved health from being enabled to take up active travel options and from improved air quality. Improvements to the walking environment will help women (and men) push buggies in the borough and feel safer to walk around with a baby.		

Walking and Cycling Action Plan (WCAP) Cycle Parking (Hangers) delivery Haringey Council is committed to delivering the adopted Walking and Cycling Action Plan (WCAP) which is in line with the Councils priorities. The WCAP aim to change how we deliver walking and cycling in the borough Expenditure in years 2024/25 onwards are subject to external funding being generated.	Yes	The WCAP EQIA found the following positive impacts: Sex: Improvements to cycle infrastructure should help address the barriers to cycling which result in more men cycling than women, tackling the safety and intimidation barriers, and supporting them to achieve the health and financial benefits of active travel. Age: Children and older people will benefit from improved personal health as a result of safer and healthier streets and improved air quality. Opportunities for cycle training will enable more people to feel confident about cycling and will result in more participation. Older people who choose to cycle will enable them to stay fit which could improve current or future health conditions. Disability: Disabled people will benefit from safer and healthier streets and improved air quality. The action plan specifically recognises the needs of	Age: Older people are more likely to be dependent on cars for travel, rather than walking and cycling particularly as they are more likely to have a disability. They may be negatively impacted by the action plan. Disability: Disabled people are more likely to be dependent on cars for travel rather walking and cycling. They may be negatively impacted by the action plan's priority to enable more walking and cycling.	The action plan will recognise the needs of those who cannot walk and cycle. The action plan is not intending to eliminate car use. The action plan promotes reorganising car parking to enable better/wider footways and improved cycling infrastructure, in line with TfL healthy streets criteria. The action plan recognises that for some, walking and cycling is not the first preference for travel. Where appropriate/impact of changes to the public realm will be felt more acutely by groups with protected characteristics, e.g. in the case of LTNs, exemptions to camera operated filters will be granted based on criteria related to impaired

		mobility impaired users of all transport modes. Race and ethnicity: There are differences in the level of cycling between racial and ethnic groups. The WCAP will be successful if it tackles the barriers Haringey's communities face and support them to achieve the health and financial benefits of active travel. However, people from a Black and Minority Ethnic background are more likely to be impacted by transport poverty and will equally benefit from safer and healthier streets, improved health from being enabled to take up active travel options and from improved air quality. Pregnancy and Maternity: Pregnant woman will benefit from safer and healthier streets, improved health from being enabled to take up active travel options and from improved air quality. Improvements to the walking environment will help women		mobility/reliance on a car/disability.

		(and men) push buggies in the borough and feel safer to walk around with a baby.		

Economy

Proposal	Full EQIA conducted?	Positive Impacts anticipated	Negative Impacts anticipated	Mitigating actions anticipated
		Savings		
Efficiencies within the Regeneration & Economic Development programme activity This proposal is to capitalise £200k per annum of resource within the Project Management Office for Regeneration & Economic Development following a review of work expected to be carried on the Capital schemes. This is not expected to impact on the delivery of the department's programmes, as no change is proposed to the establishment structure. Its implementation is being achieved through a comprehensive review of the recharge schedule for the department, with implementation backdated to 1st April 2022.	No	This proposal is considered to have a neutral equalities impact. The proposal does not involve any substantive change to service delivery.	None	N/A
		Capital		
Gourley Triangle Construction Budget This new capital bid follows the decision at Cabinet on 8th March 2022 to proceed with acquisition of the remaining 3rd party land interests and	No	This proposal will allow for the acquisition of remaining land interests and proceed to RIBA stage 3 will enable the masterplan to be delivered. This is considered to have	None	N/A

masterplan development to tender stage (Royal Institute British Architects Work Stage 3+). The Cabinet Report noted that a capital bid would be submitted as part of the next Medium Term Financial Strategy for the cost of the works element of the development, and that this would be a self-financing bid.		the following positive equalities implications: Improvements to the public realm which deliver safety and health outcomes, with benefits for BAME groups and disabled people; Developing employment opportunities, with benefits for BAME people, young people; Opportunities to reflect local culture through commercial, community and creative projects, with benefits for BAME groups, young and old people; Delivery of new, high quality workspace will help to promote economic recovery from COVID-19, bringing positive benefits to individuals with protected characteristics who have experienced disproportionate negative impacts from COVID-19, including on employment and income.		
Selby Urban Village In 2019 the Council entered into a Memorandum of Understanding with the Selby Trust to seek to work	No	This will have a positive impact upon housing provision in the borough,	None	N/A

together to bring forward development of the Selby Site. Its proximity to the Bull Lane playing field, which is a vacant asset prone to fly-tipping and other abuse, made the area a prime location for investment. In 2019, it was agreed that a single masterplan should be developed for the two sites to ensure that opportunities for the community were maximised. This bid is to increase the existing budget for the scheme.		including affordable housing, and community facilities which benefit local residents. This will be particularly relevant for key groups in the borough which are disproportionately affected by housing needs. Achieving a housing mix which maintains community balance is key and housing needs data will be used to aid this process. The Selby Centre is used by a mix of people including young people, the elderly and women - predominantly from working class BAME groups, which also reflect the surrounding community. The re-provision of the Selby Centre in a new dedicated community hub and sports and recreation facilities in Bull Lane Playing Fields will benefit the local community		
Small Medium Enterprise Workspace Intensification This budget supports the delivery of shared workspace across the borough. The provision of affordable shared workspace is also an objective and priority in the Manifesto. This bid is to increase the current budget.	Yes (Strategy for Tottenham High Road)	This proposal supports the delivery of workspace across several sites, which are responding to strategic objectives outlined in the Strategy for Tottenham High Road. An EQIA was carried	None	N/A

		out for the development of the Strategy, which highlighted a number of benefits for groups with protected characteristics. These included improvements to the public realm increasing safety and health, with benefits for Black and Minority Ethnic groups and disabled people, enhancing employment opportunities with benefits for Black and Minority Ethnic groups young people and women, and opportunities to support local culture through community and creative projects, with benefits for Black and Minority ethnic groups, young and old people.		
Wards Corner Construction Budget This is a new bid for a capital scheme following a decision at the Cabinet meeting of 5th July to terminate the DA with Grainger and purchase property and land interests within the Wards Corner site (including large ownership from Grainger) in order to deliver a new council-led scheme. Cabinet approved a total budget allocation of £24.7m to fund the property and land acquisitions and design/project management fees for an alternative	Yes	This proposal is to allow the Council to proceed with a new Council-led delivery approach for the Wards Corner site. A full EQIA was commissioned which identified the following positive potential impacts for	The EQIA identified the following negative potential impacts for groups with protected characteristics: Loss of social cohesion, community resource and displacement. Affected groups could include;	The council will undertake a further EqIA in order to assess any other potential impacts relating to the final development delivery strategy for the site which will be developed through a

development strategy for the site (Royal Institute of British Architects stages 0 - 2). Cabinet was specifically asked to: - Note that a capital bid of around £66m will be submitted for the substantive investment, as part of the next budget setting round. This capital bid (£3.3m) is for a budget to cover project design fees and project management fees to the submission of a planning application (RIBA stage 3) and detailed design (RIBA stage 4) for a new scheme. A further capital bid for the new scheme construction works (c£70m) will be submitted to fund expenditure during the period 27/28 - 30/31.		groups with protected characteristics: Improved housing provision. Beneficiaries could include; Children, Older people, Disabled people, People from ethnic minority backgrounds New employment opportunities. Beneficiaries could include; Young people, Older people, Disabled people, People from ethnic minority backgrounds, Women Provision of community resources and improved social cohesion. Beneficiaries could include; Children, Older people, Disabled people, Pregnant people, People from ethnic minority backgrounds, LGBT people Tackling crime and disorder. Beneficiaries could include; Children, Young people, Older people, Disabled people, People from ethnic	Young people, Older people, Disabled people, People from ethnic minority backgrounds, Women Costs associated with moving home. Affected groups could include; Young people, Older people, Disabled people, People from ethnic minority backgrounds, Women Lack of affordable housing. Affected groups could include; Young people, Older people, Disabled people, People from ethnic minority backgrounds, Women Lack of appropriate and accessible housing. Affected groups could include; Children, Older people, Disabled people, People from ethnic minority backgrounds	co-design led process. The council will ensure equalities impacts are taken into account throughout and at the heart of the co-design process. The EqIA recognises that the council has sought to mitigate the risks forresidents through a range of reasonable and proportionate measures focused on engagement, rehousing assistance, and alternative tenancy options toimprove the outcomes of the scheme for the current and future site community but should continue to work with local businesses and residential occupiers to ensure a smooth and just transition upon

		minority backgrounds, Men, Women, LGBT people Improved access and navigation. Beneficiaries could include; Children, Older people, Disabled people	Health effects. Affected groups could include; Children, young people, older people, disabled people, pregnant people and infants Safety and insecurity. Affected groups could include; Children, young people, older people, disabled people, people from ethnic minority backgrounds, men, women Potential loss of business. Affected groups could include; Older people, people from ethnic minority backgrounds. Potential redundancy of employees associated with business loss or relocation. Affected groups could include; Older people, disabled people.	implementation of the final development delivery for the site. The council will develop a refined Action Plan in line with these as part of the further EqIA to be undertaken when the final development strategy for the site is completed.

Culture, Strategy & Engagement

Proposal	Full EQIA conducted?	Positive Impacts anticipated	Negative Impacts anticipated	Mitigating actions anticipated
Growth				
Libraries & Benefits Services - Base Budget Pressure	No	N/A	None at this stage. However, any workforce restructuring will be subject to an EQIA	None
Procurement of Low Income Family Tracker (LIFT)	No	LIFT will support the delivery of a range of initiatives to maximise income and target support at residents with a low income. As such it is likely to have a positive impact on: Socio economic status – residents on low income Age – older people targeted as part of ongoing work on pensions credit, families with children Ethnicity – residents from those minority ethnic communities who are more likely be on low household incomes Sex – women, who are more likely to head up	None	N/A

		single parent families on low incomes Disability – disabled residents, who are more likely to be on low incomes		
Electoral Registration Print & Postage Costs	No	None	None	N/A
		Savings		
Customer Service and libraries review	No	Customer services – neutral – impact of this change is anticipated to be neutral as the reduction in customer service is expected to be mitigated by the implementation of a localities approach to meeting resident need Home libraries – this proposal will result in the development of a new service model, on the basis of which a full EQIA will be produced to assess the impact of any changes on the groups who disproportionately use this service, namely elderly and disabled people.	None	N/A

Libraries Service improvements	No	None	None	N/A
Additional commercial advertising opportunities	No	None	None	N/A
Improved Debt Recovery: Implementation of a Debt Management system	No	This proposal is to implement a more efficient system for debt recovery. It is anticipated this should free up resource for officers to support residents in financial difficulty. The following groups are more likely to be in debt and so are potentially disproportionately more likely to be positively impacted: Social economic status- low income residents Sex – there is some evidence that women are more likely to be in debt than men	None	N/A
Single Person Discount Reviews	No	Neutral	None	N/A
Development Management & Building Control income and fees	No	None	None	N/A
BT Big Switch Off.	No	None	None	N/A
Corporate Laptop Refresh	No	None	None	N/A

ERP - Full Replacement (Investigation Only)	No	None	None	N/A
Microsoft 365 Additional Functionality	No	None	None	N/A

Housing (HRA Capital Spend)

Proposal	Full EQIA conducted?	Positive Impacts anticipated	Negative Impacts anticipated	Mitigating actions anticipated
Capital				
New Homes Acquisition This budget is for acquiring new homes from developers within the borough, for social housing.	No	Data held by the council suggests that women, young people, and BAME people and, as you would expect, those from a low socio-economic background are over-represented among those living in temporary accommodation and those on the housing register. Furthermore, individuals with these protected characteristics, as well as those who identify as LGBT+ and individuals with disabilities, are known to have increased vulnerability to homelessness. As such,	None	N/A

		it is reasonable to anticipate that increasing the supply of social housing available for homeless households and those on the housing register will positively impact residents with the above-mentioned protected characteristics.		
Existing Home Acquisitions - TA This for acquiring existing homes from private/corporate landlords within the borough for TA use.	No	Age – recognising that certain age groups are at greater risk of losing their housing, increased provision of TA should have a positive impact. Disability - recognising that certain disabled residents are at greater risk of losing their housing, increased provision of TA should have a positive impact. Sex – single parents, who are more likely to be women, face increased housing insecurity and risk of housing loss resulting from the current cost of living crisis coupled with legacy issues faced by single parents in balancing	None	N/A

		child-related costs with wider living costs. Increased provision of TA should have a positive impact. Race and ethnicity – overrepresentation of BAME people in temporary, insecure or lower-paid jobs makes them more vulnerable to housing insecurity and increases their risk of housing loss. Increased TA provisions should positively impact these groups. Socio-economic background – residents from lower socio-economic backgrounds are far more likely to live in insecure housing and are at increased risk of housing loss. Increased TA provision will have a positive.		
HRA – P5 Carbon Reduction This budget has been earmarked towards LBH's commitment to zero carbon emission on existing homes.	No	Data held by the council suggests that women, young people, and BAME people and, as you would expect, those from a low socio-economic background are over-	None	N/A

		represented among those living in council-owned social housing; as such, it is reasonable to assume that any work to improve the quality of Haringey's social housing stock will have a positive impact and benefit those groups with the above mentioned protected characteristics currently overrepresented in social housing. This will particularly benefit those from a low socio-economic background who are at increased risk of fuel poverty.		
HRA – P5 Fire Safety This budget is earmarked to ensure building & fire safety compliance within LBH's housing stock.	No	See text for New Homes Acquisition project – this proposal is likely to disproportionately benefit those groups currently overrepresented in social housing.	None	N/A
Broadwater Farm Project This budget is for the regeneration of the Broadwater Farm estate.	Yes – multiple EQIAs available	Data about Broadwater Farm held by the Council suggests that older people, disabled people and black people, particularly those with a Caribbean or African background, are overrepresented on the	Some of the works may disrupt people's lives, and in a few cases (all of which have had extensive EQIA), some blocks need to be permanently decanted, and the	All residents who must move will be supported, where possible, to find a suitable property in the local area under the Broadwater Farm Rehousing and

		estate compared to the rest of the borough. Therefore, it is reasonable to assume that work to improve the quality of housing, public space, and the environment will disproportionately positively impact those who share the above-mentioned protected characteristics.	residents relocated. The rehousing could have the following negative impacts. Age – older people may find a move difficult due to a higher prevalence of disabilities; they may also have healthcare and support needs in the local area, which a move could disrupt. Additionally, moving far away from their school could have a negative impact on young people. Disability – disabled people may have healthcare and support needs in the local area, which a move could disrupt. Race – residents may have cultural ties to an area disrupted by a move; in this case, due to the demographic of Broadwater Farm,	Payments Policy. Under the policy, households with children will be prioritised to remain in the local area so that the move does not disrupt schooling. Additionally, the Broadwater Farm Rehousing and Payments Policy aims to ensure that residents are not financially worse off due to rehousing. This includes providing a £7,100 Home Loss payment for secure tenants, disturbance payments to cover the reasonable costs of moving home and several additional actions to support resident leaseholders. Finally, all residents who move will have the guaranteed right to

			this would disproportionally impact black residents. Religion - residents may have religious ties to an area disrupted by a move. Socio-economic Background – Residents from a low socio-economic background may find it challenging to finance moving.	return to the estate with priority to move into the new properties. These properties will be of higher quality and better suited to their needs than their current Broadwater Farm properties, particularly for many disabled residents who live in unsuitable accommodation. Rent for secure tenants returning to Broadwater Farm is to be capped at no more than 10% above the average rent for comparable size properties on the estate. This will allow residents to return on similar terms to their previous tenancy. This will support residents from a low socioeconomic

				background, ensuring that they can afford to return to the estate should they wish.
HRA - P5 Homes for Haringey (HFH) This budget is for major capital works within the housing stock (i.e. external & internal works).	No	See text HRA – P5 Carbon Reduction – this proposal is likely to disproportionately benefit those groups currently overrepresented in social housing.	None	N/A
New Homes Build Programme This budget is to enable the development of new homes on LBH site, which will be used for social housing.	No	See text for New Homes Acquisition project – this proposal is likely to disproportionately benefit those groups currently overrepresented in social housing.	None	N/A

3.2 Mitigation of impact of MTFS on equalities

There are several ways in which the Council has worked to prevent or mitigate the potential impacts of MTFS proposals on equalities:

- The Council has mitigated impact by ensuring as far as possible that MTFS proposals taken forward align with the principles listed at para. 3.1.

- In the specific instances where MTFS proposals had a full EqIA conducted at the time of this report being drafted, the proposals were found to be measures that would advance equality of opportunity for groups who share the protected characteristics. Where negative impacts were identified they tended to be relatively short-term and/or minor in nature. In these cases, the relevant proposals were all assessed as being proportionate means of achieving legitimate aims. Measures tailored to the relevant proposals are outlined in the EqIAs to mitigate for any potential negative impact.

5. Consultation

The budget proposals for 2023/2024 have been subject to a formal public consultation, details of which can be found here.

This consultation included a specific question on about how residents and other stakeholders felt that we could narrow the gaps in life chances and opportunities available to different groups of residents in the borough. Responses to this question are detailed in the budget consultation report (Appendix X). In summary, key themes included:

- **Public services:** some respondents to the consultation were frustrated by the degree to which the council has had to cut some services, including some adults social care support and services for children with SEND, and wished to see reinvestment in these. Others felt that more could be done to target council services at those groups who need them most. Early years services, support for elderly and/or disabled residents; and, children with SEND were mentioned here. One respondent suggested the use of focused outreach to communities which needed it. Respondents also sometimes felt that services should be targeted or mobilised to reflect need, with waste and enforcement services receiving specific mention here.
- **Housing:** some respondents to the consultation wanted to see more support to those in temporary accommodation and private rented sector.
- **Barriers to service access and opportunity:** consultation respondents sometime felt that that the council could do more to remove barriers faced by residents, which in accessing services or opportunities. This included digital and language barriers.
- **Tackling pollution, accessible public realm, promoting active travel and reducing carbon emissions:** a number of respondents felt that actions to reduce air pollution, promote active travel and ensure accessible highways for all, were important in furthering equality, particularly for those parts of the borough worst affected by pollution. Accessible highways were felt to be important for elderly and disabled people.
- **Workforce equality:** one respondent felt that the council should pay all its employees the London Living wage (which it does) and publish pay equality data.
- **Cost of living support:** one respondent felt the council should invest more in cost-of-living support.

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Haringey Council
Written Statement/Record of a decision made by an officer under delegated authority

Decision Maker (Post Title)	Director of Finance and Section 151 Officer
Subject of the decision	2023-24 Council Tax Base Report
Date of decision	16th January 2023
Decision	I approve the recommendation as set out in the attached report: That, the council tax base for 2023-24 is set at **79,718** in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012; and That the assumed collection rate is set at **96%** for 2023-24.
Reasons for the decision	The Council is required to set its council tax base by the 31st January each year. The Council has delegated the decision for setting the council tax base to the s151 officer in consultation with the cabinet member for Finance. Setting the council tax base is a statutory requirement and a fundamental part of the revenue budget and council tax setting process. It represents a measure of the taxable capacity of the Council and when multiplied by the band D council tax rate indicates the Council's tax generating potential for that year.
Details of any alternative options considered and rejected by the officer when making the decision	No alternatives were considered as this is a requirement of a Statutory Instrument.
Conflicts of interest – Executive decisions **Details of any conflict of interest declared by a Cabinet Member who is consulted by the officer which relates to the decision and** **details of dispensation granted by the Council's Head of Paid Service**	None
Conflicts of interest – Non executive decisions **Where the decision is taken under an express delegation e.g. by a Committee, the name of any Member who declared a conflict of interest in relation to this matter at the committee meeting,**	N/A

Title of any document(s), including reports, considered by the officer and relevant to the above decision or where only part of the report is relevant to the above decision, that part) These documents need to be attached to the copy of this record/statement kept by the Authority but must not be published if they contain exempt information	2023-24 Provisional Local government finance settlement report including the 2023-24 council tax report that sets the referendum principle. Provisional local government finance settlement: England, 2023 to 2024
Reasons for exemption with reference to categories of exemption specified overleaf, or Reason why decision is confidential (see overleaf) Note: decisions containing exempt or confidential information falling within the categories specified overleaf are not required to be published.	N/A
Communicating your decision: Who needs to know about this decision and is a plan in place to tell them? (officers in your department, in other departments where necessary, members, external stakeholders).	In accordance with the Council's constitution, the Cabinet Member for Finance has been consulted on the contents of this report.
Signature of Decision Maker	
Name of Decision Maker	Jon Warlow, Director of Finance and Section 151 Officer
Does the decision need to be published? Yes √ No	

Title: Council Tax base for 2023/24

Report authorised by: Jon Warlow, Director of Finance and Section 151 Officer

Lead Officer: Frances Palopoli, Head of Corporate Financial Strategy & Monitoring

Ward(s) affected: All
Report for Key/

Non-Key Decision: Key decision

1. Describe the issue under consideration

1.1. This report sets out the recommended Council Tax Base for 2023/24. Regulations require the council tax base to be set by 31st January each year.

2. Introduction

2.1. The determination of the council tax base is an important element of the Council's budget setting process. This is because, it is the estimated base that is multiplied by the average council tax amount to derive the amount of council tax precept that the Council will budget for in 2023/24.

2.2. There is an ongoing trend which sees the working age population increase, this would assume that the Council Tax Reduction Scheme (CTRS) claimant numbers will also increase. Additionally, according to the Office of Budget Responsibility, unemployment rate will peak to 4.9% in 2023/24 (3.7% December 2022), which also indicates the number of claimants for CTRS to increase. A contingency of an additional 1% based on current levels as of December 2022 has been built in, to factor in the population growth and the growing unemployment rate. The contingency has not been set higher as government support, particularly the Council Tax Support grant, is expected to offset some of the predicted increase in claims.

2.3. Forecasts of properties awaiting banding have reduced from 1,600 in the previous financial year to 950 in 2023/24. Previous assumptions hoped the rate of development would be higher post-covid pandemic; this year the assumptions have been adjusted to better reflect the rate of property development. As a result, the level of council tax yield will decrease.

2.4. A key element of the council tax base calculation is the projected collection rate. The collection rate has been forecasted to be 96% (95.75% 2022/23) due to the ongoing expectation to move back to pre-pandemic rates as impacts from Covid19 continue to lessen. Although, there is a cause for concern that the collection rate may not be achieved due to the ongoing cost of living crisis, the support provided by the government in the form of the Cost of Living Payment for 2023/24 should help offset this pressure. Collection rates as of December 2022 is currently 81.67% against the year-to-date target of 80.5% which shows, the council is ahead of target, this provides further assurance that the 96% target is achievable.

2.5. Although, these adjustments overall have a negative impact, we still expect to see an increase in the Taxbase of 415 equating to £0.616m compared to the last financial year.

3. Recommendations

3.1. That:

- the London Borough of Haringey's council tax base is **79,718** for the year 2023/24 in accordance with the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012, detailed in Statutory Instrument 2012:2914 which came into force on 30th November 2012.

- the assumed collection rate will be **96%** for 2023/24.

4. Reason for Decision

4.1. The Council is required to set its council tax base by the 31st January each year. The Council has delegated the decision for setting the council tax base to the Section 151 Officer in consultation with the Cabinet Member for Finance and Local Investment.

4.2. Setting the council tax base is a statutory requirement and a fundamental part of the revenue budget and council tax setting process. It is the estimate of the taxable capacity of the Council, and when multiplied by the band D council tax rate, determines the Council Tax precept for next year.

5. Alternative options considered

5.1. No alternatives were considered as this is a statutory requirement.

6. Background information

6.1. The Council as Billing Authority is required to calculate the tax base for the Borough in order for it to calculate its own council tax and is also required to notify this figure by 31st January each year to any major precepting authority (the Greater London Authority) as well as the levying bodies (Environment Agency, Lee Valley Regional Park Authority, North London Waste Authority and London Pension Fund Authority) in order for them to calculate and set their own budgets and determine the level of precept / levy to be made to Haringey.

6.2. The calculation of the council tax base is prescribed by regulations. It is the aggregate of estimated number of properties in each valuation band each year, subsequently adjusted to take account of the estimated number of discounts, disregards and exemptions which are likely to apply and any estimated increase / decrease in the list in the forthcoming year. The Council levies council tax on the basis of properties in band D and thus the numbers for each valuation band are adjusted to the proportion which their number is to band D; these proportions are set out in statute. Finally, the council must estimate its rate of council tax collection for the year and apply this figure to arrive at the council tax base figure.

6.3. The calculation below sets the tax base and not the council tax amount itself which is due to be set on 2nd March 2023 at Full Council.

7. Calculation of the Billing Authority's Council Tax base

7.1. The calculation is in two parts; 'A' (the Relevant Amount), which is the calculation of the estimated adjusted band D properties, and 'B', the estimated level of collection.

Relevant Amount

7.2. The calculation of 'A' – the relevant amounts for each band is complex and includes several calculations which are shown in detail in Appendices 1 & 2. The resultant relevant number of properties per band is summarised in the table below:

Band	Relevant Amount (i.e. Number of Dwellings)
A	3,001
B	9,391
C	22,450
D	21,137
E	11,209
F	6,939
G	7,486
H	1,426
TOTAL	**83,039**

***Relevant amounts have been rounded for presentation purposes**

Collection Rate

7.3. The collection rate (B) is the council's estimate of the proportion of the overall council tax collectable for the year that will ultimately be collected. This is expressed as a percentage.

7.4. In arriving at a decision on the collection rate a number of factors need to be taken into account which includes:

- Appeals against valuation
- The mobility of the local population, particularly in the private rented sector
- The level and timeliness of information available when properties are sold, or let *and*
- The customer's ability to pay

7.5. For 2023/24 collection rates are forecast at 96%, a small increase on the 2022/23 rate, although cost of living is a cause for concern in achieving this collection rates, the governments support for residents is offsetting some of these pressures.

Council Tax Base

7.6. The tax base is calculated by applying the following formula:

A x B = T

Where:

A is the total amount of the relevant amounts for that year
B is the authority's estimate of its collection rate for that year.
T is the calculated tax base for that year

7.7. In accordance with the requirements of the regulations and following the calculations in Appendix 1 to this report and above, the calculation of the Council Tax Base (T) for the London Borough of Haringey in 2023/24 is as follows:

2023/24	
Total Amount of Relevant (A)	83,039
X	
Collection Rate (B)	96%
Council Tax Base (T)	**79,718**

8. Contribution to Strategic Outcomes

8.1. The calculation of the council tax base is prescribed in law. Whilst the council tax base may have some impact on the Council's ability to generate revenue and therefore assist with delivery of corporate goals, the Council needs to adhere to the prescribed technical calculation set out by law in deriving its council tax base.

9. Statutory Officers comments (Chief Finance Officer (including procurement), Assistant Director of Corporate Governance, Equalities)

Chief Finance Officer's Comments

9.1. The council tax base set out in this report and any projected surplus/deficit on the council tax collection fund as of 31 March 2023 will be used to set the council tax amount for 2023/24 that will be recommended to Full Council on 2nd March 2023.

Assistant Director of Corporate Governance's Comments

9.2. The Head of Legal and Governance has been consulted in the preparation of this report, and makes the following comments.

9.3. Pursuant to the Council's Constitution at Part Two – Articles of the Constitution - Article 4, paragraph 4.01(b) the decision on setting the council tax is delegated by Full Council to the s151 officer in consultation with CAB and the Cabinet Member for Finance.

Pursuant to the Local Government Finance Act 1992 (the Act) and the Local Authorities (Calculation of Council Tax Base) (England) Regulations 2012 (the Regulations), the Council is required to calculate its council tax base by the 31st January in calculating the council tax amount due in the following financial year and to also notify all precepting/levying bodies of its council tax base.

9.4. In light of the above, coupled with (1) the assurance given at paragraph 7.7 above that the calculation has been conducted in accordance with the requirements under the Act and the Regulations, and (2) the equality comments below, there is no legal reason why the Director of Finance and Section 151 Officer cannot adopt the Recommendations contained in this report.

9.5. Equality Comments

9.6. The Council has a public sector equality duty under the Equalities Act (2010) to have due regard to:

- Eliminate discrimination, harassment and victimisation and any other conduct prohibited under the Act
- Advance equality of opportunity between people who share protected characteristics and people who do not
- Foster good relations between people who share those characteristics and people who do not.

9.7. The three parts of the duty applies to the following protected characteristics: age, disability, gender reassignment, pregnancy/maternity, race, religion/faith, sex and sexual orientation. Marriage and civil partnership status applies to the first part of the duty.

9.8. The proposed decision is to Haringey's Council Tax base and the assumed collection rate for 2023/24. The Council as Billing Authority has a statutory duty to calculate the tax base for the borough and notify this figure to the relevant authorities annually on January 31st. Forecast calculations have been modelled using data gathered from previous years and information on new properties in the borough.

9.9. It is forecast that the number of Council Tax Reduction Scheme (CTRS) claimants will be forecasted to be 1% higher than values shown in December 2022. Calculating the boroughs tax base does not impact on a resident's ability to access the CTRS and will have a neutral or no impact on those with a protected characteristic.

10. Use of Appendices

10.1. Appendix 1 & 2 – Calculation of the estimated adjusted band D properties for the London Borough Haringey 2023/24.

11. Local Government (Access to Information) Act 1985

11.1. For access to the background papers or any further information please contact Frances Palopoli.

APPENDIX 1

Calculation of the Billing Authority's Tax Base

1 Regulation 3 of the Local Authorities (Calculation of Council Tax Base) Regulations 1992 (S.I. 1992 No.612) and amended by (S.I. 2012 No. 2914) states that a Billing Authority's Council Tax Base for a financial year shall be calculated by applying the formula –

'A' x 'B'

Where 'A' is the total of the relevant amounts for each of the Valuation Bands which are shown or likely to be shown in the Authority's Valuation list as at 30 November in the year prior to the year in question, adjusted for estimated discounts, exemptions, disregards, increases / decreases; and where 'B' is the Authority's estimate of its collection rate for that year.

2 The Regulations state that item **'A'** should be calculated by applying the following formula:

((H – Q + E + J) – Z (F / G) where

H is the number of chargeable dwellings in that band

Q is a factor to take account of the discounts of council tax payable. It is calculated as Q = (R x S)

R is the number of discounts estimated to be payable in respect of these dwellings

S is the percentage relating to each discount classification

E is a factor to take account of any premiums to be added to the Council tax base

J is the amount of any adjustment in respect of changes in the number of chargeable dwellings, discounts or premiums calculated by the authority in accordance with paragraph 7 due to factors such as:

(a) New properties and properties being banded

(b) Variations in number of exempt properties

(c) Successful Appeal against bandings

(d) Variations in the number of discounts

Z is the total amount that the authority estimates will be applied in relation to the authority's council tax reduction scheme in relation to the band, expressed as an equivalent number of chargeable dwellings in that band.

F is the relevant prescribed proportion of council tax to be paid for each dwelling in that band.

G is the relevant prescribed proportion of council tax to be paid for Band D

APPENDIX 1

3 Appendix 2 sets out the detailed calculations for **A** for the London Borough of Haringey but the summary is set out below:-

Calculation Item	Disabled Band A	A	B	C	D	E	F	G	H	2023/24 Total
H	2	7,655	19,035	34,802	27,164	11,144	5,394	4,708	727	**110,629**
Q	0	-1,131	-2,602	-3,373	-1,792	-638	-236	-162	-18	**-9,952**
E	0	277	291	272	290	15	15	14	8	**1,180**
J	0	0	0	0	0	0	0	0	0	**0**
(H-Q+E+J)	**2**	**6,801**	**16,723**	**31,700**	**25,661**	**10,521**	**5,173**	**4,560**	**717**	**101,857**
Z	0	-2,299	-4,649	-6,444	-4,524	-1,350	-369	-69	-4	**-19,708**
(H-Q+E+J) - Z	**-1**	**4,502**	**12,074**	**25,257**	**21,137**	**9,171**	**4,804**	**4,491**	**713**	**82,149**
F/G		0.67	0.78	0.89	1.00	1.22	1.44	1.67	2.00	
((H-Q+E+J) - Z) x (F/G)		**3,001**	**9,391**	**22,450**	**21,137**	**11,209**	**6,939**	**7,486**	**1,426**	**83,039**

The table below compares the 2023/24 calculations with those for 2022/23 and highlights where the biggest changes are estimated to occur.

Calculation Item	2022/23 Tax Base	2023/24 Tax Base	Change
H	109,668	110,629	961
Q	-9,710	-9,952	-243
E	1914	1,180	-734
(H-Q+E)	**101,872**	**101,857**	**-16**
Z	-19,748	-19,708	40
(H-Q+E) - Z	**82,125**	**82,149**	**24**
((H-Q+E) - Z) x (F/G)	**82,823**	**83,039**	**217**
Collection Rate	95.75%	96.00%	0.25%
Council tax base	**79,303**	**79,718**	**415**

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Annex 2

Cash Limit by Directorate 2023/24

Directorate	2023/24 £'000
Adults, Health & Communities	108,701
Children's Services	62,949
Culture, Strategy & Engagement	33,569
Environment & Neighbourhood	14,565
Placemaking & Housing	7,829
Chief Executive	305
Corporate Governance	2,283
Finance	49,315
Council Cash Limit	**279,517**

Annex 3a

Haringey Council – Reserves Policy

Background

1. Sections 32 and 43 of the Local Government Finance Act 1992 require local authorities to consider the level of reserves when setting a budget requirement. Section 25 of the Local Government Act 2003 requires the Chief Financial Officer (Section 151 Officer) to report formally on the adequacy of proposed reserves when setting a budget requirement. The accounting treatment for reserves is set out in the Code of Practice on Local Authority Accounting.

2. CIPFA has issued Local Authority Accounting Panel (LAAP) Bulletin No.55, Guidance Note on Local Authority Reserves and Balances and LAAP Bulletin 99 (Local Authority Reserves and Provisions). Compliance with the guidance is recommended in CIPFA's Statement on the Role of the Chief Financial Officer in Local Government.

3. This note sets out the Council's policy for compliance with the statutory regime and relevant non-statutory guidance.

Overview

4. The Council's overall approach to reserves will be defined by the system of internal control. The system of internal control is set out, and its effectiveness reviewed, in the Annual Governance Statement. Key elements of the internal control environment are objective setting and monitoring, policy and decision-making, compliance with statute and procedure rules, risk management, achieving value for money, financial management and performance management.

5. The Council will maintain:

   - a General Fund general reserve;

- a Housing Revenue Account (HRA) general reserve; and
- a number of earmarked reserves.

6. Additionally, the Council is required to maintain ***unusable*** reserves to comply with accounting requirements although, as the term suggests, these reserves are not available to fund expenditure.

General Fund general reserve

7. The purpose of the general reserve is to manage the impact of emergencies or unexpected events. Without such a reserve, the financial impact of such events could cause a potential financial deficit in the general fund, which would be severely disruptive to the effective operation of the authority. The reserve should mitigate against immediate service reductions if there were any unforeseen financial impacts.

8. The level of the general reserve is a matter for the Council to determine having had regard to the advice of the S151 Officer. The level of the reserve will be a matter of judgement which will take account of the specific risks identified through the various corporate processes. It will also take account of the extent to which specific risks are supported through earmarked reserves. The level will be expressed as a cash sum over the period of the general fund medium-term financial strategy. The level will also be expressed as a percentage of the general funding requirement (to provide an indication of financial context).

HRA general reserve

9. The purpose of the HRA general reserve is similar to the General Fund general reserve above except applied to the ring-fenced HRA. The Financial Plan assumes a minimum revenue contribution to capital outlay (RCCO) of £8m each year. This will enable the council to react to changes in government policies and manage risks associated with the extensive expansion programme. The plan also assumes a working balance of £20.0m.

Earmarked reserves

10. The purpose of earmarked reserves is to enable sums to be set aside for specific purposes or in respect of potential or contingent liabilities where the creation of a provision is not required or permitted.

11. The Council will maintain the following earmarked reserves:

    a. **Schools Reserve -** This balance represents the net balances held by the Council's 61 schools. The Secretary of State for Education allows Local Authorities to have within their Scheme for Financing Schools, a provision whereby surplus balances that are deemed excessive can be withdrawn from the school in question and applied elsewhere within the Dedicated Schools Budget.

    b. **Transformation Reserve -** This reserve is earmarked for the costs associated with the Council's Transformation programmes including the investment necessary to deliver longer term efficiencies and change, together with the associated costs of redundancies and decommissioning.

c. **Services Reserve -** It is Council policy that services may request funds to be carried forward, subject to approval by the Cabinet in the year-end financial outturn report. This reserve earmarks those funds to either be carried forward to the following financial year or retained.

d. **PFI lifecycle Reserve -** The PFI reserve is increased by PFI grant received in excess of contractual payments. This will be utilised to fund future years' PFI related costs.

e. **Treasury Reserve** - this reserve represents funds the Council has set aside for debt related costs including the potential repayment of debt and for funding of future capital expenditure, and management of risk inherent within the Council's treasury management activities.

f. **Insurance Reserve -** The Council self-insures a number of risks including liability, property and theft. Insurance claims are erratic in their timings and so the Council maintains a reserve to smooth the charge to the Council's revenue account in the same way as a premium to an external insurance provider would smooth charges to the revenue account.

g. **Unspent Grants Reserve -** This reserve holds grant income recognised in the CIES when received, but which will finance related expenditure in future years. These come with conditions setting out how the funding must be used.

h. **Labour Market Growth Resilience Reserve -** It is beneficial for the Council to support people into work and this reserve will support activities which achieve that aim.

i. **The Strategic Budget Planning Reserve –** This reserve is a key tool for managing the impact of financial plans from one year to another. This reserve requires balances to be at different levels year to year depending on the demand as identified through previous and current budget plans.

j. **Resilience Reserve -** This reserve will be used as a one-off measure to offset non-delivery / delay of planned savings and other budget risks contained within the MTFS. It will provide additional robustness and financial resilience for the Council.

k. **The Collection Fund Smoothing Reserve** – This reserve helps to manage the impact of the C19 pandemic on the Collection Fund in terms of losses (including potential losses from the London Pool), but also in terms of the profiling of when the impact of government support and arrears hit the Council's General Fund. As local tax revenue has become a more significant source of income for the authority over recent years, this reserve will be vital tool beyond the pandemic to smooth funding streams across the MTFS period.

Management and control

12. The schools reserve and the insurance reserve are clearly defined and require no further authority for the financing of relevant expenditure.

13. The use of all other reserves requires budgetary approval in the normal way.

14. All reserves are reviewed as part of the budget preparation, financial management and closing processes.

Reporting and review

15. The Council will consider a report from the S151 Officer on the adequacy of the reserves in the annual budget-setting process. The report will contain estimates of reserves where necessary. The Corporate Committee will consider actual reserves when approving the statement of accounts each year.

16. The Council will review the reserves policy on an annual basis.

Annex 3b

RESERVES AND THEIR ADEQUACY

1. General Fund General Reserve

1.1. The judgement on the adequacy of the general fund general reserve needs to reflect the risk management and financial control processes that are in place, and the residual risk of emergencies or unexpected events. For this purpose, identification of the key risks is done in three ways:

- identification of risks during the financial planning and budget setting process as set out in the main report;
- risk assessment of the agreed investment and savings proposals in the agreed budget package, and;
- key risks identified, monitored and managed through the Council's risk management strategy and framework.

1.2. The calculation of the potential financial impact of these assessed risks has been undertaken and, in the light of this, it is considered that the maintenance of the General Fund un-earmarked balance at £15.4m during 2023/24 is appropriate.

1.3. The risks set out in Annex 3c assess a potential financial impact at £20.0m for 2023/24 with a potential £30.5m available to cover this which the Chief Finance Officer (CFO) regards as being sufficient to cover the assessed potential risks. However, the CFO continues to specifically highlight the need for robust budget management in 2023/24 including the efficient delivery of agreed savings.

1.4. The 2023/24 figure for general balances (£15.4m) represents 5.5% of the Council's budget requirement.

1.5. The estimates of the reserves position at 31.3.2023 (based on period 10 2022/23), including earmarked and un-earmarked reserves for the General Fund are detailed in the following table. It should be noted however, that by the nature of these reserves, the timing of when draw down may be required is uncertain and thus unless specific timeframes have been identified no draw down is assumed.

1.6. Excluding the Collection Fund Smoothing reserve, which is predominately covering the timing of the accounting adjustments required as a result of C19 and was therefore always expected to reduce significantly during this year, the other earmarked reserve balances are forecast to remain relatively constant at the end of the 2022/23 financial year compared to the opening balances.

Projected Reserves Position (Based on the position at Period 10 - 2022/23)

		Forecasts		
Description	**Balance at 31/03/22**	**Forecast Transfer In 2022-23**	**Forecast Transfer Out 2022-23**	**Forecast Balance at 31/032023**
	£'000	£'000	£'000	£'000
General Fund Reserve	**(15,464)**	0	**0**	**(15,464)**
General Fund earmarked reserves:				
Insurance reserve	(8,248)			**(8,248)**
Strategic Budget Planning Reserve	(10,491)		4,564	**(5,927)**
Transformation reserve	(10,144)		3,345	**(6,799)**
Schools reserve	(12,833)			**(12,833)**
Services reserve	(9,497)		565	**(8,932)**
PFI lifecycle reserve	(17,858)			**(17,858)**
Debt repayment reserve	(5,045)			**(5,045)**
Accommodation Strategy	(442)			**(442)**
Urban Renewal	(284)			**(284)**
Unspent grants reserve	(6,824)		281	**(6,543)**
Labour market growth resilience reserve	(445)		73	**(372)**
Budget resilience reserve	(7,303)			**(7,303)**
Collection Fund Smoothing reserve	(14,576)		10,652	**(3,924)**
General Fund earmarked reserves:	**(103,991)**	**0**	**19,480**	**(84,511)**
Total General Fund Usable Reserves	**(119,455)**	**0**	**19,480**	**(99,975)**

Annex 3c

Adequacy of Reserves - Risk Assessment 2023/24

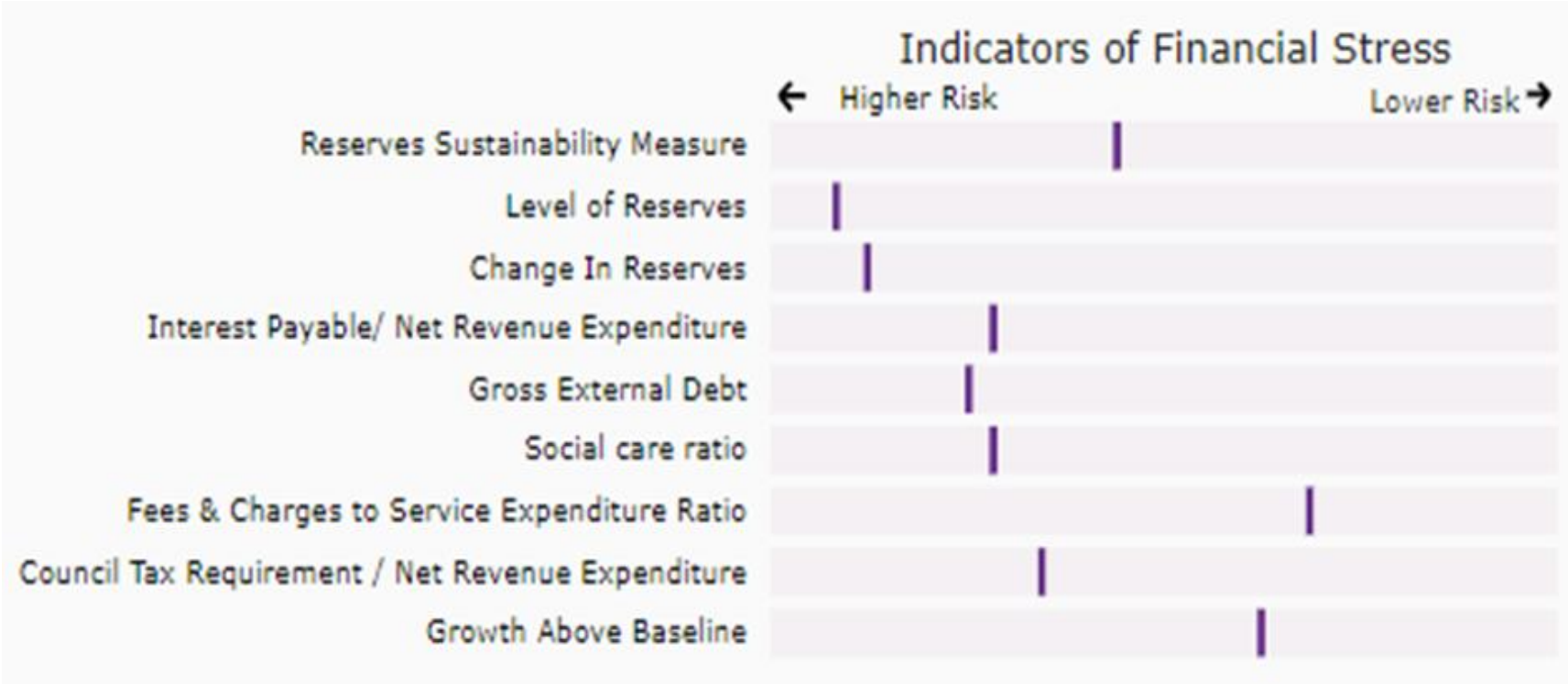
Three key assessment areas:

1. Identification of risks during the financial planning and budget setting process as set out in the main report;
2. Risk assessment of the agreed investment and budget reductions proposals in the proposed budget package, and;
3. key risks identified, monitored and managed through the Council's risk management strategy in the corporate risk register.

	Net Budget Exposure	Risk	Residual Impact
	£m	%	£m
1. Budget Process			
Children's Services	56.3	A High level risk assessment (10%)	
Adults Social Services	68.8	has been applied to the budget	
Temporary Accommmodation	9.9	amount potentially at risk	13.5
2. Budget Reduction Proposals			
- Delivery Programme	15.4	High level risk (10%) on savings proposals for 2023/24	1.5
3. Other Service Unidentified Risks		Estimated	5.0
Total Risks			**20.0**
Less Corporate Contingency			7.4
Less Resilience Reserve			7.3
Less un-earmarked (General) reserves for the above			15.8
Available after risks			**10.5**

Annex 3d

CIPFA Financial Resilience Index – Comparison with London Boroughs



Indicator	Description	Relationship to risk and interpretation
Reserves Sustainability Measure	This indicator is the ratio between the current level of reserves and the average change in reserves in each of the past three years. A negative value (which implies reserves have increased) or one greater than 100 is recoded to 100.	The indicator provides a measure of how long (in years) it will take for a council to completely denude its reserves, if they continue to use reserves at the same rate as in the previous three years. A low value suggests that there is a risk that the authority will run out of reserves. A high value says, that on current trends, they are unlikely to deplete their reserves.
Level of Reserves	This is the ratio of the current level of reserves (total useable excluding public health & schools) to the council's net revenue expenditure. We have set the figure at 100% for a small number of district councils to remove the impact of extreme outliers.	A low level of reserves may indicate that a council has low capacity to cope with financial shocks. It will also face a risk should expenditure exceed income.
Change in Reserves	This indicator shows the average percentage change in reserves (total useable excluding public health and schools) over the past three years.	A council that is using up its reserves may be at risk if they do not move to a more balanced budget.
Interest Payable / Net Revenue Expenditure	This indicator is the ratio of Interest Payable and Net Revenue Expenditure.	This indicator aims to provide a better insight in terms of the budget flexibility of a council. Should a council have a high proportion of its expenditure dedicated to repaying debt, this could limit the council's flexibility to make further savings.
Gross External Debt	This indicator compares the gross external debt held by the council to the total revenue reserves (excl. Schools and Public Health).	This is a cover ratio that would give some idea of how proportionate a council's borrowing activity is compared to the reserves of the authority.
Social care ratio	This indicator is the ratio of total spending on adults' and children's social care to net revenue expenditure.	This indicator provides a measure of the degree of flexibility within a council's budget. Spending on these items is less likely to be reduced compared to other categories. A high ratio suggests the council has little flexibility to make further savings, potentially leading to risk.
Fees & Charges to Service Expenditure Ratio	This indicator shows the proportion of fees and charges against the council's total service expenditure.	Fees and charges are an increasing source of income. Thus, compared to the service expenditure a council incurs, a relatively low level of fees and charges may suggest a limited capacity to ensure budget flexibility.
Council Tax Requirement / NRE	This indicator shows the ratio of council tax as a proportion of net expenditure.	As locally raised council tax becomes more important, a lower ratio may be associated with difficulties in raising the income necessary to support spending.
Growth Above the Baseline	The Growth above the baseline figure is calculated as the difference between the baseline funding level and retained rates income, over the baseline funding level. The data for this is obtained from the RO and the 2019/20 Business Rates Levy and Safety net calculator.	A higher growth above the baseline may indicate a larger risk.

Annex 4

London Borough of Haringey
Treasury Management Strategy Statement 2023/24

1. Introduction

1.1. Treasury management is the management of the Council's cash flows, borrowing and investments, and the associated risks. The Council has borrowed and invested substantial sums of money and is therefore exposed to financial risks including the loss of invested funds and the revenue effect of changing interest rates. The successful identification, monitoring and control of financial risk are therefore central to the Council's prudent financial management.

1.2. Treasury risk management at the Council is conducted within the framework of the Chartered Institute of Public Finance and Accountancy's *Treasury Management in the Public Services: Code of Practice 2021 Edition* (the CIPFA Code) which requires the Council to approve a treasury management strategy before the start of each financial year. This report fulfils the Council's legal obligation under the *Local Government Act 2003* to have regard to the CIPFA Code.

1.3. Investments held for service purposes or for commercial profit are considered in section 6 of this report, the Investment Strategy.

2. External Context – provided by the Council's appointed treasury advisor, Arlingclose

Economic background

2.1. The ongoing impact on the United Kingdom (UK) from the war in Ukraine, together with higher inflation, higher interest rates, uncertain government policy, and a deteriorating economic outlook, will be major influences on the Council's treasury management strategy for 2023/24.

2.2. In December 2022, the Bank of England (BoE) increased the Bank Rate by 0.50% to 3.50%. This followed a 0.75% rise in November which was the largest single rate hike since 1989, and the ninth successive increase since December 2021. The decision was voted for by a 6-3 majority of the Monetary Policy Committee (MPC), with two members preferring to maintain the Bank Rate at 3.00% and one member preferring to increase the Bank Rate by 0.75% to 3.75%.

2.3. The November quarterly Monetary Policy Report (MPR) forecast a prolonged but shallow recession in the UK with CPI inflation remaining elevated at over 10% in the near-term. While the projected peak of inflation is lower than previous forecasts (due in part to the government's support package for household energy costs), inflation is expected remain higher for longer over the forecast horizon and the economic outlook remains weak, with unemployment projected to start rising.

2.4. The UK economy contracted by 0.3% between July and September 2022 according to the Office for National Statistics, and the BoE forecasts Gross Domestic Product (GDP) will continue to decline throughout 2023 and the first half of 2024 due to the squeeze on household income from higher energy costs and goods prices.

2.5. CPI inflation is expected to have peaked at around 11% in the last calendar quarter of 2022 and expectations are that it will fall sharply to 1.4%, below the 2% target, in two years' time and to 0% in three years' time if the Bank Rate follows the path implied by financial markets at the time of the November MPR (a peak of 5.25%). However, the BoE has stated it considers this path to be too high, suggesting that the peak in interest rates will be lower, reducing the risk of inflation falling too far below target. Market rates have fallen since the time of the November MPR.

2.6. The labour market remains tight for now, with the most recent statistics showing the unemployment rate fell to 3.7%. Earnings were up strongly in nominal terms by 6.1% for total pay and regular pay. However, when inflation is factored in, real pay for both measures was -2.7%. Looking forward, the November MPR showed the labour market weakening in response to the deteriorating outlook for growth, leading to the unemployment rate rising to around 6.5% in 2025.

2.7. Interest rates have also been rising sharply in the United States (US), with the Federal Reserve increasing the range on its key interest rates by 0.50% in December 2022 to 4.25%-4.50%. This followed four successive 0.75% rises in the pace of tightening that has seen rates increase from 0.25% - 0.50% in March 2022.

2.8. Annual inflation has been slowing in the US but remains above 7%. GDP grew at an annualised rate of 3.2% between July and September 2022, a better-than-expected rise, but with official interest rates expected to rise even further in the coming months, a recession in the region is widely expected at some point during 2023.

2.9. Inflation has been rising consistently in the Euro Zone since the start of 2022, hitting an annual rate of 10.6% in October 2022, before declining to 10.1% in November. Economic growth has been weakening with an expansion of just 0.3% in the three months to September 2022. As with the UK and US, the European Central Bank has been on an interest rate tightening cycle, pushing up its three key interest rates by 0.5% in December, taking it main refinancing rate to 2.5% and deposit facility rate to 2.0%

Credit Outlook

2.10. Credit default swap (CDS) prices generally followed an upward trend throughout 2022, indicating higher credit risk. The CDS prices have been boosted by the war in Ukraine, increasing economic and political uncertainty and a weaker global and UK outlook. However, the prices remain well below the levels seen at the beginning of the Covid-19 pandemic.

2.11. CDS price volatility has been higher in 2022 compared to 2021, and the divergence in prices between ringfenced (retail) and non-ringfenced (investment) banking entities has emerged once again.

2.12. The weakening economic picture during 2022 led the credit rating agencies to reflect this in their assessment of the outlook for the UK sovereign as well as several local authorities and financial institutions, revising them from to negative from stable.

2.13. There are competing tensions in the banking sector which could impact bank balance sheet strength going forward. The weakening economic outlook and likely recessions in many regions increase the possibility of a deterioration in the quality of banks' assets, while higher interest rates provide a boost to net income and profitability.

2.14. However, the institutions on the Council's treasury management adviser Arlingclose's counterparty list remain well-capitalised and the counterparty advice provided on both recommended institutions and maximum duration remain under constant review, and will continue to reflect economic conditions and the credit outlook.

Interest rate forecast (December 2022)

2.15. The Council's treasury management adviser Arlingclose forecasts that Bank Rate will continue to rise in 2023 as the Bank of England attempts to subdue inflation which is significantly above its 2% target.

2.16. While interest rate expectations reduced during October and November 2022, multiple interest rate rises are still expected over the forecast horizon despite looming recession. Arlingclose expects Bank Rate to rise to 4.25% by June 2023 under its central case, with the risks in the near- and medium-term to the upside should inflation not evolve as the Bank forecasts and remain persistently higher.

2.17. Yields are expected to remain broadly at current levels over the medium-term, with 5-, 10- and 20-year gilt yields expected to average around 3.50%, 3.50%, and 3.85% respectively over the 3-year period to December 2025. The risks for short, medium, and longer-term yields are judged to be broadly balanced over the forecast horizon. As ever, there will undoubtedly be short-term volatility due to economic and political uncertainty events.

2.18. A more detailed economic and interest rate forecast provided by Arlingclose is attached at Annex A.

2.19. For the purpose of setting the budget, it has been assumed that new treasury investments will be made at an average rate of 3.50%, and that new long-term loans will be borrowed at an average rate of 4.50%.

3. Local Context

3.1. On 31 December 2022, the Council held £783.5m of borrowing and £53.2m of treasury investments. Forecast changes in these sums are shown in the balance sheet analysis in table 1 below.

Table 1: Balance Sheet Summary and Forecast (Capital Financing Requirement)

	31.3.22 Actual £m	31.3.23 Estimate £m	31.3.24 Forecast £m	31.3.25 Forecast £m	31.3.26 Forecast £m	31.3.27 Forecast £m	31.3.28 Forecast £m
General Fund CFR	567.9	683.9	811.6	956.7	1,129.8	1,269.9	1,356.7
HRA CFR	404.7	487.3	627.9	825.5	1,049.6	1,209.1	1,326.7
Total CFR	**972.6**	**1,171.2**	**1,439.5**	**1,782.2**	**2,179.4**	**2,479.0**	**2,683.4**
Less: Other debt liabilities*	-26.8	-22.0	-17.6	-13.1	-10.4	-9.6	-8.8
Loans CFR	**945.8**	**1,149.2**	**1,421.9**	**1,769.1**	**2,169.0**	**2,469.4**	**2,674.6**
Less: Internal borrowing	-245.4	-169.3	-187.0	-210.2	-235.2	-262.3	-310.3
CFR Funded by External Borrowing	**700.4**	**979.9**	**1,234.9**	**1,558.9**	**1,933.8**	**2,207.1**	**2,364.3**
Breakdown of External Borrowing:							
Existing borrowing**	700.4	778.3	661.3	618.3	607.4	596.6	585.8

New borrowing to be raised	-	201.6	573.6	940.6	1,326.4	1,610.5	1,778.5

* leases and PFI liabilities that form part of the Authority's total debt

** shows only loans to which the Authority is committed and excludes optional refinancing

3.2. The underlying need to borrow for capital purposes is measured by the Capital Financing Requirement (CFR). The Council's current strategy is to maintain borrowing and investments below their underlying levels, sometimes known as internal borrowing. The Council has an increasing CFR due to the capital programme, but minimal treasury investments and will therefore be required to borrow up to £1,778.5m over the forecast period.

3.3. CIPFA's *Prudential Code for Capital Finance in Local Authorities* recommends that the Council's total debt should be lower than its highest forecast CFR over the next three years. Table 1 shows that the Council expects to comply with this recommendation during the course of the medium-term financial strategy (MTFS).

3.4. The capital plans which underpin the borrowing requirement above are dealt with in the Council's main budget report (in particular the Capital Strategy section). The Council's capital programme is robustly scrutinised and tested to ensure that the capital plans are affordable and prudent. Table 1 shows the five-year effects of the Council's capital programme; however all capital plans are assessed in their entirety (i.e., some schemes are for a greater than five year time frame).

3.5. The breakdown of the forecast borrowing position at each financial year end for both the General Fund and the HRA is shown in table 2 below:

Table 2: Year-end Borrowing Position Summary

	31.3.22 Actual £m	31.3.23 Estimate £m	31.3.24 Forecast £m	31.3.25 Forecast £m	31.3.26 Forecast £m	31.3.27 Forecast £m	31.3.28 Forecast £m
General Fund borrowing	359.4	472.4	586.8	713.2	864.0	977.8	1,017.4
HRA borrowing	341.0	507.5	648.1	845.7	1,069.8	1,229.3	1,346.9
Total borrowing	**700.4**	**979.9**	**1,234.9**	**1,558.9**	**1,933.8**	**2,207.1**	**2,364.3**

Liability Benchmark

3.6. The liability benchmark has been calculated to compare the Council's actual borrowing against an alternative strategy. The liability benchmark shows the lowest risk level of borrowing. This assumes the same borrowing forecasts as table 1 above, but that cash and investment balances are kept to a minimum level of £20m at each year-end to maintain sufficient liquidity but minimise credit risk.

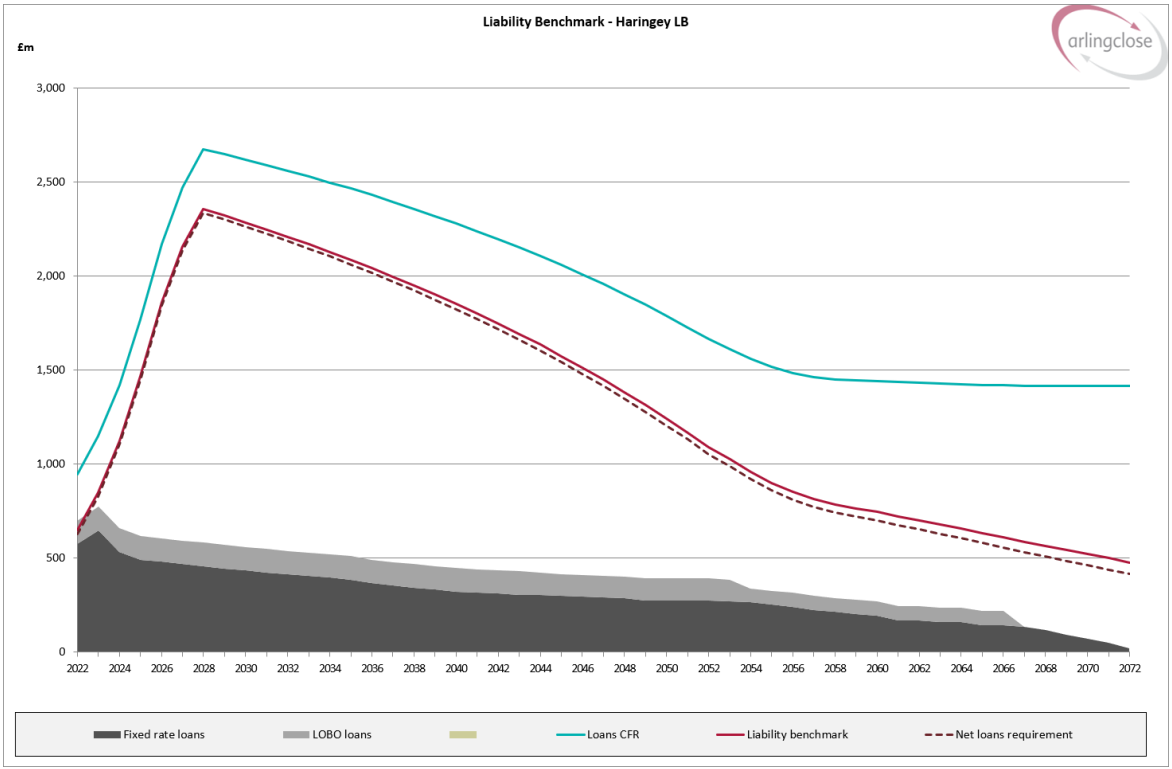
3.7. The liability benchmark is an important tool to help establish whether the Council is likely to be a long-term borrower or a long-term investor in the future. This is important in developing the Council's strategic focus and decision making. The liability benchmark itself represents an estimate of the cumulative amount of external borrowing the Council must hold to fund its current capital and revenue plans while keeping treasury investments at the minimum level required to manage day-to-day cash flow.

Table 3: Prudential Indicator – Liability Benchmark

	31.3.22 Actual £m	31.3.23 Estimate £m	31.3.24 Forecast £m	31.3.25 Forecast £m	31.3.26 Forecast £m	31.3.27 Forecast £m	31.3.28 Forecast £m

Loans CFR	945.8	1,149.2	1,421.9	1,769.1	2,169.0	2,469.4	2,674.6
Less: Balance Sheet resources	-316.6	-322.2	-341.4	-322.2	-326.9	-331.7	-339.9
Net loans requirement	**629.2**	**827.0**	**1,080.5**	**1,446.9**	**1,842.1**	**2,137.7**	**2,334.7**
Plus: Liquidity allowance	20.0	20.0	20.0	20.0	20.0	20.0	20.0
Liability Benchmark	**649.2**	**847.0**	**1,100.5**	**1,466.9**	**1,862.1**	**2,157.7**	**2,354.7**

3.8. The long-term liability benchmark assumes the same capital expenditure funded by borrowing as included in the CFR, minimum revenue provision on new capital expenditure based on a 25-year asset life and income, expenditure and reserves all increasing by inflation of 2.5% a year. This is shown in the chart on the following page together with the maturity profile of the Authority's existing borrowing.



4. Borrowing Strategy

4.1. On 31 December 2022, the Council held £783.5m of loans as part of its strategy for funding previous years' capital programmes. The balance sheet forecast in table 1 shows that the Council expects to increase its borrowing by up to £534.5m by the end of 2023/24. The Council may also borrow additional sums to pre-fund future years' borrowing requirements, provided this does not exceed the authorised limit for borrowing as set out in table 4 of this report.

Objectives

4.2. The Council's chief objective when borrowing money is to strike an appropriately low risk balance between securing low interest costs and achieving certainty of those costs over the period for which funds are required. The flexibility to renegotiate loans should the Council's long-term plans change, is a secondary objective.

Strategy

4.3. Given the significant cuts to public expenditure and in particular to local government funding, the Council's borrowing strategy continues to address the key issue of affordability without compromising the longer-term stability of the debt portfolio. The scale of the Council's capital programme, and the need to diversify the Council's debt portfolio to further minimise refinancing risk means that long term borrowing will be required during 2023/24. Therefore, the Council's strategy will be to fulfil its borrowing requirement during the financial year with a mixture of short-term and long-term borrowing.

4.4. With short-term interest rates currently lower than long-term rates, it is likely to be more cost effective in the short-term to either use internal resources, or to borrow using short-term loans to finance the General Fund's capital programme. However, a significant portion of the HRA capital programme will continue to be financed by long-term borrowing, in line with the HRA business plan.

4.5. By doing so, the Council aims to reduce net borrowing costs and reduce overall treasury risk. The benefits of short-term borrowing will be monitored regularly against the potential for incurring additional costs by deferring borrowing into future years when long-term borrowing rates are forecast to rise modestly. Arlingclose will assist the Council with this 'cost of carry' and breakeven analysis. Its output may determine whether the Council borrows additional sums at long-term fixed rates in 2023/24 with a view to keeping future interest costs low, even if this causes additional cost in the short-term.

4.6. The Council has in recent years raised all its long-term borrowing from the Public Works Loan Board (PWLB) but will consider long-term loans from other sources including banks, pension funds and other local authorities, and may investigate the possibility of issuing bonds and similar instruments, in order to lower interest costs and reduce over-reliance on one source of funding in line with the CIPFA Code. PWLB loans are no longer available to local authorities planning to buy investment assets primarily for yield; the Council has not done this in the past and intends to avoid this activity in order to retain its access to PWLB loans.

4.7. Alternatively, the Council may arrange forward starting loans, where the interest rate is fixed in advance, but the cash is received in later years. This would enable certainty of cost to be achieved without suffering a cost of carry in the intervening period.

4.8. In addition, the Council may borrow short-term loans to cover unplanned cash flow shortages.

Sources of Borrowing

4.9. The approved sources of long-term and short-term borrowing are:

- HM Treasury's PWLB lending facility (formerly the Public Works Loan Board)
- any institution approved for investments (see below)
- any other bank or building society authorised to operate in the UK
- any other UK public sector body

- UK public and private sector pension funds (except Haringey Pension Fund and the London Collective Investment Vehicle)
- capital market bond investors
- UK Municipal Bonds Agency plc and other special purpose companies created to enable local authority bond issues

Other Sources of Debt Finance

4.10. In addition, capital finance may be raised by the following methods that are not borrowing, but may be classed as other debt liabilities:

- Leasing
- Hire Purchase
- Private Finance Initiative
- Sale and Lease Back

Municipal Bonds Agency

4.11. UK Municipal Bonds Agency plc was established in 2014 by the Local Government Association as an alternative to the PWLB. It issues bonds on the capital markets and lends the proceeds to local authorities. This is a more complicated source of finance than the PWLB for two reasons: borrowing authorities will be required to provide bond investors with a guarantee to refund their investment in the event that the agency is unable to for any reason; and there will be a lead time of several months between committing to borrow and knowing the interest rate payable. Any decision to borrow from the Agency will therefore be the subject of a separate report to the Corporate Committee.

LOBOs

4.12. The Council holds £125m of LOBO (Lender's Option Borrower's Option) loans where the lender has the option to propose an increase in the interest rate at set dates, following which the Council has the option to either accept the new rate or to repay the loan at no additional cost. £125m of these LOBOs have options exercisable during 2023/24, and with interest rates having risen sharply recently, there is now a reasonable likelihood that lenders will explore their ability to exercise their options. If they do, the Council will take the option to repay the LOBO loans to reduce refinancing risk in later years.

4.13. Some LOBO lenders may be open to negotiating premature exit terms from LOBO loans via payment of a premium to the lender. The Council's policy will be to exit LOBO agreements if the costs of replacing the loans, including all premium, transaction and funding costs, generate a material net revenue saving for the Council over the life of the loan in net present value terms, and all costs are consistent with Haringey's approved medium term financial strategy. The decision to repay a LOBO loan will be determined by the S151 Officer in consultation with the lead Cabinet member for Finance, in line with Haringey's constitution.

4.14. When loans are prematurely repaid, there is usually a premium payable to the lender, to compensate them for interest forgone at the contractual rate, where prevailing interest rates are lower. The Council would need to refinance LOBOs by raising borrowing for

both the original sum borrowed, and the premium payable to the lender. However, this type of arrangement can prove beneficial where interest savings exceed premium costs. Replacing LOBOs that contain an option for lenders to increase the rate, with fixed rate debt would reduce refinancing and interest rate risk.

4.15. As the Council's borrowing portfolio grows in line with its capital spending plans, the LOBOs will continue to shrink as a proportion of the Council's total borrowing.

Short-term and Variable Rate Loans

4.16. These loans leave the Council exposed to the risk of short-term interest rate rises and are therefore subject to the interest rate exposure limits in the treasury management indicators below. Financial derivatives may be used to manage this interest rate risk.

Debt Rescheduling

4.17. The PWLB allows authorities to repay loans before maturity and either pay a premium or receive a discount according to a set formula based on current interest rates. Other lenders may also be prepared to negotiate premature redemption terms. The Council may take advantage of this and replace some loans with new loans, or repay loans without replacement, where this is expected to lead to an overall cost saving or a reduction in risk. The recent rise in interest rates means that more favourable debt rescheduling opportunities should arise than in previous years.

Borrowing Limits

4.18. The Council's total borrowing limits are set out in table 4 below.

4.19. The **Authorised Limit** sets the maximum level of external borrowing on a gross basis (i.e., not net of investments) and is the statutory limit determined under Section 3(1) of the Local Government Act 2003 (referred to in the legislation as the Affordable Limit). The indicator separately identifies borrowing from other long-term liabilities such as finance leases. The Authorised Limit has been set on the estimate of the most likely, prudent but not worst-case scenario with sufficient headroom over and above this to allow for unusual cash movements.

4.20. The **Operational Boundary** links directly to the Council's estimates of the CFR and estimates of other cashflow requirements. This indicator is based on the same estimates as the Authorised Limit reflecting the most likely, prudent but not worst-case scenario but without the additional headroom included within the Authorised Limit. The Operational Boundary and Authorised Limit apply at the total level.

4.21. The Chief Finance Officer has the delegated authority, within the total limit for any individual year, to effect movement between the separately agreed limits for borrowing and other long-term liabilities. Decisions will be based on the outcome of financial option appraisals and best value considerations. Any movement between these separate limits will be reported to the next meeting of the Corporate Committee.

Table 4: Borrowing Limits

	2022/23 Limit £m	2023/24 Limit £m	2024/25 Limit £m	2025/26 Limit £m	2026/27 Limit £m	2027/28 Limit £m
Authorised limit - borrowing	1,286.0	1,452.3	1,817.7	2,212.2	2,487.7	2,634.5

Authorised limit - PFI & Leases	25.7	23.2	17.3	13.7	12.7	11.7
Authorised limit - total external debt	**1,311.7**	**1,475.5**	**1,835.0**	**2,225.9**	**2,500.4**	**2,646.2**
Operational boundary - borrowing	1,236.0	1,402.3	1,767.7	2,162.2	2,437.7	2,584.5
Operational boundary - PFI & Leases	23.4	21.1	15.7	12.4	11.5	10.6
Operational boundary - total external debt	**1,259.4**	**1,423.4**	**1,783.4**	**2,174.6**	**2,449.2**	**2,595.1**

5. Treasury Investment Strategy

5.1. The Council holds invested funds, representing income received in advance of expenditure plus balances and reserves held. In the past 12 months, the Council's treasury investment balance has ranged between £10.8m and £116m, and similar levels are expected to be maintained in the forthcoming year. It is a requirement of the Markets in Financial Instruments Directive II (MiFID) that the Council maintains an average investment balance of at least £10m, in order to maintain professional client status.

Objectives

5.2. The CIPFA Code requires the Council to invest its treasury funds prudently, and to have regard to the security and liquidity of its investments before seeking the highest rate of return, or yield. The Council's objective when investing money is to strike an appropriate balance between risk and return, minimising the risk of incurring losses from defaults and the risk of receiving unsuitably low investment income. Where balances are expected to be invested for more than one year, the Council will aim to achieve a total return that is equal or higher than the prevailing rate of inflation, in order to maintain the spending power of the sum invested. The Council aims to be a responsible investor and will consider environmental, social and governance (ESG) factors when making investment decisions.

Strategy

5.3. As demonstrated by the liability benchmark above, the Council expects to be a long-term borrower and new treasury investments will therefore be made primarily to manage day-to-day cash flows using short-term low risk instruments.

5.4. The Council aims to maintain its policy of utilising highly creditworthy and highly liquid investments such as deposits with the Debt Management Office (DMO), AAA rated money market funds and loans to other local authorities on the Arlingclose approved counterparty list. If the Council were to consider diversifying into higher yielding asset classes during 2023/24, in particular for the estimated £10m that is available for longer-term investment due to being required for the MiFID professional client status, this would be the subject of further reports as it would represent a significant change in the treasury investment strategy.

ESG policy

5.5. Environmental, social and governance (ESG) considerations are increasingly a factor in global investors' decision making, but the framework for evaluating investment opportunities is still developing and therefore the Council's ESG policy does not currently include ESG scoring or other real-time ESG criteria at an individual investment level.

5.6. When investing in banks and funds, the Council will prioritise banks that are signatories to the UN Principles for Responsible Banking and funds operated by managers that are signatories to the UN Principles for Responsible Investment, the Net Zero Asset Managers Alliance and/or the UK Stewardship Code.

Business Models

5.7. Under the new IFRS 9 standard, the accounting for certain investments depends on the Council's "business model" for managing them. The Council aims to achieve value from its treasury investments by a business model of collecting the contractual cash flows and therefore, where other criteria are also met, these investments will continue to be accounted for at amortised cost.

Approved Counterparties

5.8. The Council may invest its surplus funds with any of the counterparty types in table 5 on the following page, subject to the limits shown.

Table 5: Treasury Investment Counterparties and Limits

Sector	Time Limit	Counterparty Limit	Sector Limit
The UK Government	50 years	Unlimited	n/a
Local authorities & other government entities	25 years	£5m	Unlimited
Banks (secured)*	2 years	£5m	Unlimited
Banks (unsecured)*	13 months	£5m	Unlimited
Building societies (unsecured)*	13 months	£5m	£20m
Registered providers (unsecured)*	5 years	£5m	£20m
Money Market Funds	n/a	£5m	Unlimited
Strategic Pooled Funds	n/a	£5m	Unlimited
Real Estate Investment Trusts	n/a	£5m	Unlimited

Minimum Credit Rating

5.9. Treasury investments in the sectors marked with an asterisk will only be made with entities whose lowest published long-term credit rating is no lower than A-. Where available, the credit rating relevant to the specific investment or class of investment is used, otherwise the counterparty credit rating is used. However, investment decisions are never made solely based on credit ratings, and all other relevant factors including external advice will be taken into account.

Government

5.10. The Council may invest in loans, and bonds and bills issued or guaranteed by, national governments, regional and local authorities and multilateral development banks. These investments are not subject to bail-in, and there is generally a lower risk of insolvency, although they are not zero risk. Investments with the UK Government are deemed to be zero credit risk due to its ability to create additional currency and therefore may be made in unlimited amounts for up to 50 years.

Bank Secured Investments

5.11. Bank secured investments are investments that are secured on the borrower's assets, which limits the potential losses in the event of insolvency. The amount and quality of the security will be a key factor in the investment decision. Covered bonds and reverse repurchase agreements with banks and building societies are exempt from bail-in.

Where there is no investment specific credit rating, but the collateral upon which the investment is secured has a credit rating, the higher of the collateral credit rating and the counterparty credit rating will be used. The combined secured and unsecured investments with any one counterparty will not exceed the cash limit for secured investments.

Banks and Building Societies (unsecured)

5.12. The Council may invest in accounts, deposits, certificates of deposit and senior unsecured bonds with banks and building societies, other than multilateral development banks. These investments are subject to the risk of credit loss via a bail-in should the regulator determine that the bank is failing or likely to fail. See below for arrangements relating to operational bank accounts.

Registered Providers (unsecured)

5.13. The Council may invest in loans, and bonds issued or guaranteed by, registered providers of social housing or registered social landlords, formerly known as housing associations. These bodies are regulated by the Regulator of Social Housing (in England), the Scottish Housing Regulator, the Welsh Government and the Department for Communities (in Northern Ireland). As providers of public services, they retain the likelihood of receiving government support if needed.

Money Market Funds

5.14. Money market funds are pooled funds that offer same-day or short notice liquidity and very low or no price volatility by investing in short-term money markets. They have the advantage over banks of providing wide diversification of investment risks, coupled with the services of a professional fund manager in return for a small fee. Although no sector limit applies to money market funds, the Council will take care to diversify its liquid investments over a variety of providers to ensure access to cash at all times.

Strategic Pooled Funds

5.15. Strategic pooled funds include bond, equity and property funds that offer enhanced returns over the longer term but are more volatile in the short term. These allow the Authority to diversify into asset classes other than cash without the need to own and manage the underlying investments. Because these funds have no defined maturity date, but are available for withdrawal after a notice period, their performance and continued suitability in meeting the Authority's investment objectives will be monitored regularly.

Real Estate Investment Trusts (REITs)

5.16. REITs are publicly traded companies that invest mainly in real estate and pay most of their rental income to investors in a similar manner to pooled property funds. As with property funds, REITs offer enhanced returns over the longer term, but are more volatile especially as the share price reflects changing demand for the shares as well as changes in the value of the underlying properties.

Operational Bank Accounts

5.17. The Council may incur operational exposures, for example through current accounts, collection accounts and merchant acquiring services, to any UK bank with credit ratings no lower than BBB- and with assets greater than £25 billion. These are not classed as investments but are still subject to the risk of a bank bail-in, and balances will therefore be kept below £10m per bank. The Bank of England has stated that in the event of failure, banks with assets greater than £25 billion are more likely to be bailed-in than made insolvent, increasing the chance of the Authority maintaining operational continuity.

Risk Assessment and Credit Ratings

5.18. Credit ratings are obtained and monitored by the Council's treasury advisers, who will notify changes in ratings as they occur. Where an entity has its credit rating downgraded so that it fails to meet the approved investment criteria then:

- no new investments will be made,
- any existing investments that can be recalled or sold at no cost will be, and
- full consideration will be given to the recall or sale of all other existing investments with the affected counterparty.

5.19. Where a credit rating agency announces that a credit rating is on review for possible downgrade (also known as "negative watch") so that it may fall below the approved rating criteria, then only investments that can be withdrawn on the next working day will be made with that organisation until the outcome of the review is announced. This policy will not apply to negative outlooks, which indicate a long-term direction of travel rather than an imminent change of rating.

Other Information on the Security of Investments

5.20. The Council understands that credit ratings are good, but not perfect, predictors of investment default. Full regard will therefore be given to other available information on the credit quality of the organisations in which it invests, including credit default swap prices, financial statements, information on potential government support, reports in the quality financial press and analysis and advice from the Council's treasury management adviser. No investments will be made with an organisation if there are substantive doubts about its credit quality, even though it may otherwise meet the above criteria.

5.21. When deteriorating financial market conditions affect the creditworthiness of all organisations, as happened in 2008 and 2020, this is not generally reflected in credit ratings, but can be seen in other market measures. In these circumstances, the Council will restrict its investments to those organisations of higher credit quality and reduce the maximum duration of its investments to maintain the required level of security. The extent of these restrictions will be in line with prevailing financial market conditions. If these restrictions mean that insufficient commercial organisations of high credit quality are available to invest the Council's cash balances, then the surplus will be deposited with the UK Government, or with other local authorities. This will cause investment returns to fall but will protect the principal sum invested.

Investment Limits

5.22. The Council's revenue reserves available to cover investment losses are forecast to be £5 million on 31st March 2024 and £5 million on 31 March 2025. In order that no more

than 100% of available reserves will be put at risk in the case of a single default, the maximum that will be lent to any one organisation (other than the UK Government) will be £5 million. A group of entities under the same ownership will be treated as a single organisation for limit purposes.

5.23. Limits are also placed on fund managers, investments in brokers' nominee accounts and foreign countries as below. Investments in pooled funds and multilateral development banks do not count against the limit for any single foreign country since the risk is diversified over many countries.

Table 6: Additional Investment Limits

	Cash Limit
Any single organisation, except the UK Central Government	£5m each
UK Central Government	Unlimited
Any group of organisations under the same ownership	£5m per group
Any group of pooled funds under the same management	£5m per manager
Negotiable instruments held in a broker's nominee account	£5m per broker
Foreign countries	£5m per country
Registered providers and registered social landlords	£5m in total
Unsecured investments with building societies	£5m in total
Loans to unrated corporates	£5m in total
Money market funds*	£25m in total
Real Estate Investment Trusts	£5m in total

* These limits apply for both Haringey Council and Haringey Pension Fund, so the limit for Money Market Funds is £5m per MMF and £25m aggregate limit for the Council, and £25m for the Pension Fund.

Liquidity Management

5.24. The Council uses purpose-built cash flow forecasting software to determine the maximum period for which funds may prudently be committed. The forecast is compiled on a prudent basis to minimise the risk of the Council being forced to borrow on unfavourable terms to meet its financial commitments. Limits on long-term investments are set by reference to the Council's medium-term financial plan and cash flow forecast.

6. Investment Strategy

6.1. The Council invests its money for three broad purposes:

- **Treasury management investments** – where the Council has surplus cash as a result of its day-to-day activities, for example when income is received in advance of expenditure,
- **Service investments** – to support local public services by lending to or buying shares in other organisations,
- **Commercial investments** – where the main purpose of the investment is to earn an investment income

6.2. This investment strategy section of the report meets the requirements of statutory guidance issued by the government in January 2018 and focuses on the second and third of these categories.

Treasury Management Investments

6.3. The Council typically receives its income in cash (e.g., from taxes and grants) before it pays for its expenditure in cash (e.g., through payroll and invoices). It also holds reserves for future expenditure. These activities, plus the timing of borrowing decisions, lead to a cash surplus which is invested in accordance with guidance from the Chartered Institute of Public Finance and Accountancy (CIPFA). The balance of treasury management investments is expected to fluctuate between £20 million and £75 million during the 2023/24 financial year.

6.4. The contribution that these investments make to the objectives of the Council is to support effective treasury management activities.

Service Investments

6.5. The Council lends money to third parties such as its subsidiaries, its suppliers, local businesses, local charities, housing associations, local residents and its employees to support local public services and stimulate local economic growth.

6.6. The main risk when making service loans is that the borrower will be unable to repay the principal lent and/or the interest due. In order to limit this risk, it will be ensured that any new loans made will remain proportionate to the size of the Council. Balances as at 31 March 2022 were as follows:

Table 7: Loans for service purposes in £ millions as at 31 March 2022

Category of borrower	31.03.22 Balance £m	Loss allowance £m	31.03.22 Net figure in accounts £m
Local Businesses	1.6	(0.9)	0.7
Local Charities	49.0	(43.5)	5.5
Local Residents	0.1	-	0.1
Total Investments	**68.1**	**(44.4)**	**23.7**

6.7. The largest balance above relates to Alexandra Palace debts (shown under local charities). There are historic debt balances owed by the Trust that have not been legally discharged, totalling £49.0m. Much of this loan, £43.5m, is legally outstanding but does not currently have repayments being made, this debt dates back to previous decades when Haringey Council, expended funds on behalf of the Trust. Although the £43.5m debt has not been legally discharged, the Council has agreed that it will only seek to recover this when the Trust is in a position to repay amounts due.

6.8. The remainder of the outstanding amount are more recent loans relating to works carried out on the Ice Rink and West Storage Yard – these are being repaid in line with the original loan agreements. Loans issued to local business are arranged through the Opportunity Investment Fund.

6.9. Accounting standards require the Council to set aside loss allowance for loans, reflecting the likelihood of non-payment. The figures for loans in the Council's statement of accounts are shown net of this loss allowance. However, the Council makes every reasonable effort to collect the full sum lent and has appropriate credit control arrangements in place to recover overdue repayments.

6.10. **Risk assessment**: The Council assesses the risk of loss before entering into and whilst holding service loans by weighing up the service outcomes any such loan could provide

against the creditworthiness of the recipient. This is done on a case-by-case basis, given the low number of such arrangements. This forms part of the Council's capital programme, further details of which are in the Council's annual medium term financial strategy.

Commercial Investments: Property

6.11. The Council holds properties which are classified as 'investment properties' in the Council's statement of accounts. These properties are all within the local area, therefore contributing to the Council's local placemaking responsibilities, and include approximately 200 shops, offices and other commercial premises. The revenue stream associated with these (net of the costs of maintaining the properties) forms part of the Council's annual budget, therefore contributing to the resources available to the Council to spend on local public services. Any future acquisitions that the Council makes in this area will be made with reference to the CIPFA Prudential Property Investment guidance issued in 2019.

6.12. The value of investment properties disclosed in the 2021/22 draft statement of accounts was £99.4m.

Capacity, Skills, Culture and Advice

6.13. CIPFA's Treasury Management Code of Practice requires the Chief Financial Officer to ensure that all members tasked with treasury management responsibilities, including scrutiny of the treasury management function, receive appropriate training relevant to their needs, and have a full understanding of their roles and responsibilities.

6.14. Given the significant sums of money involved in treasury management, it is crucial for members to have the necessary knowledge to understand the framework by which decisions are made and their impact on the Council's finances. Regular training sessions are arranged for members to keep their knowledge up to date.

6.15. The training needs of the Council's treasury management staff for training in investment management are assessed as part of the staff appraisal process, and additionally when the responsibilities of individual members of staff change. Staff regularly attend training courses, seminars and conferences provided by Arlingclose and other providers in the industry. Staff are also encouraged to study professional qualifications relevant to their responsibilities in the organisation from CIPFA, the Association of Corporate Treasurers and other appropriate organisations.

6.16. The Council has appointed Arlingclose Limited as treasury management advisers and receives specific advice on investment, debt and capital financing issues. The quality of this service is reviewed by the Council's senior treasury management officers.

6.17. Appropriately skilled and experienced finance and legal officers work with service departments to ensure that the risks associated with any projects they undertake, and compliance with regulation and statutory guidance are properly understood and form a key consideration in any decision-making process.

6.18. The Council's constitution has clearly defined roles and responsibilities for treasury management responsibilities, both for members, committees, and officers.

Investment Indicators

6.19. The Council has set the following quantitative indicators to allow elected members and the public to assess the Council's total risk exposure as a result of its investment decisions.

Total risk exposure

6.20. The first indicator shows the Council's total exposure to potential investment losses.

Table 8: Total Investment Exposure

Investment Type	31.3.22 Actual £m	31.3.23 Estimate £m	31.3.24 Forecast £m
Treasury management investments	71.2	65.0	65.0
Service investments: loans	23.7	23.7	23.7
Commercial investments: property	99.4	99.4	99.4
Total Investments	**194.3**	**188.1**	**188.1**

How investments are funded

6.21. Government guidance is that these indicators should include how investments are funded. Since the Council does not normally associate particular assets with particular liabilities, this guidance is challenging to comply with. However, the following investments could be described as funded by borrowing. The remainder of the Council's investments are funded by usable reserves and income received in advance of expenditure.

Table 9: Investments Funded by External Borrowing

Investment Type	31.3.22 Actual £m	31.03.22 Forecast £m	31.03.23 Forecast £m
Treasury management investments	0.0	0.0	0.0
Service investments: loans	17.6	20.4	20.9
Commercial investments: property	73.6	85.2	87.3
Total Investments	**91.2**	**105.6**	**108.2**

Rate of return received

6.22. This indicator shows the investment income received less the associated costs, including the cost of borrowing where appropriate, as a proportion of the sum initially invested. Note that due to the complex local government accounting framework, not all recorded gains and losses affect the revenue account in the year they are incurred.

Table 10: Investment Rate of Return

Investment Type	31.3.22 Actual £m	31.3.23 Estimate £m	31.3.24 Forecast £m
Treasury management investments	0.07%	1.55%	3.50%
Service investments: loans	2.86%	2.86%	2.86%
Commercial investments: property	6.29%	4.00%	4.00%
Total Investments	**3.59%**	**3.01%**	**3.68%**

7. Treasury Management Prudential Indicators

7.1. The Council measures and manages its exposures to treasury management risks using the following indicators.

Security

7.2. The Council has adopted a voluntary measure of its exposure to credit risk by monitoring the value-weighted average credit rating of its investment portfolio. This is calculated by applying a score to each investment (AAA=1, AA+=2, etc.) and taking the arithmetic average, weighted by the size of each investment. Unrated investments are assigned a score based on their perceived risk.

Credit Risk Indicator	Target
Portfolio average credit rating	Above A-, score of 7 or lower

Liquidity

7.3. The Council has adopted a voluntary measure of its exposure to liquidity risk by monitoring the amount of cash available to meet unexpected payments within a rolling 3-month period, without additional borrowing.

Liquidity Risk Indicator	Target
Total cash available within 3 months	£20m

Interest rate exposures

7.4. This indicator is set to control the Council's exposure to interest rate risk. The upper limits on the one-year revenue impact of a 1% rise or fall in interest rates will be:

Interest Rate Risk Indicator	Target
Upper limit on one-year revenue impact of a 1% rise in interest rates	£2m
Upper limit on one-year revenue impact of a 1% fall in interest rates	£2m

7.5. The impact of a change in interest rates is calculated on the assumption that maturing loans and investments will be replaced at current rates.

Maturity structure of borrowing

7.6. This indicator is set to control the Council's exposure to refinancing risk. The upper and lower limits on the maturity structure of borrowing are shown on the following page:

Refinancing Rate Risk Indicator	Upper Limit	Lower Limit
Under 12 months	50%	0%
12 months and within 24 months	40%	0%
24 months and within 5 years	40%	0%
5 years and within 10 years	40%	0%
10 years and above	100%	0%

7.7. Time periods start on the first day of each financial year. The maturity date of borrowing is the earliest date on which the lender can demand repayment.

Total short-term borrowing

7.8. The Council has used short term borrowing (under 1 year in duration) from other local authorities extensively in recent years, as an alternative to longer term borrowing from PWLB, due to the lower interest rates, and subsequent revenue savings. Short term borrowing can also be raised from other counterparties such as banks. Short term borrowing exposes the Council to refinancing risk – the risk that interest rates rise quickly over a short period of time and are at significantly higher rates when the loans mature, and new replacement borrowing is required. Bearing this in mind, the Council will set a limit on the total amount of short-term borrowing that has no associated protection against interest rate rises, as a proportion of all borrowing.

Short term borrowing	Target
Upper limit on short-term borrowing that exposes the Council to interest rate rises as a percentage of total borrowing	30%

Long-term treasury management investments

7.9. The purpose of this indicator is to control the Council's exposure to the risk of incurring losses by seeking early repayment of its investments. The prudential limits on the long-term treasury management investments will be:

Price Risk Indicator	2023/24	2024/25	2025/26
Limit on principal invested beyond year end	£10m	£10m	£10m

8. Minimum Revenue Provision Policy Statement

8.1. Where the Council finances capital expenditure by debt, it must put aside resources to repay that debt in later years. The amount charged to the revenue budget for the repayment of debt is known as Minimum Revenue Provision (MRP), although there has been no statutory minimum since 2008.

8.2. The Local Government Act 2003 requires the Council to have regard to the former Ministry of Housing, Communities and Local Government's Guidance on Minimum Revenue Provision (the MHCLG Guidance) most recently issued in 2018.

8.3. The broad aim of the MHCLG Guidance is to ensure that capital expenditure is financed over a period that is either reasonably commensurate with that over which the capital expenditure provides benefits, or, in the case of borrowing supported by Government Revenue Support Grant, reasonably commensurate with the period implicit in the determination of that grant.

8.4. The MHCLG Guidance requires the Council to approve an Annual MRP Statement each year and recommends a number of options for calculating a prudent amount of MRP. The following statement incorporates options recommended in the Guidance.

8.5. The Council's MRP policy was reviewed and revised to better reflect the rules set out in the prudential code and government guidance around prudent provision for repayment of borrowed capital. The revised policy, which took effect from 1 April 2016, ensured that provision for capital repayment is made over a period that is commensurate with the period in which the asset purchased provides benefits.

General Fund MRP policy: borrowing before 2007/08

8.6. The Council calculates MRP on historic debt based on the Capital Financing Requirement (CFR) as at 1 April 2007 at 2% of that CFR, fixed at the same cash value so that the whole debt is repaid after 50 years in total.

8.7. The historic MRP policy for borrowing incurred before 2007/08 led to MRP charges that exceeded what prudence required during the period from 1 April 2007 to 31 March 2016. This resulted in a cumulative charge at 31 March 2016 that was in excess of what is considered prudent and appropriate under the current policy. To reflect the historic over-provision the Council undertakes an annual review to determine whether to make a realignment of MRP charged to the General Fund, using the policy set out above, to recognise the excess sum charged to that point.

8.8. The following conditions will apply to the annual review:

- Total MRP after applying realignment will not be less than zero in any financial year.
- The cumulative total of the MRP realignment will never exceed the amount of historical over-provision calculated to 31 March 2016.

8.9. The table below summarises the historic overprovision position on pre 2008 General Fund expenditure:

Table 11: Summary of historic overprovision of MRP on pre 2008 GF expenditure

Investment Type	£m
MRP provided between 2008-2016 under previous policy to 31.3.2016	78.0
MRP required to be provided between 2008-2016 under current policy	45.2
Overprovision as at 31.3.2016	32.8

8.10. The remaining overprovision of MRP as at 31.3.2023 was £2.7m. The estimated MRP charges relating to pre 2008 general fund expenditure are summarised in the table below, due to the historic overprovision, MRP charges are estimated to be nil until part way through 2022/23 at which point the historic overprovision will be cleared.

Table 12: Estimated MRP charges on GF pre 2008 expenditure

	2022/23 £m	2023/24 £m	2024/25 £m	2025/26 £m	2026/27 £m	2027/28 £m
MRP charge on pre-2008 GF expenditure	5.0	5.0	5.0	5.0	5.0	5.0
Less: Historic overprovision	(2.7)	0.0	0.0	0.0	0.0	0.0
Net MRP charge for pre 2008 expenditure	2.3	5.0	5.0	5.0	5.0	5.0

General Fund MRP policy: prudential borrowing from 2007/08

8.11. For capital expenditure incurred on schemes after 31 March 2008, MRP will be determined by charging the expenditure over the expected useful life to the relevant asset as the principal repayment based on the annuity method in accordance with Option 3 of the guidance.

8.12. This means that MRP will be calculated on an annuity basis (like many domestic mortgages) over the estimated life of the asset, at an appropriate interest rate. Estimated life periods will be determined by the Section 151 Officer under delegated powers.

8.13. In accordance with the provisions in the guidance, MRP will be first charged in the financial year following the one in which the entire asset to which the charge relates, becomes fully operational.

8.14. Financial agreements such as loans, investments or where assets are to be acquired for future development (including where capital receipts are part of the business case), will not, at the discretion of the CFO, attract MRP. This discretion will be applied where it is reasonable to assume that the initial capital investment will be returned to the Council in full at maturity or over a defined period.

Housing Revenue Account (HRA) MRP Policy

8.15. There is no statutory requirement to make an annual MRP charge for HRA assets, and the Council does not currently plan to do this given the current low level of debt per property that the Council holds, and the fact that sums charged as depreciation in the HRA are spent on major repairs to the Council's housing stock to ensure they remain in suitable condition. This policy will be kept under annual review.

Concession Agreements

8.16. MRP in relation to concession agreements (e.g., PFI contracts) and finance leases are calculated on an asset life method using an annuity repayment profile, consistent with the method for all prudential borrowing since 2007/08. Estimated life periods will be determined under delegated powers.

Finance Leases

8.17. For assets acquired by finance leases, including leases brought on Balance Sheet under the International Financial Reporting Standards (IFRS) based Accounting Code of Practice, MRP will be determined as being equal to the element of the rent or charge that goes to write down the balance sheet liability.

Statutory capitalisations

8.18. For expenditure which does not create a fixed asset but is statutorily capitalised and subject to estimated life periods that are referred to in the guidance, these estimated periods will generally be adopted by the Council. However, the Council reserves the right to determine useful life periods and prudent MRP in exceptional circumstances where the recommendations of the guidance would not be appropriate.

8.19. Other methods to provide for debt repayment may occasionally be used in individual cases where this is consistent with the statutory duty to be prudent, at the discretion of the Section 151 Officer.

8.20. The Section 151 Officer may approve that such debt repayment provision may be made from capital receipts or from revenue provision.

9. Related Matters

9.1. The CIPFA Code requires the Council to include the following in its treasury management strategy.

Financial Derivatives

9.2. Local authorities have previously made use of financial derivatives embedded into loans and investments both to reduce interest rate risk (e.g., interest rate collars and forward deals) and to reduce costs or increase income at the expense of greater risk (e.g., LOBO loans and callable deposits). The general power of competence in section 1 of the *Localism Act 2011* removes much of the uncertainty over local authorities' use of standalone financial derivatives (i.e., those that are not embedded into a loan or investment).

9.3. The Council will only use standalone financial derivatives (such as swaps, forwards, futures, and options) where they can be clearly demonstrated to reduce the overall level of the financial risks that the Council is exposed to. Additional risks presented, such as credit exposure to derivative counterparties, will be considered when determining the overall level of risk. Embedded derivatives, including those present in pooled funds and forward starting transactions, will not be subject to this policy, although the risks they present will be managed in line with the overall treasury risk management strategy.

9.4. Financial derivative transactions may be arranged with any organisation that meets the approved investment criteria, assessed using the appropriate credit rating for derivative exposures. An allowance for credit risk will be included to count against the counterparty credit limit and the relevant foreign country limit.

9.5. In line with the CIPFA Code, the Council will seek external advice and will consider that advice before entering into financial derivatives to ensure that it fully understands the implications.

Housing Revenue Account

9.6. On 1st April 2012, the Council notionally split each of its existing long-term loans into General Fund and HRA pools. In the future, new long-term loans borrowed will be assigned in their entirety to one pool or the other. Interest payable and other costs/income arising from long-term loans (e.g., premiums and discounts on early redemption) will be charged/ credited to the respective revenue account. Differences between the value of the HRA loans pool and the HRA's underlying need to borrow (adjusted for HRA balance sheet resources available for investment) will result in a notional cash balance which may be positive or negative. This balance will be measured each month and interest transferred between the General Fund and HRA at the Authority's average interest rate on investments, adjusted for credit risk.

Markets in Financial Instruments Directive

9.7. The Council has opted up to professional client status with its providers of financial services, including advisers, banks, brokers and fund managers, allowing it access to a greater range of services but without the greater regulatory protections afforded to individuals and small companies. Given the size and range of the Council's treasury management activities, the Director of Finance (S151 Officer) believes this to be the most appropriate status.

10. Financial Implications

10.1. The budget for investment income in 2023/24 is £2.3m based on an average investment portfolio of £65 million at an interest rate of 3.50%. This is assumed to remain constant throughout the MTFS period.

10.2. The budget for debt interest paid in 2023/24 is detailed in table 13 below for both the General Fund and HRA. If actual levels of investments and borrowing, or actual interest rates, differ from those forecast, performance against the budget will be correspondingly different.

10.3. Table 13 demonstrates the revenue budgets in both the General Fund and HRA for both interest costs on borrowing and minimum revenue provision (MRP) charges. The Council's capital programme is moving to a financing strategy that seeks to ensure that investment via the capital programme is self-financing. The self-financing schemes will normally only process if they produce a reduction in expenditure that includes reductions enough to cover the cost of financing the investment. The level of these savings is demonstrated in the table below.

Table 13: Revenue budget for interest costs and MRP

	2022/23 Budget £m	2023/24 Forecast £m	2024/25 Forecast £m	2025/26 Forecast £m	2026/27 Forecast £m	2027/28 Forecast £m
MRP - pre 2008 expenditure	2.3	5.0	5.0	5.0	5.0	5.0
MRP - post 2008 expenditure	11.1	13.7	17.2	21.4	26.0	30.6
Total MRP	**13.4**	**18.7**	**22.2**	**26.4**	**31.0**	**35.6**
Interest Costs (GF)	11.3	16.9	23.3	25.1	30.0	33.1
Total Gross Capital Financing Costs (GF)	**24.7**	**35.6**	**45.5**	**51.5**	**61.0**	**68.7**
Offsetting Savings for self-financing schemes	-8.8	-12.7	-18.8	-23.5	-29.5	-33.1
Total Net Capital Financing Costs (GF)	**15.9**	**22.9**	**26.7**	**28.0**	**31.5**	**35.6**
Interest Costs (HRA)	**14.9**	**18.6**	**27.4**	**36.8**	**44.9**	**50.3**

11. Other Options Considered

11.1. The CIPFA Code does not prescribe any particular treasury management strategy for local authorities to adopt. The Director of Finance (S151 Officer), having consulted the Cabinet Member for Finance, believes that the above strategy represents an appropriate balance between risk management and cost effectiveness. Some alternative strategies, with their financial and risk management implications, are listed on the following page.

Alternative	Impact on income and expenditure	Impact on risk management
Invest in a narrower range of counterparties and/or for shorter times	Interest income will be lower	Lower chance of losses from credit related defaults, but any such losses may be greater
Invest in a wider range of counterparties and/or for longer times	Interest income will be higher	Increased risk of losses from credit related defaults, but any such losses may be smaller

Borrow additional sums at long-term fixed interest rates	Debt interest costs will rise; this is unlikely to be offset by higher investment income	Higher investment balance leading to a higher impact in the event of a default; however long-term interest costs may be more certain
Borrow short-term or variable loans instead of long-term fixed rates	Debt interest costs will initially be lower	Increases in debt interest costs will be broadly offset by rising investment income in the medium term, but long-term costs may be less certain
Reduce level of borrowing	Saving on debt interest is likely to exceed lost investment income	Reduced investment balance leading to a lower impact in the event of a default; however long-term interest costs may be less certain

Annex A – Arlingclose Economic & Interest Rate Forecast - December 2022

Underlying assumptions:

- The influence of the previous UK Government's mini budget on interest rates and yields continues to wane following the more responsible approach shown by the current administration.
- Volatility in global markets continues as investors seek to understand the extent to which central banks are willing to tighten their monetary policy, as evidence of recessionary conditions builds. Investors appear to be more cautious, often willing to price in the downturn in growth and easing financial conditions. This raises the risk that central banks may incur a policy error by tightening too aggressively.
- The UK economy is already experiencing recessionary conditions and recent GDP and PMI data suggests the economy entered a technical recession in Q3 2022. The resilience shown by the economy has been surprising, despite the downturn in business activity and household spending. Lower demand should bear down on business pricing power and recent data suggests the UK has passed peak inflation.
- The lagged effect of the sharp tightening of monetary policy in 2022, and the lingering effects of the autumn mini budget on the housing market, widespread strike action, alongside high inflation, will continue to put pressure on household disposable income and wealth. The short- to medium-term outlook for the UK economy remains gloomy.
- Demand for labour appears to be declining, but not quickly enough in the official data for most MPC policymakers. The labour market remains the bright spot in the economy and persisting employment strength may support activity, although there is a feeling of borrowed time. The MPC focus is on nominal wage growth, despite the huge real term pay cuts being experienced by the vast majority. The Bank Rate will remain relatively high(er) until both inflation and wage growth declines.
- Global bond yields remain volatile as investors price in recessions even as central bankers push back on expectations for rate cuts in 2023. The US labour market remains tight, and the Fed wants to see persistently higher policy rates, but the lagged effects of past hikes will depress activity more significantly to test the Fed's resolve.
- While the BoE appears to be somewhat more dovish given the weak outlook for the UK economy, the ECB seems to harbour (worryingly) few doubts about the short-term direction of policy. Gilt yields will be broadly supported by both significant new bond supply and global rates expectations due to hawkish central bankers, offsetting the effects of declining inflation and growth.

Forecast:

- The MPC raised Bank Rate by 50bps to 3.5% in December as expected, with signs that some members believe that 3% is restrictive enough. However, a majority of members think further increases in Bank Rate might be required. Arlingclose continues to expect Bank Rate to peak at 4.25%, with further 25bps rises February, March, and May 2023.

- The MPC will cut rates in the medium term to stimulate a stuttering UK economy but will be reluctant to do so until wage growth eases. Arlingclose forecast rate cuts in the first half of 2024.
- Arlingclose expects gilt yields to remain broadly steady over the medium term, although with continued volatility across shorter time periods.
- Gilt yields face pressures to both sides from hawkish US/EZ central bank policy on one hand to the weak global economic outlook on the other. BoE bond sales and high government borrowing will provide further underlying support for yields.

Interest Rate Forecast:

The table below shows the most recent interest rate forecast provided by Arlingclose.

	Current	Mar-23	Jun-23	Sep-23	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25
Official Bank Rate													
Upside risk	0.00	0.50	0.75	1.00	1.00	1.00	1.25	1.50	1.75	1.50	1.25	1.25	1.25
Arlingclose Central Case	3.50	4.00	4.25	4.25	4.25	4.25	4.00	3.75	3.50	3.25	3.25	3.25	3.25
Downside risk	0.00	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00
3-month money market rate													
Upside risk	0.00	0.50	0.75	1.00	1.00	1.00	1.25	1.50	1.75	1.50	1.25	1.25	1.25
Arlingclose Central Case	3.00	4.40	4.40	4.40	4.35	4.30	4.25	4.00	3.75	3.50	3.40	3.40	3.40
Downside risk	0.00	0.50	0.75	0.75	0.75	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00
5yr gilt yield													
Upside risk	0.00	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.43	3.60	3.80	3.80	3.80	3.70	3.60	3.50	3.40	3.30	3.30	3.30	3.30
Downside risk	0.00	0.80	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
10yr gilt yield													
Upside risk	0.00	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.47	3.50	3.60	3.60	3.60	3.60	3.50	3.50	3.50	3.50	3.50	3.50	3.50
Downside risk	0.00	0.80	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
20yr gilt yield													
Upside risk	0.00	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.86	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85	3.85
Downside risk	0.00	0.80	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
50yr gilt yield													
Upside risk	0.00	0.70	0.80	0.90	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Arlingclose Central Case	3.46	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60	3.60
Downside risk	0.00	0.80	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00

PWLB Standard Rate (Maturity Loans) = Gilt yield + 1.00%
PWLB Certainty Rate (Maturity Loans) = Gilt yield + 0.80%
UKIB Rate (Maturity Loans) = Gilt yield + 0.60%

The Formal Budget Resolution

The Council is recommended to resolve, in accordance with the Local Government Finance Act 1992 (the 'Act'), as amended by the Localism Act 2011, as follows:

1. It is noted that on 16 January 2023 the Director of Finance and Section 151 Officer, after consultation with the Cabinet Member for Finance and Local Investment, calculated the 2023/24 Council Tax Base for the whole Council area as **79,718**.
2. The Council Tax Requirement for the Council's own purposes for 2022/23 is calculated as **£124,214,840**

3. That the following amounts be calculated for the year 2023/24 in accordance with Sections 31 to 36 of the Act:

   a) £1,097,200,667

   being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(2) (a) to (f) of the Act;

   b) £972,985,827

   being the aggregate of the amounts which the Council estimates for the items set out in Section 31A(3) (a) to (d) of the Act;

   c) **£124,214,840** being the amount by which the aggregate at 3(a) above exceeds the aggregate at 3(b) above, calculated by the Council in accordance with Section 31A(4) of the Act as its Council Tax Requirement for the year;

   d) £1,558.18

   being the Council Tax Requirement at 3(c) above, divided by the Council Tax Base at 1, above, calculated by the Council, in accordance with Section 31B of the Act, as the basic amount of its Council Tax for the year;

4. To note that the Greater London Authority has issued a precept to the Council in accordance with Section 40 of the Act for each category of dwellings in the Council's area as indicated in the table below.

5. That the Council, in accordance with Sections 30 and 36 of the Act, hereby sets the aggregate amounts shown in the table below as the amounts of Council Tax for 2023/24 for each part of its area and for each of the categories of dwellings.

Valuation Bands

LONDON BOROUGH OF HARINGEY

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1038.78	1211.92	1385.05	1558.18	1904.44	2250.70	2596.96	3116.36

GREATER LONDON AUTHORITY

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
289.43	337.66	385.90	434.14	530.62	627.09	723.57	868.28

AGGREGATE OF COUNCIL TAX REQUIREMENTS

A	B	C	D	E	F	G	H
£	£	£	£	£	£	£	£
1328.21	1549.58	1770.96	1992.32	2435.06	2877.79	3320.53	3984.64

6. Pursuant to Section 52ZB of the Act and the principles determined by the Secretary of State to apply to local authorities in England in 2023/24 as set out in The Referendums Relating to Council Tax Increases (Principles) (England) Report 2023/24, it is determined that the Council's relevant basic amount of Council Tax for the year is not excessive.

Annex 6

Table 8.4: Estimated MRP

	2022/23 Forecasts (£'000)	2023/24 Forecasts (£'000)	2024/25 Forecasts (£'000)	2025/26 Forecasts (£'000)	2026/27 Forecasts (£'000)	2027/28 Forecast (£'000)
MRP	13,368	18,676	22,222	26,384	31,044	35,637

Table 8.5: Prudential Indicator: Estimates of Capital Financing Requirement

	2022/23 Budget (£'000)	2023/24 Budget (£'000)	2024/25 Budget (£'000)	2025/26 Budget (£'000)	2026/27 Budget (£'000)	2027/28 Budget (£'000)
CFR	1,375,493	1,421,963	1,769,170	2,169,018	2,469,441	2,674,531

Table 8.6: Prudential Indicator: Gross Debt and the Capital Financing Requirement

	31/3/22 Actual (£'000)	31/3/23 Budget (£'000)	31/3/24 Budget (£'000)	31/3/25 Budget (£'000)	31/3/26 Budget (£'000)	31/3/27 Budget (£'000)	31/3/28 Budget (£'000)
Borrowing Debt	700,415	1,204,505	1,234,918	1,558,908	1,933,836	2,207,113	2,364,366
PFI & Lease Debt	26,701	19,471	17,611	13,071	10,373	9,611	8,849
Total Debt	**727,116**	**1,223,976**	**1,252,529**	**1,571,980**	**1,944,209**	**2,216,724**	**2,373,215**
Capital Financing Requirement	972,537	1,375,493	1,421,963	1,769,170	2,169,018	2,469,441	2,674,531

Table 8.7: Prudential Indicator: Authorised limit and operational boundary for external debt

	2022/23 limit (£'000)	2023/24 limit (£'000)	2024/25 limit (£'000)	2025/26 limit (£'000)	2026/27 limit (£'000)	2027/28 limit (£'000)
Authorised limit – borrowing	1,286,022	1,334,352	1,686,099	2,088,645	2,389,830	2,959,682
Authorised limit – PFI & leases	25,702	23,247	17,254	13,692	12,687	11,681
Authorised limit – total external debt	**1,311,724**	**1,357,599**	**1,703,353**	**2,102,337**	**2,402,516**	**2,607,363**
Operational boundary - borrowing	1,236,022	1,284,352	1,636,099	2,038,645	2,339,830	2,545,682
Operational boundary – PFI & leases	23,366	21,133	15,685	12,448	11,533	10,619
Operational boundary – total external debt	**1,259,387**	**1,305,485**	**1,651,784**	**2,051,093**	**2,351,363**	**2,556,301**

Table 8.8: Estimated Capital Financing Costs

	2022/23 Forecast £000's	2023/24 Forecast £000's	2024/25 Forecast £000's	2025/26 Forecast £000's	2026/27 Forecast £000's	2027/28 Forecast £000's
MRP - pre 2008 expenditure	2,283	5,019	5,019	5,019	5,019	5,019
MRP - post 2008 expenditure	11,085	13,657	17,203	21,365	26,025	30,618
Total MRP	**13,368**	**18,676**	**22,222**	**26,384**	**31,044**	**35,637**
Interest Costs (General Fund)	11,274	16,946	23,334	25,076	30,003	33,123
Total Gross Capital Financing Costs (GF)	**24,642**	**35,622**	**45,556**	**51,460**	**61,047**	**68,760**
Offsetting Savings for self-financing schemes	-8,835	-12,714	-18,832	-23,486	-29,473	-33,086
Total Net Capital Financing Costs (GF)	**15,807**	**22,908**	**26,724**	**27,974**	**31,574**	**35,674**

Interest Costs (HRA)	**14,861**	**18,589**	**27,403**	**36,832**	**44,938**	**50,333**

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