

2006 No. 559

SOCIAL SECURITY

**The Income-related Benefits (Subsidy to Authorities)
Amendment (No. 2) Order 2006**

<i>Made</i> - - - -	<i>2nd March 2006</i>
<i>Laid before Parliament</i>	<i>9th March 2006</i>
<i>Coming into force</i> - -	<i>1st April 2006</i>

The Secretary of State for Work and Pensions makes the following Order in exercise of the powers conferred upon him by sections 140B, 140F(2) and 189(1), (4), (5) and (7) of the Social Security Administration Act 1992(a).

In accordance with section 189(8) of that Act he has sought the consent of the Treasury(b). In accordance with section 176(1) of that Act he has consulted with organisations appearing to him to be representative of the authorities concerned(c).

Citation, commencement, interpretation and extent

1.—(1) This Order may be cited as the Income-related Benefits (Subsidy to Authorities) Amendment (No. 2) Order 2006 and shall come into force on 1st April 2006.

(2) In this Order, “the 1998 Order” means the Income-related Benefits (Subsidy to Authorities) Order 1998(d).

(3) This Order extends to England and Wales.

Amendment of the 1998 Order

2. Schedule 4A to the 1998 Order (rent rebate limitation deductions) is amended in accordance with the Schedule to this Order.

(a) 1992 c.5. Sections 140B and 140F were inserted by paragraph 4 of Schedule 12 to the Housing Act 1996 (c.52). Section 140B was amended by section 10 of, and paragraph 7 of Schedule 1 to, the Social Security Administration (Fraud) Act 1997 (c.47) and paragraph 36 of Schedule 7 to the Local Government Act 2003 (c.26). Section 189(1) and (4) to (6) was amended by paragraph 109 of Schedule 7 to the Social Security Act 1998 (c.14); section 189(1) was amended by paragraph 57(2) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c.2) and Schedule 6 to the Tax Credits Act 2002 (c.21); section 189(7) was amended by paragraph 24 of Schedule 9 to the Local Government Finance Act 1992 (c.14) and paragraph 10 of Schedule 1 to the Social Security Administration (Fraud) Act 1997.

(b) Section 189(8) is amended by paragraph 3(5) of Schedule 13 to the Housing Act 1996, paragraph 10 of Schedule 3 to the Social Security (Recovery of Benefits) Act 1997 (c.27), paragraph 57(3) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 and paragraph 3 of Schedule 4 to the Tax Credits Act 2002 (c.21).

(c) Section 176(1) is amended by paragraph 3(4) of Schedule 13 to the Housing Act 1996.

(d) S.I. 1998/562. The relevant amending instruments are S.I. 2004/646, S.I. 2005/535 and S.I. 2006/54.

Signed by authority of the Secretary of State for Work and Pensions.

2nd March 2006

James Plaskitt
Parliamentary Under-Secretary of State,
Department for Work and Pensions

We consent

2nd March 2006

Gillian Merron
Tom Watson
Two of the Lords Commissioners of Her Majesty's Treasury

SCHEDULE

Article 2

AMENDMENTS TO SCHEDULE 4A TO THE 1998 ORDER

1. In paragraph 1 (interpretation), after the definition of “rent” insert—

““RPI figure” means the annual percentage change at September of the index of retail prices for the United Kingdom published by the Office for National Statistics,”
2. In paragraph 2 (England – liability to deduction)—
 - (a) for sub-paragraph (3), there shall be substituted—

“(3) For the purposes of sub-paragraph (2), the average weekly rent for a dwelling for the authority for the relevant year is calculated by dividing the total rent charged for all dwellings in the HRA in that year by the total number of weeks for which rent was charged for all dwellings in the HRA.”;
 - (b) in sub-paragraph (4)—
 - (i) for Step 1, there shall be substituted—

“Step 1

Find the average weekly service charge for a dwelling for the authority for the relevant year by dividing the total service charges imposed in respect of all dwellings in the HRA in that year by the total number of weeks for which service charges were imposed for all dwellings in the HRA.”;
 - (ii) for Step 2, there shall be substituted—

“Step 2

Find the average weekly service charge for a dwelling for the authority for the year 2001-02 by dividing the total service charges imposed in that year in respect of all dwellings that are both in the HRA in that year and in the relevant year by the total number of weeks for which service charges were imposed for all dwellings in the HRA in the relevant year.”;
 - (iii) in Step 3, for the words “GDP Deflator” there shall be substituted “RPI figure”; and
 - (iv) for Step 4, there shall be substituted—

“Step 4

Find the average weekly service charge for new services for a dwelling for the authority for the relevant year by dividing the total charges for new services imposed in that year by the total number of weeks in that year for which new service charges were imposed for all dwellings in the HRA.”; and
 - (c) for sub-paragraphs (6) and (7) there shall be substituted—

“(6) The RPI figure for the period beginning with September 2001 and ending with September of the year prior to the relevant year is 1.1258.

(7) The annual factor for 2006-07 is 0.5.”.
3. In paragraph 3 (amount of deduction), for sub-paragraph (3) there shall be substituted—

“(3) The rebate proportion in England for each relevant year commencing with 2006-07 is 0.61”.

4. For Part 3 there shall be substituted—

“PART 3

WEEKLY RENT LIMITS FOR PURPOSES OF PART 2: AUTHORITIES IN ENGLAND

TABLE
RELEVANT YEAR 2006-07

<i>Authority</i>	<i>Weekly rent limit</i>
Adur	£63.01
Alnwick	£48.73
Arun	£68.21
Ashfield	£45.88
Ashford	£64.74
Aylesbury Vale	£68.19
Babergh	£60.28
Barking and Dagenham	£60.77
Barnet	£73.17
Barnsley	£48.60
Barrow in Furness	£54.73
Basildon	£58.56
Bassetlaw	£50.29
Berwick upon Tweed	£46.48
Birmingham	£56.51
Blaby	£51.25
Blackpool	£48.21
Blyth Valley	£44.80
Bolsover	£50.51
Bolton	£49.36
Bournemouth	£58.68
Bracknell Forest	£67.47
Braintree	£61.68
Brent	£80.05
Brentwood	£66.56
Bridgnorth	£56.89
Brighton and Hove	£58.82
Bristol	£54.28
Broxbourne	£70.70
Broxtowe	£49.42
Bury	£53.82
Cambridge	£65.74
Camden	£81.33
Cannock Chase	£54.24
Canterbury	£62.87
Caradon	£51.84
Carrick	£49.90
Castle Morpeth	£48.92
Castle Point	£66.35

<i>Authority</i>	<i>Weekly rent limit</i>
Charnwood	£49.98
Cheltenham	£59.09
Chester-le-Street	£48.75
Chesterfield	£51.68
Chorley	£48.77
City of London	£75.16
City of York	£55.47
Colchester	£60.17
Corby	£51.12
Crawley	£66.61
Croydon	£78.24
Dacorum	£67.18
Darlington	£49.35
Dartford	£63.22
Daventry	£57.96
Derby	£53.19
Derwentside	£51.06
Doncaster	£48.49
Dover	£61.53
Dudley	£56.26
Durham	£49.74
Ealing	£76.50
Easington	£48.58
East Devon	£54.50
East Riding	£52.16
Eastbourne	£55.13
Ellesmere Port and Neston	£51.22
Enfield	£70.85
Epping Forest	£66.87
Exeter	£51.62
Fareham	£62.16
Fenland	£57.71
Gateshead	£50.41
Gedling	£50.00
Gloucester	£56.94
Gosport	£60.44
Gravesham	£63.11
Great Yarmouth	£50.09
Greenwich	£68.79
Guildford	£73.41
Hackney	£73.39
Hammersmith and Fulham	£76.42
Harborough	£56.44
Haringey	£75.44
Harlow	£61.83
Harrogate	£58.90
Harrow	£82.16
Havering	£64.15
High Peak	£52.02
Hillingdon	£81.89
Hinckley and Bosworth	£52.30

<i>Authority</i>	<i>Weekly rent limit</i>
Hounslow	£71.93
Hyndburn	£51.11
Ipswich	£54.85
Isles of Scilly	£58.95
Islington	£79.03
Kensington and Chelsea	£87.75
Kettering	£54.41
Kings Lynn and West Norfolk	£53.65
Kingston upon Hull	£50.00
Kingston upon Thames	£81.13
Kirklees	£50.88
Lambeth	£73.28
Lancaster	£52.87
Leeds	£49.66
Leicester	£51.65
Lewes	£61.80
Lewisham	£65.27
Lincoln	£45.74
Liverpool	£54.15
Luton	£58.33
Macclesfield	£56.98
Manchester	£57.90
Mansfield	£50.26
Medway Towns	£57.45
Melton	£50.85
Merton	£73.38
Mid Devon	£55.41
Mid Suffolk	£57.46
Milton Keynes	£56.27
Mole Valley	£70.42
New Forest	£67.86
Newark and Sherwood	£52.50
Newcastle upon Tyne	£50.73
Newham	£64.98
Northampton	£55.44
North Cornwall	£53.07
North East Derbyshire	£51.08
North Kesteven	£52.49
North Lincolnshire	£50.01
North Norfolk	£54.95
North Shropshire	£53.62
North Somerset	£63.98
North Tyneside	£49.39
North Warwickshire	£56.38
North West Leicestershire	£52.54
Norwich	£53.55
Nottingham	£50.23
Nuneaton and Bedworth	£52.10
Oadby and Wigston	£52.22
Oldham	£49.33
Oswestry	£53.67

<i>Authority</i>	<i>Weekly rent limit</i>
Oxford	£67.45
Pendle	£49.62
Plymouth	£46.71
Poole	£59.36
Portsmouth	£57.74
Reading	£75.25
Redbridge	£79.06
Redditch	£53.73
Ribble Valley	£50.37
Richmondshire	£54.49
Rochdale	£50.55
Rochford	£61.03
Rossendale	£49.86
Rotherham	£48.08
Rugby	£56.75
Runnymede	£75.01
Rutland	£57.31
Salford	£54.42
Salisbury	£65.61
Sandwell	£58.45
Sedgefield	£47.95
Sedgemoor	£57.18
Sefton	£55.97
Selby	£54.71
Sheffield	£47.83
Shepway	£59.35
Slough	£71.71
Solihull	£57.15
South Bedfordshire	£65.72
South Cambridgeshire	£66.75
South Derbyshire	£53.71
South Gloucestershire	£59.99
South Holland	£50.82
South Kesteven	£51.51
South Lakeland	£58.81
South Northants	£64.43
South Tyneside	£48.60
Southampton	£57.47
Southend-on-Sea	£60.83
Southwark	£71.15
St Albans	£72.29
Stafford	£51.00
Stevenage	£67.79
Stockport	£49.64
Stockton on Tees	£52.73
Stoke-on-Trent	£50.95
Stroud	£58.58
Sutton	£69.58
Swindon	£54.99
Tamworth	£56.15
Tandridge	£65.49

<i>Authority</i>	<i>Weekly rent limit</i>
Taunton Deane	£55.88
Teesdale	£50.26
Tending	£57.17
Thanet	£59.12
Three Rivers	£69.45
Thurrock	£58.98
Torridge	£50.06
Tower Hamlets	£70.92
Uttlesford	£68.23
Waltham Forest	£67.16
Wandsworth	£83.04
Wansbeck	£44.68
Warrington	£51.79
Warwick	£61.75
Watford	£68.84
Waveney	£54.17
Waverley	£71.87
Wealden	£58.24
Wear Valley	£49.54
Wellingborough	£52.87
Welwyn Hatfield	£67.40
West Lancashire	£52.51
Westminster	£86.61
Wigan	£50.84
Winchester	£69.32
Woking	£75.54
Wokingham	£72.64
Wolverhampton	£52.28
Wycombe	£74.03”

5. In paragraph 5 (Wales – amount of deduction), for sub-paragraph (2) there shall be substituted—

“(2) The rebate proportion for Wales for each relevant year commencing with 2006-07 is 0.66.”

6. For Part 5 there shall be substituted—

“PART 5

AMOUNTS FOR PURPOSES OF PART 4, PARAGRAPH 4: AUTHORITIES IN WALES

TABLE

RELEVANT YEAR 2006-07

<i>Authority</i>	<i>(1) Specified amount “O”</i>	<i>(2) Guideline rent increase</i>
Blaenau Gwent	47.12	1.31
Caerphilly	52.05	2.11
Cardiff	57.36	2.89
Carmarthenshire	48.24	2.36

Ceredigion	52.15	1.93
Conwy	50.20	2.81
Denbighshire	47.15	2.10
Flintshire	49.04	2.51
Gwynedd	48.80	2.47
Isle of Anglesey	47.72	2.02
Merthyr Tydfil	45.44	1.55
Monmouthshire	56.29	2.07
Neath Port Talbot	47.89	1.73
Newport	53.22	2.33
Pembrokeshire	48.42	2.46
Powys	51.49	2.50
Rhondda, Cynon, Taff	47.97	1.90
Swansea	49.95	2.12
Torfaen	54.25	2.20
Vale of Glamorgan	55.92	2.07
Wrexham	46.79	2.63

EXPLANATORY NOTE

(This note is not part of the Order)

This Order amends the Income-related Benefits (Subsidy to Authorities) Order 1998 (S.I. 1998/562) (“the 1998 Order”), which provides for the calculation and payment of housing benefit subsidy to local authorities in England and Wales, in respect of rent rebates for dwellings within the authorities’ Housing Revenue Accounts.

With respect to authorities in England, the Schedule to this Order amends Schedule 4A to the 1998 Order to substitute the GDP deflator, the annual factor and the weekly rent limit for the purposes of determining whether or not an authority is liable to a deduction from subsidy payable for 2006-07 (paragraphs 2 and 4). The RPI figure replaces the GDP Deflator as the measure of inflation. It substitutes a rebate proportion for that year for the purpose of calculating the amount of the deduction (paragraph 3). The manner for calculating a dwelling’s average weekly rent and service charges has also been amended.

With respect to authorities in Wales, the Schedule to this Order amends Schedule 4A to the 1998 Order to substitute the specified amount “O” and the guideline rent increase for the purposes of determining whether or not an authority is liable to a deduction from subsidy payable for 2006-07 (paragraph 6). It also substitutes a rebate proportion for that year for the purpose of calculating the amount of the deduction (paragraph 5). By virtue of paragraph 4 of Schedule 4A to the 1998 Order, the amendment to the average weekly rent calculation also applies to Wales.

A full regulatory impact assessment has not been produced for this instrument as it has no impact on the costs of business.

£3.00

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