

07-23 Disregards for Grenfell Tower, Post Office Compensation and Vaccine Damage Payments

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introduction

1. This memo gives guidance on the Social Security (Income and Capital Disregards) (Amendment) Regulations 2023¹ [SS (I&C Dis) (Amdt) Regs 2023], SI 2023/640. The changes take effect from 9.7.23.

1 [SS \(I&C Dis\) \(Amdt\) Regs 2023; SI 2023/640](#)

Background

2. These regulations¹ ensure that certain payments are disregarded for the purposes of calculating entitlement to IS, JSA(IB), ESA(IR) and SPC.

3. These regulations¹

1. expand the existing disregard for Grenfell Tower payments
2. create a new disregard for Post Office compensation payments, **and**
3. ensure that partners of persons in respect of whom a payment under the relevant legislation² is made are covered by a disregard.

[1 SS \(I&C Dis\) \(Amdt\) Regs 2023](#); [2 Vaccine Damage Payments Act 1979](#)

4. These amendment regulations¹ also provide that

1. Grenfell Tower payments **and**
2. Post Office compensation payments

will be exempt from the Department's compensation recovery scheme². This means that compensation payments will not be reduced.

Note: Payments made under relevant legislation³ to or in respect of the injured person are already exempt.

[1 SS \(I&C Dis\) \(Amds\) Regs 2023, regs 9,10](#);

[2 Social Security \(Recovery of Benefits\) \(Lump Sum Payments\) Regulations 2008, reg 7](#)

[3 Vaccine Damage Payments Act 1979](#)

Definitions

5. These regulations¹ insert new definitions for:

1. Post Office Compensation Payments (see paragraph 6)
2. Grenfell Tower Payments (see paragraph 7)
3. Vaccine Damage Payments (see paragraph 8)
4. Qualifying person (see paragraph 9)

[1. SS \(I&C Dis\) \(Amds\) Regs 2023](#)

Post Office Compensation Payments

6. Post Office Compensation Payment means a payment made by the Post Office or the Secretary

of State for the purpose of providing compensation or support in respect of the

1. Failings of the Horizon System **or**
2. Detriments identified in relevant case law¹

1 Bates and Others v Post Office Limited [2019] EWHC 606 (QB); [IS \(Gen\) Regs 1987, reg 2\(1\)](#);

[JSA Regs 1996, reg 1\(6\)](#); [SPC Regs 2002, reg 1\(2\)](#);

[ESA Regs 2008, reg 2\(1\)](#)

Grenfell Tower payments

7. Grenfell Tower Payment means a payment made for the purpose of providing compensation or support in respect of the fire on 14th June 2017 at Grenfell Tower¹

1 [IS \(Gen\) Regs 1987, reg 2\(1\)](#); [JSA Regs 1996, reg 1\(6\)](#);

[SPC Regs 2002, reg 1\(2\)](#); [ESA Regs 2008, reg 2\(1\)](#)

Vaccine Damage Payments

8. Vaccine damage payment means a payment under relevant legislation¹

1 Vaccine Damage Payments Act 1979; [IS \(Gen\) Regs 1987, reg 2\(1\)](#); [JSA Regs 1996, reg 1\(6\)](#);

[SPC Regs 2002, reg 1\(2\)](#); [ESA Regs 2008, reg 2\(1\)](#)

Qualifying Person

9. In the definition of qualifying person, a

1. Post Office compensation payment **or**
2. Vaccine Damage payment

is inserted into relevant legislation¹. This means prescribed persons that receive a payment from these schemes is added to the definition of a qualifying person.

1 [IS \(Gen\) Regs 1987, reg 2\(1\)](#); [JSA Regs 1996, reg 1\(6\)](#);

Capital Disregards

10. These regulations¹ provide that for

1. IS²
2. JSA(IB)³
3. ESA(IR)⁴
4. SPC⁵

a Post Office compensation payment, Grenfell Tower payment, or vaccine damage payment will be disregarded indefinitely from a person's capital.

1 SS (I&C Dis) (Amds) Regs 2023; 2 [IS \(Gen\) Regs 1987, Sch 10, para 22](#);

3 [JSA Regs 1996, Sch 8, para 27](#); 4 [ESA Regs 2008, Sch 9, paras 27\(1A\) to \(6\)](#);

5 [SPC Regs 2002, Sch 5, para 15\(1A\)](#)

11. These regulations provide that for

1. IS
2. JSA(IB)
3. ESA(IR)
4. SPC

any Post Office compensation payment, Grenfell Tower payment, or vaccine damage payment is disregarded indefinitely if the payment is made

1. by or on behalf of the person who got the money from the schemes and that person
 1. is a qualifying person **or**
 2. was a qualifying person if the person has died **and**
2. to or for the benefit of
 1. a partner of former partner of the person who got the money from the schemes and they

are not estranged, divorced or part of a dissolved civil partnership or were not if the person has died¹or

2. a child or young person who

2.2.a is a member of the family of the person who got the money from the schemes **or**

2.2.b was a member of that person's family and is a member of the claimant's family²

1 IS (Gen) Regs 1978, Sch 10, para 22(2); JSA Regs 1996, Sch 8, para 27(2);

ESA Regs 2008, Sch 9, para 27(2); SPC Regs 2002, Sch 5, para 15(2)

2 IS (Gen) Regs 1978, Sch 10, para 22(2); JSA Regs 1996, Sch 8, para 27(2);

ESA Regs 2008, Sch 9, para 27(2);

12. A payment from money which a partner or former partner gets from the schemes is disregarded indefinitely if the payment is made

1. by or on behalf of a partner or former partner of a person who

1. is a qualifying person **or**

2. was a qualifying person if the person has died

and they are not estranged, divorced or part of a dissolved civil partnership or were not if the person has died¹ **and**

2. to or for the benefit of

1. a partner or former partner of the person who got the money from the schemes and they are not estranged, divorced or part of a dissolved civil partnership or were not if the person has died¹**or**

2. a child or young person who

2.2.a is a member of the family of the person who got the money from the schemes **or**

2.2.b was a member of that person's family and is a member of the claimant's family²

1 IS (Gen) Regs 1978, Sch 10, para 22(3); JSA Regs 1996, Sch 8, para 27(3);

ESA Regs 2008, Sch 9, para 27(3); SPC Regs 2002, Sch 5, para 15(3)

2 IS (Gen) Regs 1978, Sch 10, para 22(3); JSA Regs 1996, Sch 8, para 27(3);

ESA Regs 2008, Sch 9, para 27(3);

13. These regulations also provide that for

1. IS
2. JSA(IB)
3. ESA(IR)
4. SPC

any Post Office compensation payment, Grenfell Tower payment, or vaccine damage payment is disregarded

1. from the date of payment until two years after the date of death of the person if the payment is made by or on behalf of the person who received the payment¹**or**
2. for two years from the date of death if the payment is made from the estate of that person²

where that person

1. is a qualifying person **and**
2. has no

2.1 partner or former partner from whom the person is not estranged, divorced or part of a dissolved civil partnership **or**

2.2 child who is or has been a member of the person's household **and**

3. to the

3.1 person's parent or step-parent **or**

3.2 person standing in place of the parent if there is no parent or step-parent and at the date of the payment the person is a

i. a child **or**

ii. student who has not finished FTE.

1 IS (Gen) Regs 1978, Sch 10, para 22(4); JSA Regs 1996, Sch 8, para 27(4);

ESA Regs 2008, Sch 9, para 27(4); SPC Regs 2002, Sch 5, para 15(4)

2 IS (Gen) Regs 1978, Sch 10, para 22(5); JSA Regs 1996, Sch 8, para 27(5);

ESA Regs 2008, Sch 9, para 27(5); SPC Regs 2002, Sch 5, para 15(5)

14. Any capital which a person gets from the income or capital of the payment is disregarded indefinitely¹

1 IS (Gen) Regs 1978, Sch 10, para 22(6); JSA Regs 1996, Sch 8, para 27(6);

ESA Regs 2008, Sch 9, para 27(6); SPC Regs 2002, Sch 5, para 15(6)

Vaccine Damage Payments

15. In relation to vaccine damage payments the disregard at paragraph 9 applies where

1. a person who is severely disabled as a result of vaccination receives a payment under relevant legislation **or**
2. the partner of a person referred to in 1. receives a payment which is derived from
 1. that payment from that person **or**
 2. their estate **or**
3. the payment is made to the personal representative of a person who was
 1. severely disabled as a result of vaccination **or**
 2. to their partner from their estate.

1 Vaccine Damage Payments Act 1979

NOTIONAL CAPITAL

16. For IS¹, JSA(IB)² & ESA(IR)³, any Post Office compensation payment or vaccine damage payment paid to

1. a third party for the claimant or their partner or
2. the claimant or their partner for a third party

is not to be treated as notional capital.

1 IS (Gen) Regs 1987, reg 51(3B); 2 JSA Regs 1996, reg 113(3B);

ESA Regs 2008, reg 115(5A)

INCOME DISREGARDS

17. Fully disregard¹

1. any Grenfell Tower payments or Post Office compensation payments in IS, JSA(IB) and ESA(IR)
and
2. any income from capital that was a Grenfell Tower payment or Post Office compensation payment in IS, JSA(IB), ESA(IR) and SPC.

Note: Grenfell Tower payments and Post Office compensation payments are not prescribed income for SPC.

¹ [IS \(Gen\) Regs, Sch 9, paras 39\(1A\) to 39\(6\)](#)

[JSA Regs, Sch 7, para 41\(1A\)](#) [ESA Regs, Sch 8, paras 41\(1A\) to \(6\)](#); [SPC Regs, Sch V, para 15\(6\)](#)

18. Grenfell Tower payments and Post Office compensation payments are also disregarded for the following purposes:

1. Payments to a Third Party in respect of a claimant or their partner¹
2. Non-dependants' gross weekly income for the purposes of calculating deductions for allowable housing costs²
3. Income treated as Capital³

¹ [IS \(Gen\) Regs, reg 42\(ZA\)\(a\)](#) [JSA Regs, reg 105\(10A\)\(a\)](#) [ESA Regs, Sch 6, para 107\(5A\)](#)

² [IS \(Gen\) Regs, Sch 3, para 18\(8\)\(b\)](#) [JSA Regs, Sch 2, para 17\(8\)\(b\)](#) [ESA Regs, Sch 6, para 19\(8\)\(b\)](#) [SPC Regs, Sch 2, para 14\(8\)\(bd\)](#)

³ [IS \(Gen\) Regs, reg 48\(10\)](#) [JSA Regs, reg 110\(10\)](#) [ESA Regs, reg 112\(8\)\(b\)](#)

Annotations

Please annotate the number of this memo (Memo DMG) against the following DMG paragraphs: **23775**,

[28350, 28450, 28468, 28472, 28477, 28479, 28515, 28670, 28681, 29418, 29447,](#)
[29448, 29450, 29861, 29862, 44611, 51210, 51341, 51360, 51363, 51384, 51418, 51598, 51606,](#)
[52418, 52446, 52449, 52450, 52729, 52861, 52862, 78524, 84475, 84476, 84477, 85370](#)

Contacts

If you have any queries about this memo, please write to Decision Making and Appeals (DMA) Leeds, 3E zone E, Quarry House, Leeds. Existing arrangements for such referrals should be followed, as set out in – Memo [4/19](#) Requesting case guidance from DMA Leeds for all benefits.

DMA (Leeds): July

2023