

2007 No. 2613

SOCIAL SECURITY

The Social Security Benefit (Computation of
Earnings) (Amendment) Regulations 2007

Made - - - - 7th September 2007

Laid before Parliament 10th September 2007

Coming into force in accordance with regulation 1

The Treasury, in exercise of the powers conferred upon them by sections 3(2) and (3) and 175(1), (1A), (3) and (4) of the Social Security Contributions and Benefits Act 1992(a), with the concurrence of the Secretary of State for Work and Pensions, makes the following Regulations.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security Benefit (Computation of Earnings) (Amendment) Regulations 2007.

(2) This regulation and regulation 2(1) and (5) shall come into force on 1st October 2007.

(3) Paragraphs (2) and (3) of regulation 2, in so far as they relate to a particular beneficiary, shall come into force on the first day of the first benefit week to commence for that beneficiary on or after 1st October 2007.

(4) Regulation 2(4), in so far as it relates to a particular beneficiary, shall come into force on the first day of the first benefit week to commence for that beneficiary on or after 7th April 2008.

(5) In these Regulations—

“benefit week” has the meaning given in regulation 2(1) of the Computation of Earnings Regulations;

“the Computation of Earnings Regulations” means the Social Security Benefit (Computation of Earnings) Regulations 1996(b).

[Regulation 2 amends regulations 12, 13 and Schedule 1 of S.I. 1996/2745.]

Dave Watts
Steve McCabe

7th September 2007 Two of the Lords Commissioners of Her Majesty’s Treasury

(a) 1992 c. 4. Section 3(2) was amended, and the power to make regulations under it transferred to the Treasury, by paragraph 3 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2). Paragraph 29 of Schedule 3 to that Act amended paragraphs (1) and (4), and inserted paragraph (1A), of section 175. Section 175(1A) was subsequently amended by Schedule 6 to the Tax Credits Act 2002 (c. 21).

(b) S.I. 1996/2745.

The Secretary of State for Work and Pensions concurs.

3rd September 2007

Bill McKenzie
Parliamentary Under Secretary of State,
Department for Work and Pensions

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security (Computation of Earnings) Regulations 1996.

Regulation 2(2) amends regulation 12 to remove the provision which disregards as earnings of a self-employed earner certain payments received in connection with the provision of accommodation by the claimant. These payments will be disregarded from a claimant's net profit under regulation 13(2)(a).

Regulation 2(3) amends regulation 13 to provide that there will be no deduction of expenses from a self-employed earner's net profit in respect of any expenses incurred in connection with the provision of accommodation by the claimant to another person in the dwelling that the claimant occupies as his home.

Regulation 2(4) amends Schedule 1 to provide a disregard of £20 per week in respect of payments received from a sub-tenancy arrangement. Where the payments are less than £20 per week, the disregard will be the whole of the payments. Previously, the regulations provided for a basic disregard and a further disregard where the payments included an amount for heating.

Regulation 2(5) also amends Schedule 1 to provide that where a claimant's employment as an employed earner ends before the claimant becomes entitled to certain benefits, payments made in respect of that employment (with some exceptions) will be disregarded in the calculation of the claimant's earnings.

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