

2004 No. 2825**SOCIAL SECURITY****The Social Security (Housing Costs Amendments)
Regulations 2004***Made - - - - 28th October 2004**Laid before Parliament 4th November 2004**Coming into force in accordance with regulation 1(2)*

The Secretary of State for Work and Pensions, in exercise of the powers conferred upon him by sections 123(1)(a), 135(1), 137(1) and 175(1) and (3) to (5) of the Social Security Contributions and Benefits Act 1992(a), sections 4(5), 35(1) and 36(2) and (4) of the Jobseekers Act 1995(b) and sections 2(3)(b), 17(1) and 19(1) of the State Pension Credit Act 2002(c) and of all other powers enabling him in that behalf, after agreement by the Social Security Advisory Committee that proposals in respect of these Regulations should not be referred to it(d), hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security (Housing Costs Amendments) Regulations 2004.

(2) These Regulations shall come into force—

- (a) except for the purposes of regulation 3(a), on 28th November 2004, and
- (b) for the purposes of regulation 3(a), on 28th November 2005.

(3) In these Regulations—

“the Income Support Regulations” means the Income Support (General) Regulations 1987(e);

“the Jobseeker’s Allowance Regulations” means the Jobseeker’s Allowance Regulations 1996(f); and

“the State Pension Credit Regulations” means the State Pension Credit Regulations 2002(g).

[Regulation 2(3)(a) amends paragraph 10 to Schedule 3 of S.I. 1987/1967.]

[Regulation 2(3)(b) amends paragraph 9 to Schedule 2 of S.I. 1996/207.]

[Regulation 2(3)(c) amends paragraph 7(1) to Schedule 11 of S.I. 2002/1792.]

[Regulation 2(4)(a) amends paragraph 12 to Schedule 3 of S.I. 1987/1967.]

(a) 1992 c. 4. Section 137(1) is an interpretation provision and is cited because of the meaning ascribed to the word “prescribed”. Section 175(1) and (4) was amended by the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2).

(b) 1995 c. 18. Section 35(1) is an interpretation provision and is cited because of the meaning ascribed to the words “prescribed” and “regulations”.

(c) 2002 c. 16. Section 17(1) is an interpretation provision and is cited because of the meaning ascribed to the words “prescribed” and “regulations”.

(d) See section 173(1)(b) of the Social Security Administration Act 1992 (c. 5).

(e) S.I. 1987/1967.

(f) S.I. 1996/207.

(g) S.I. 2002/1792.

[Regulation 2(4)(b) amends paragraph 11 to Schedule 2 of S.I. 1996/207.]

[Regulation 2(4)(c) amends paragraph 9 to Schedule 11 of S.I. 2002/1792.]

[Regulation 2(5) amends paragraph 1(2) to Schedule 3 of S.I. 1987/1967.]

[Regulation 3 amends Schedule 9A of S.I. 1987/1968.]

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

28th October 2004

Chris Pond
Parliamentary Under-Secretary of State,
Department for Work and Pensions

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the provisions of the Income Support (General) Regulations 1987 (S.I. 1987/1967), the Jobseeker's Allowance Regulations 1996 (S.I. 1996/207) and the State Pension Credit Regulations 2002 (S.I. 2002/1792) allowing a claimant's housing costs to be met. They also make small consequential amendments to the Social Security (Claims and Payments) Regulations 1987 (S.I. 1987/1968).

Regulation 2(4) substitutes the same new provisions for paragraph 12 of Schedule 3 to the Income Support (General) Regulations 1987, paragraph 11 of Schedule 2 to the Jobseeker's Allowance Regulations 1996 and paragraph 9 of Schedule II to the State Pension Credit Regulations 2002. These paragraphs set the standard rate which is used to calculate the amount of interest on a loan that will be met under those Regulations. The new sub-paragraphs (2) and (3) set the standard rate by reference to the Bank of England base rate from a date to be determined by the Secretary of State. The new sub-paragraph (4) applies to specified cases and sets the standard rate by reference to the actual rate of interest on a loan. By virtue of the new sub-paragraph (5), these specified cases will move onto the standard rate determined in accordance with the new sub-paragraph (2) during the year after these Regulations come into force. The new sub-paragraph (6) sets the standard rate for a transitional period.

Regulation 2(5) amends Schedule 3 to the Income Support (General) Regulations 1987 and Schedule 2 to the Jobseeker's Allowance Regulations 1996. It amends the circumstances in which a claimant can remortgage and the standard rate will still be set by reference to the actual rate of interest on their loan.

Regulation 3 makes consequential amendments to the Social Security (Claims and Payments) Regulations 1987. Amendment (a) comes into force a year after the other provisions in these Regulations by which time the wording omitted will be redundant.

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