

1998 No. 1174

SOCIAL SECURITY

The Social Security (Miscellaneous Amendments) (No.4) Regulations 1998

<i>Made</i> - - - -	<i>7th May 1998</i>
<i>Laid before Parliament</i>	<i>11th May 1998</i>
<i>Coming into force</i>	<i>1st June 1998</i>

The Secretary of State for Education and Employment, in relation to regulation 3(2) of these Regulations and the Secretary of State for Social Security, in relation to the remainder of these Regulations, in exercise of the powers conferred by sections 12(1), (2) and (4)(b) and (d), 19(10)(c), 21, 35(1) and 36(1), (2) and (4) of, and paragraphs 4 and 10(1) of Schedule 1 to, the Jobseekers Act 1995(a), sections 123(1), 136(3), (4) and (5)(b), 137(1) and 175(1), (3) and (4) of the Social Security Contributions and Benefits Act(b) and sections 5(1)(i) and 189(1) and (4) of the Social Security Administration Act 1992(c), and of all other powers enabling each of them in that behalf, after consultation in respect of provisions in these Regulations relating to housing benefit and council tax benefit, with organisations appearing to the Secretary of State for Social Security to be representative of the authorities concerned(d) and after agreement by the Social Security Advisory Committee that proposals in respect of these Regulations should not be referred to it(e), hereby make the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security (Miscellaneous Amendments) (No. 4) Regulations 1998 and shall come into force on 1st June 1998.

(2) In these Regulations —

“the Council Tax Benefit Regulations” means the Council Tax Benefit (General) Regulations 1992(f);

“the Disability Working Allowance Regulations” means the Disability Working Allowance (General) Regulations 1991(g);

“the Family Credit Regulations” means the Family Credit (General) Regulations 1987(h);

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- (a) 1995 c. 18; section 35(1) is an interpretation provision and is cited because of the meaning ascribed to the words “prescribed” and “regulations”.
- (b) 1992 c. 4; sections 123(1)(e) and 137 were amended to have effect with respect to council tax benefit by Schedule 9 to the Local Government Finance Act 1992 (c. 14), paragraphs 1 and 9; section 137(1) is an interpretation provision and is cited because of the meaning ascribed to the word “prescribed”.
- (c) 1992 c. 5; section 5 was amended to have effect in relation to jobseeker’s allowance by the Jobseekers Act 1995 (c. 18), Schedule 2, paragraph 39.
- (d) See section 176(1) of the Social Security Administration Act 1992 (c. 5).
- (e) See sections 170 and 173(1)(b) of the Social Security Administration Act 1992, (c. 5); paragraph 67 of Schedule 2 to the Jobseekers Act 1995 added that Act to the list of “relevant enactments” in respect of which regulations must normally be referred to the Committee.
- (f) S.I.1992/1814.
- (g) S.I.1991/2887.
- (h) S.I.1987/1973.

“the Housing Benefit Regulations” means the Housing Benefit (General) Regulations 1987(a);

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

“the Jobseeker’s Allowance Regulations” means the Jobseeker’s Allowance Regulations 1996(c).

Revocation

2. The Jobseeker’s Allowance (Amendment) Regulations 1998(d) (which increase the number of waiting days for a jobseeker’s allowance from 3 to 7) are hereby revoked.

[Regulation 3 amends regulation 75, and adds regulation 88A and Chapter IVA to S.I. 1996/207.]

[Regulation 4 amends Schedule 7 to S.I. 1996/207.]

[Regulation 5 amends Schedule 8 to S.I. 1996/207.]

[Regulation 6 adds regulation 23A and Chapter IVA to S.I. 1987/1967.]

[Regulation 7 amends regulation 31, Schedule 4 and Schedule 5 to S.I. 1992/1718, regulation 34, Schedule 3 and Schedule 4 to S.I. 1991/2887, regulation 31, Schedule 2 and Schedule 3 to S.I. 1987/1973, regulation 40, Schedule 4 and Schedule 5 to S.I. 1987/1971, and Schedule 9 and Schedule 10 to S.I. 1987/1967.]

[Regulation 8 revokes regulation 18 of S.I. 1997/2863, deletes para 62 and adds para 66 to S.I. 1987/1971, amends regulation 26A and Schedule 7 to S.I. 1987/1968.]

Signed by authority of the Secretary of State for Education and Employment.

7th May 1998

Alan Howarth
Parliamentary Under-Secretary of State,
Department for Education and Employment

Signed by authority of the Secretary of State for Social Security.

7th May 1998

Frank Field
Minister of State,
Department of Social Security

(a) S.I.1987/1971.
(b) S.I.1987/1967.
(c) S.I.1996/207.
(d) S.I.1998/71.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Jobseeker's Allowance Regulations 1996 (S.I.1996/207), the Income Support (General) Regulations 1987 (S.I.1987/1967), the Housing Benefit (General) Regulations 1987 (S.I.1987/1971), the Council Tax Benefit (General) Regulations 1992 (S.I.1992/1814), the Family Credit (General) Regulations 1987 (S.I.1987/1973), the Disability Working Allowance (General) Regulations 1991 (S.I.1991/2887), the Social Security Amendment (New Deal) Regulations 1997 (S.I.1997/2863) and the Social Security (Claims and Payments) Regulations 1987 (S.I.1987/1968).

They also revoke the Jobseeker's Allowance (Amendment) Regulations 1998 (S.I.1998/71) which increased the number of waiting days before which a person may be entitled to a jobseeker's allowance from 3 to 7 (regulation 2).

In particular, these Regulations prescribe that part of the Employment Option of the New Deal (as prescribed in regulation 8 of the Social Security Amendment (New Deal) Regulations 1997 (S.I.1997/2863)) shall consist of assistance in pursuing self-employed earner's employment ("the self-employment route") (regulation 3(2)). By so doing, the regulations provide that the self-employment route is an employment programme for the purposes of section 19 of the Jobseekers Act 1995 (c.18) and that if a person, without good cause, refuses or fails to participate in the self-employment route, or loses his place on the self-employment route due to misconduct, he will receive a sanction under section 19 of that Act.

The Regulations also make various amendments to the rules on the treatment of income and capital in the benefits referred to above which are consequential on the introduction of the self-employment route —

— they provide that income paid to a participant in respect of the period when he is receiving assistance under the self-employment route and which derives directly from the receipt of such assistance shall, for the purposes of jobseeker's allowance and income support, be subject to special rules as to its calculation and the date it is taken into account and treated as paid (regulations 3(3) and (4) and 6(2) and (3)) and that such income, for the purposes of council tax benefit, disability working allowance, family credit and housing benefit, shall be treated as capital (regulation 7(1) and (2));

— they provide that mandatory payments made to participants in the self-employment route shall be disregarded both as income (regulations 4(a) and 7(3) and (4)) and as capital (regulations 5(b) and 7(9) and (10));

— they provide that payments in respect of expenses incurred in receiving assistance under the self-employment route and amounts used or intended to be used to maintain repayments on loans taken out to help establish or carry on the activity to be assisted under the self-employment route shall be disregarded as income (regulations 4(b), 6(4) and 7(5) and (6));

— they provide that business assets of persons receiving assistance under the self-employment route shall, in certain circumstances, be disregarded as capital (regulations 5(a) and 7(7) and (8));

— they provide that capital intended for purchasing business assets for use whilst receiving assistance under the self-employment route shall be disregarded (regulations 5(c) and 7(11) and (12)).

Regulation 8(1) and (2) both revoke a consequential amendment in the Social Security Amendment (New Deal) Regulations 1997 and make a technical amendment relating to the numbering of paragraphs in Schedule 4 to the Housing Benefit (General) Regulations 1987. Regulation 8(3) makes a consequential amendment to the Social Security (Claims and Payments) Regulations 1987 relating to the date on which relevant changes of circumstances are to have effect for the purposes of persons entitled to a jobseeker's allowance or to income support.

These Regulations do not impose any charge on business.

