

Draft Order laid before Parliament under sections 150(2) and 190(1)(a) of the Social Security Administration Act 1992, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2004 No.

SOCIAL SECURITY

**The Child Benefit and Guardian's
Allowance Up-rating Order 2004**

Made - - - - *March 2004*
Coming into force - - *12th April 2004*

Whereas the Treasury have conducted a review under subsection (1)(a)(i) of section 150 of the Social Security Administration Act 1992(1), insofar as concerns guardian's allowance, and under paragraph (i) of that subsection (child benefit);

And whereas, it having appeared to them that the general level of prices was higher at the end of the period under review than it was at the beginning, a draft of the following Order was laid before, and approved by resolution of, each House of Parliament in accordance with sections 150(2) and 190(1)(a) of that Act;

Now therefore the Treasury, in exercise of the powers conferred by sections 150 and 189(4) of that Act and now exercisable by them (2), make the following Order:

Citation and commencement

1. This Order may be cited as the Child Benefit and Guardian's Allowance Up-rating Order 2004 and shall come into force on 12th April 2004.

Amendment of Schedule 4 to the Social Security Contributions and Benefits Act 1992

2. In paragraph 5 of Part III of Schedule 4 to the Social Security Contributions and Benefits Act 1992 (amount of guardian's allowance) for "£11.55" substitute "£11.85"(3).

(1) 1992 c. 5

(2) The functions of the Secretary of State in respect of child benefit and guardian's allowance under Part 10 of the Act relevant to the making of this Order were transferred to the Treasury by section 49(3) of the Tax Credits Act 2002 (c. 21).

(3) Last amended by S.I.2003/526.

Amendment of the Child Benefit and Social Security (Fixing and Adjustment of Rates) Regulations 1976

3. In regulation 2(1) of the Child Benefit and Social Security (Fixing and Adjustment of Rates) Regulations 1976⁽⁴⁾—

- (a) in sub-paragraph (a)(i) for “£16.05” substitute “£16.50”;
- (b) in sub-paragraph (a)(ii) “£17.55” remains unchanged; and
- (c) in sub-paragraph (b) for “£10.75” substitute “£11.05”.

March 2004

Two of the Lords Commissioners of Her
Majesty’s Treasury

(4) S.I. [1976/1267](#): the amounts in sub-paragraphs (a)(i) and (b) were last increased by article 14 of S.I. [2003/526](#).

EXPLANATORY NOTE

(This note is not part of the Order)

This Order is made by the Treasury as the consequence of a review, conducted by them under section 150 of the Social Security Administration Act 1992 (c. 5), of the general level of prices. It details the amounts mentioned in section 150(1) which it falls to the Treasury to determine in consequence of the transfer of functions in respect of child benefit and guardian's allowance under section 49(3) of the Tax Credits Act 2002 (c. 21).

Article 1 provides for the citation and commencement of the Order.

Article 2 increases the weekly rate of guardian's allowance prescribed in paragraph 5 of Part III of Schedule 4 to the Social Security Contributions and Benefits Act 1992 (c. 4) from £11.55 to £11.85.

Article 3 increases the weekly rates of child benefit prescribed in sub-paragraphs (a)(i) and (b) of regulation 2(1) of the Child Benefit and Social Security (Fixing and Adjustment of Rates) Regulations 1976 (S.I. 1976/1267). The effect is to increase the amount for the eldest or only child from £16.05 to £16.50 and for any other child from £10.75 to £11.05.

Article 3 also confirms that the rate prescribed in 2(1)(a)(ii) (payable in respect of the eldest or only child living with a lone parent) remains £17.55. This is only payable in transitional cases where the rate was applicable in the case of a child who was living with a lone parent in 1998 and has continued to do so.

This Order does not impose any new costs on business.