STATUTORY INSTRUMENTS

# 1998 No. 1581

# SOCIAL SECURITY

The Child Benefit and Social Security (Fixing and Adjustment of Rates) (Amendment) Regulations 1998

Made	-	-	-	-		30th June 1998
Coming	into	force	2	-	-	6th July 1998

Whereas a draft of this instrument was laid before Parliament in accordance with section 80(1) of the Social Security Act 1998(1) and approved by resolution of each House of Parliament;

Now, therefore, the Secretary of State for Social Security, in exercise of powers conferred on her by sections 72(1) and 79(1) and (3) to (6) of the Social Security Act 1998 and of all other powers enabling her in that behalf, by this instrument which is made before the end of the period of six months beginning with the coming into force of that enactment(**2**), hereby makes the following Regulations:

### Citation, commencement and interpretation

**1.**—(1) These Regulations, which may be cited as the Child Benefit and Social Security (Fixing and Adjustment of Rates) (Amendment) Regulations 1998, shall come into force on 6th July 1998.

- (2) In these Regulations—
  - "the 1987 Regulations" means the Income Support (General) Regulations 1987(3);
  - "the 1996 Regulations" means the Jobseeker's Allowance Regulations 1996(4);

"the principal Regulations" means the Child Benefit and Social Security (Fixing and Adjustment of Rates) Regulations 1976(5).

#### Amendment of regulation 2 of the principal Regulations

**2.**—(1) Subject to regulations 3 and 4 below (persons in receipt of specified benefits, transitional provisions and savings), regulation 2 of the principal Regulations (weekly rates of child benefit) shall be amended in accordance with the following provisions of this regulation.

(2) In paragraph (1)—

<sup>(1) 1998</sup> c. 14.

<sup>(2)</sup> See section 173(5)(a) of the Social Security Administration Act 1992 (c. 5).

<sup>(3)</sup> S.I. 1987/1967; relevant amending instruments S.I. 1988/1445, 1998/470 and 766.

<sup>(4)</sup> S.I. 1996/207; relevant amending instruments S.I. 1998/470 and 766.

<sup>(5)</sup> S.I. 1976/1267; relevant amending instruments S.I. 1991/502, 1993/965, 1996/599 and 1803, 1997/1328 and 1998/470.

- (a) in sub-paragraph (a)(i) the words "(not being a child to whom head (ii) of this subparagraph applies)" shall be omitted; and
- (b) sub-paragraph (a)(ii) shall be omitted.
- (3) In paragraph (2ZB) the words "or (ii)" shall be omitted.
- (4) In paragraph (2A) the words "Subject to paragraph (2AB)," and "("A")" shall be omitted.
- (5) Paragraphs (2), (2AB) and (4)(c) shall be omitted.

### Persons ceasing to receive specified benefits

3.—(1) Where a lone parent—

- (a) is, on 5th July 1998, in receipt of any of the specified benefits to which regulation 2(5) of the principal Regulations refers and in consequence is entitled to child benefit only at the rate specified in regulation 2(1)(a)(i) of those Regulations;
- (b) ceases on or after 6th July 1998 to receive the specified benefit; and
- (c) applies for the higher rate of child benefit within one month of ceasing to receive the specified benefit,

regulation 2 of the principal Regulations shall continue to have effect in his case as though regulation 2 above had not been made, but only for so long as the lone parent continuously satisfies the conditions for the higher rate of child benefit and the higher rate continues to exceed the rate for the time being specified in regulation 2(1)(a)(i) of the principal Regulations(6).

(2) In this regulation and regulation 4 below "the higher rate of child benefit" means the rate of child benefit specified in paragraph (1)(a)(ii) of regulation 2 of the principal Regulations, as in force on 5th July 1998.

#### Transitional provisions and savings

4.--(1) Where---

- (a) on 5th July 1998, a lone parent is in receipt of the higher rate of child benefit;
- (b) on or before 5th July 1998, a lone parent has made a claim for child benefit or has applied for a review of an award to secure that the higher rate of child benefit is paid in his case and that higher rate is payable for the week which includes 5th July 1998;
- (c) on or after 6th July 1998, a lone parent claims child benefit and-
  - (i) satisfies the entitlement conditions for the higher rate of child benefit;
  - (ii) the claim is made within three months of entitlement to the higher rate first arising on that claim; and
  - (iii) that rate of child benefit is payable for the week which includes 5th July 1998; or
- (d) child benefit is already in payment to a lone parent on 5th July 1998 but at the rate specified in regulation 2(1)(a)(i) of the principal Regulations and on or after 6th July 1998—
  - (i) that parent applies for a review of that award and satisfies the entitlement conditions in regulation 2 of the principal Regulations for the higher rate of child benefit;
  - (ii) the application is received within one month of entitlement to the higher rate first arising; and
  - (iii) that rate of child benefit is payable for the week which includes 5th July 1998,

regulation 2 of the principal Regulations shall continue to have effect in his case as though regulation 2 above had not been made, but only for so long as the lone parent continuously

<sup>(6)</sup> SeeS.I. 1998/470; article 13 for current rates of benefit.

satisfies the conditions for entitlement to the higher rate of child benefit and the higher rate continues to exceed the rate for the time being specified in regulation 2(1)(a)(i) of the principal Regulations.

(2) Subject to paragraph (3) below, paragraph (4) below applies to a lone parent who is in receipt of income support or an income-based jobseeker's allowance ("the relevant benefit") and his applicable amount includes—

- (a) a family premium under either—
  - (i) paragraph 3(1)(a) of Schedule 2 to the 1987 Regulations; or
  - (ii) paragraph 4(1)(a) of Schedule 1 to the 1996 Regulations;
- (b) a pensioner premium under either—
  - (i) paragraph 9, 9A or 10 of Schedule 2 to the 1987 Regulations; or
  - (ii) paragraph 10 or 12 of Schedule 1 to the 1996 Regulations; or
- (c) a disability premium under either-
  - (i) paragraph 11 of Schedule 2 to the 1987 Regulations; or
  - (ii) paragraph 13 of Schedule 1 to the 1996 Regulations,

on the date he ceases to be in receipt of the relevant benefit.

(3) Where a person's applicable amount includes either a pensioner premium or a disability premium in accordance with the provisions specified in paragraph (2)(b) or (c) above on the date he ceases to be in receipt of a relevant benefit, paragraph (4) below shall only apply where—

- (a) that person was a lone parent on 5th April 1998; and
- (b) his applicable amount on 5th April 1998 included any of the premiums referred to in paragraph (2) above.
- (4) In the case of a lone parent to whom this paragraph applies and who-
  - (a) was on 5th July 1998 in receipt of child benefit at the rate specified in regulation 2(1)(a)
    (i) of the principal Regulations;
  - (b) ceases to receive the relevant benefit upon entering paid employment; and
  - (c) applies for a review of the award of child benefit within one month of his ceasing to receive the relevant benefit,

regulation 2 of the principal Regulations shall continue to have effect with respect to his first application for a review of the award of child benefit made on or after 6th July 1998, as though regulation 2 above had not been made and where the higher rate of child benefit is payable in consequence of that review, it shall be so payable from Monday in the week the lone parent enters paid employment, but only for so long as the lone parent continuously satisfies the conditions for entitlement to the higher rate of child benefit and the higher rate continues to exceed the rate for the time being specified in regulation 2(1)(a)(i) of the principal Regulations.

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

Patricia Hollis Parliamentary Under-Secretary of State, Department of Social Security

30th June 1998

## **EXPLANATORY NOTE**

(This note is not part of the Regulations)

These Regulations, with exceptions, amend the Child Benefit (Fixing and Adjustment of Rates) Regulations 1976 (S.I. 1976/1267) ("the 1976 Regulations") so as to revoke the conditions for entitlement to the higher rate of child benefit for a lone parent.

Provision is made for lone parents who cease to be in receipt of certain benefits specified in the 1976 Regulations after these Regulations come into force and who claim child benefit at the higher rate within one month of ceasing to receive the specified benefit, to be entitled to the higher rate of child benefit while they continuously satisfy the conditions for that higher rate.

Transitional provisions preserve a person's entitlement to the higher rate of child benefit where-

- (a) the parent is in receipt of the higher rate of child benefit on 5th July 1998 ("the date");
- (b) on or before the date, the parent has claimed child benefit or applied for child benefit at the higher rate and it is payable on the date;
- (c) the parent claims child benefit within 3 months of becoming entitled to that rate and child benefit is payable on the date;
- (d) the parent is in receipt of child benefit but not at the higher rate and in consequence of a review is entitled to the higher rate and it is payable on the date, provided that the parent applies for the review within one month of becoming so entitled; or
- (e) the parent is receiving either income support or income-based jobseeker's allowance ("the relevant benefit") and his applicable amount includes a family premium at the lone parent rate, a pensioner premium or a disability premium when the relevant benefit ends, where the premium is a disability or a pensioner premium it was included in his applicable amount on 5 April 1998 and on starting work he applies for a review of an award of child benefit within one month of ceasing to receive the relevant benefit,

but only for so long as he continuously satisfies the conditions for an award of child benefit at the higher rate.

These Regulations are made before the end of the period of six months beginning with the coming into force of section 72 of the Social Security Act 1998; they are accordingly exempt from referral to the Social Security Advisory Committee under section 173(5)(a) of the Social Security Administration Act 1992 (c. 5) and have not been so referred.

These Regulations do not impose a charge on business.