STATUTORY INSTRUMENTS

2000 No. 2910

SOCIAL SECURITY

The Social Security Amendment (Employment Zones) (No. 2) Regulations 2000

Made - - - - 28th October 2000

Laid before Parliament 3rd November 2000

Coming into force - - 27th November 2000

The Secretary of State for Social Security, in exercise of the powers conferred upon him by sections 123(1)(a), (d) and (e), 136(3) and (5)(b) and (c), 137(1) and 175(1), (3) and (4) of the Social Security Contributions and Benefits Act 1992(a) and sections 12(1) and (4)(b) and (c), 21, 35(1) and 36(1), (2) and (4) of, and paragraph 1(2)(b) of Schedule 1 to, the Jobseekers Act 1995(b), and of all other powers enabling him 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 to be representative of the authorities concerned(c) and 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 Amendment (Employment Zones) (No. 2) Regulations 2000 and shall come into force on 27th November 2000.
- (2) In these Regulations—
 - "the Council Tax Benefit Regulations" means the Council Tax Benefit (General) Regulations 1992(e);
 - "the Housing Benefit Regulations" means the Housing Benefit (General) Regulations 1987(f);
 - "the Income Support Regulations" means the Income Support (General) Regulations 1987(g);
 - "the Jobseeker's Allowance Regulations" means the Jobseeker's Allowance Regulations 1996(h).

⁽a) 1992 c. 4; section 123(1)(e) was substituted by the Local Government Finance Act 1992 (c. 14), Schedule 9, paragraph 1(1); section 137(1) is an interpretation provision and is cited because of the meaning ascribed to the word "prescribed".

⁽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) See section 176(1) of the Social Security Administration Act 1992 (c. 5).

⁽d) See sections 170 and 173(1)(b) of the Social Security Administration Act 1992; 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.

⁽e) S.I. 1992/1814; the relevant amending instrument is S.I. 1998/1174.

⁽f) S.I. 1987/1971; the relevant amending instrument is S.I. 1998/1174.

⁽g) S.I. 1987/1967; the relevant amending instrument is S.I. 1998/1174.

⁽h) S.I. 1996/207; the relevant amending instrument is S.I. 1998/1174.

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Definitions

- **2.**—(1) In each of the regulations specified in paragraph (2) below (interpretation), there shall be inserted the following definition in the appropriate place—
 - ""self-employment route" means—
 - (a) that part of the Employment Option of the New Deal which is specified in regulation 75(1)(a)(ii)(aa)(ii) of the Jobseeker's Allowance Regulations 1996; or
 - (b) assistance in pursuing self-employed earner's employment whilst participating in an employment zone programme;".
 - (2) The regulations specified in this paragraph are—
 - (a) regulation 2(1) of the Council Tax Benefit Regulations;
 - (b) regulation 2(1) of the Housing Benefit Regulations;
 - (c) regulation 2(1) of the Income Support Regulations.
- (3) In regulation 1(3) of the Jobseeker's Allowance Regulations (interpretation), after the definition of "self-employed earner" there shall be inserted the following definition—
 - "self-employment route" means—
 - (a) that part of the Employment Option of the New Deal which is specified in regulation 75(1)(a)(ii)(aa)(ii); or
 - (b) assistance in pursuing self-employed earner's employment whilst participating in an employment zone programme;".

Remunerative work

- **3.** In regulation 53 of the Jobseeker's Allowance Regulations (persons treated as not engaged in remunerative work), after paragraph (b), there shall be inserted the following paragraph—
 - "(bb) he is receiving assistance in pursuing self-employed earner's employment whilst participating in an employment zone programme;".

Common amendments

- **4.**—(1) In the provisions specified in paragraph (2) below, for the words from "an employment programme" to the words "New Deal)" there shall be substituted the words "the self-employment route".
 - (2) The provisions specified for the purposes of paragraph (1) above are—
 - (a) in the Council Tax Benefit Regulations—
 - (i) regulation 31(7);
 - (ii) paragraph 66(1) of Schedule 4;
 - (iii) paragraphs 7(3) and 55 of Schedule 5;
 - (b) in the Housing Benefit Regulations—
 - (i) regulation 40(7);
 - (ii) paragraph 66(1) of Schedule 4;
 - (iii) paragraphs 7(3) and 55 of Schedule 5;
 - (c) in the Income Support Regulations—
 - (i) paragraph 64(1) of Schedule 9;
 - (ii) paragraphs 6(3) and 52 of Schedule 10;
 - (d) in the Jobseeker's Allowance Regulations—
 - (i) paragraph 62(1) of Schedule 7;
 - (ii) paragraphs 11(3) and 47 of Schedule 8.

Consequential amendments

- 5.—(1) In the Income Support Regulations—
 - (a) in both the title to regulation 23A and in that regulation, the words "of the Employment Option of the New Deal" shall be omitted;
 - (b) in regulation 39A, the definition of "self-employment route" shall be omitted;

- (c) in the titles to Chapter IVA and to regulations 39B, 39C and 39D and in both regulations 39C(1)(a) and 39D(1), the words "of the Employment Option of the New Deal" shall be omitted.
- (2) In the Jobseeker's Allowance Regulations—
 - (a) in the title to regulation 88A and in that regulation, the words "of the Employment Option of the New Deal" shall be omitted;
 - (b) in regulation 102A, the definition of "self-employment route" shall be omitted;
 - (c) in the titles to Chapter IVA and to regulations 102B, 102C and 102D and in both regulations 102C(1)(a) and 102D(1), the words "of the Employment Option of the New Deal" shall be omitted.
- (3) In both regulation 31(7) of the Council Tax Benefit Regulations and regulation 40(7) of the Housing Benefit Regulations, for the words "those Regulations" there shall be substituted the words "the Jobseeker's Allowance Regulations 1996".

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

Angela Eagle
Parliamentary Under-Secretary of State,
Department of Social Security

28th October 2000

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(This note is not part of the Regulations)

These Regulations amend the Income Support (General) Regulations 1987 (S.I. 1987/1967), the Jobseeker's Allowance Regulations 1996 (S.I. 1996/207), the Housing Benefit (General) Regulations 1987 (S.I. 1987/1971) and the Council Tax Benefit (General) Regulations 1992 (S.I. 1992/1814).

In particular, regulation 2 amends the definition of "self-employment route" to provide that income paid to people who are receiving assistance in pursuing self-employed earner's employment whilst participating in an employment zone programme 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.

They also provide—

that persons receiving assistance in pursuing self-employed earner's employment whilst participating in an employment zone programme shall not be treated as engaged in remunerative work for the purposes of a claim for a jobseeker's allowance (regulation 3);

that, in council tax benefit and housing benefit, such income shall be treated as capital (regulation 4(1) and (2)(a)(i) and (b)(i));

that payments in respect of expenses incurred in receiving such assistance 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 shall be disregarded as income (regulation 4(1) and (2)(a)(ii), (b)(ii), (c)(i) and (d)(i);

that business assets of persons receiving such assistance shall, in certain circumstances, be disregarded as capital and capital intended for purchasing business assets for use whilst receiving such assistance shall be disregarded (regulation 4(1) and (2)(a)(iii), (b)(iii), (c)(iii) and (d)(ii)).

Regulation 2 inserts a relevant definition and regulation 5 makes consequential amendments.

These Regulations do not impose any charge on business.

