STATUTORY INSTRUMENTS

2001 No. 1029

SOCIAL SECURITY

The Social Security Amendment (New Deal) Regulations 2001

Made - - - - 15th March 2001
Laid before Parliament 16th March 2001
Coming into force 9th April 2001

The Secretary of State for Education and Employment, in relation to regulations 2(a) and 4 to 6, and the Secretary of State for Social Security, in relation to the remainder of the Regulations, in exercise of the powers conferred by sections 4(5), 12(4)(a) and (b), 19(2), (8)(b) and (10)(c), 20(4), 20B(4), 21, 35(1) and 36(1), (2) and (4) of, and paragraph 3(b) of Schedule 1 to, the Jobseekers Act 1995(a) and sections 123(1), 135(1), 136(5)(a) and (b), 137(1) and 175(1), (3) and (4) of the Social Security Contributions and Benefits Act 1992(b), 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 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 make the following Regulations:

Citation, commencement and interpretation

- 1.—(1) These Regulations may be cited as the Social Security Amendment (New Deal) Regulations 2001 and shall, subject to paragraph (2) below, come into force on 9th April 2001.
- (2) Regulations 11(b)(iii) and 14(b)(iv) below shall respectively come into force immediately after regulations 12(b)(iii) and 6(c) of the Social Security (Miscellaneous Amendments) Regulations 2001(e).
 - (3) In these Regulations—

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

⁽a) 1995 c. 18. Section 20B was added by section 59 of, and paragraph 13 of Schedule 7 to, the Welfare Reform and Pensions Act 1999 (c. 30). Section 35(1) is cited because of the meaning ascribed to the words "prescribed" and "regulations".

⁽b) 1992 c. 4; section 123(1)(d) was inserted and section 137 amended, with respect to council tax benefit, by Schedule 9 to the Local Government Finance Act 1992 (c. 14). Section 137(1) is cited because of the meaning ascribed to the word "prescribed".

⁽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 (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.

⁽e) S.I. 2001/488.

⁽f) S.I. 1992/1814.

"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).

Interpretation

- 2. In regulation 1(3) of the Jobseeker's Allowance Regulations—
 - (a) after the definition of "the Independent Living Funds" there shall be inserted the following definition—

"Intensive Activity Period for 50 plus" means the programme known by that name and provided in pursuance of arrangements made by or on behalf of the Secretary of State under section 2 of the Employment and Training Act 1973, being a programme lasting for up to 52 weeks for any one individual aged 50 years or over on the day that he first joined any such programme, and consisting for that individual of any one or more of the following elements, namely employed earner's employment, assistance in pursuing self-employed earner's employment, education and training, work experience, assistance with job search, motivation and skills training;";

- (b) in the definition of "self-employment route"(d), at the end of paragraph (b)(ii), there shall be added the word "or", and then there shall be inserted the following—
 - "(iii) the Intensive Activity Period specified in regulation 75(1)(a)(iv); or
 - (iv) the Intensive Activity Period for 50 plus".

Linking periods

- 3. In regulation 48(2) of the Jobseeker's Allowance Regulations, for sub-paragraph (f)(ii) (e), there shall be substituted the following—
 - "(ii) in the Voluntary Sector Option of the New Deal specified in regulation 75(1)(a)(ii) (bb), in the Environment Task Force Option of the New Deal specified in regulation 75(1)(a)(ii)(cc), in the Intensive Activity Period specified in regulation 75(1)(a)(iv) or in the Intensive Activity Period for 50 plus and was not entitled to a jobseeker's allowance because, as a consequence of his participation, the claimant was engaged in remunerative work or failed to satisfy the condition specified either in section 2(1)(c) or in section 3(1)(a)."

Prescribed period for the purposes of sections 19(2) and 20A(3) of the Jobseekers Act 1995

- 4. In regulation 69 of the Jobseeker's Allowance Regulations(f)—
 - (a) in paragraph (1)(a), for the words "sub-paragraph (b) or (c)" there shall be substituted the words "sub-paragraph (b), (c) or (d)";
 - (b) in paragraph (1)(b)(ii)(aa), after the words "New Deal options" there shall be inserted the words "or the Intensive Activity Period specified in regulation 75(1)(a)(iv)";
 - (c) in paragraph (1)(b)(ii)(bb) for the word "and" at the end of the paragraph there shall be substituted the word "or";
 - (d) after paragraph (1)(b)(ii)(bb) there shall be added the following sub-head—
 - "(cc) where the determination in (i) above relates to the Intensive Activity Period specified in regulation 75(1)(a)(iv), on a previous occasion the jobseeker's allowance was determined not to be payable to him in circumstances falling within

⁽a) S.I. 1987/1971.

⁽b) S.I. 1987/1967.

⁽c) S.I. 1996/207.

⁽d) The definition of "self-employment route" was inserted by S.I. 2000/2910 and amended by S.I. 2001/652.

⁽e) Paragraph (2)(f)(ii) was inserted by S.I. 1997/2863.

⁽f) Regulation 69 was substituted by S.I. 2000/239 and amended by S.I. 2000/1370 and S.I. 2000/1978.

- section 19(5) or section 20A(2)(a) to (c) that relate to any Intensive Activity Period specified in regulation 75(1)(a)(iv), and";
- (e) after paragraph (1)(c) there shall be added the following sub-paragraph—
 - "(d) 26 weeks in any case (other than a case where a jobseeker's allowance is determined not to be payable in circumstances relating to the employment programme known as "Gateway to Work" specified in regulation 75(1)(a)(i)(bb)) in which—
 - (i) a jobseeker's allowance is determined not to be payable to the claimant in circumstances falling within section 19(5) or section 20A(2)(a) to (c) and the determination relates to an act or omission arising after this regulation comes into force in respect of the Intensive Activity Period specified in regulation 75(1)(a)(iv); and
 - (ii) on two or more previous occasions a jobseeker's allowance has been determined not to be payable to the claimant in circumstances falling within section 19(5) or section 20A(2)(a) to (c) and each such determination relates to any Intensive Activity Period specified in regulation 75(1)(a)(iv); and
 - (iii) no more than 12 months have elapsed between the beginning of the day on which the determination mentioned in (d)(i) above is made and the beginning of the first day on which a jobseeker's allowance was not payable to the claimant as a result of the determination which most recently preceded it whether the preceding determination is either—
 - (aa) a determination falling within sub-paragraph (b)(i) to which the circumstances in paragraph (b)(ii)(cc) apply; or
 - (bb) itself an earlier determination falling within sub-paragraph (d)(i).";
- (f) in paragraph (3)—
 - (i) after "(1)(c)" there shall be inserted the words "or (d)";
 - (ii) in sub-paragraph (c), after the words "New Deal options" there shall be inserted the words "or the Intensive Activity Period specified in regulation 75(1)(a) (iv)";
- (g) in paragraph (4)(a)(i)—
 - (i) after the words "Secretary of State" there shall be added the word "either";
 - (ii) after the words "New Deal options" there shall be added the words "or the day on which the claimant is or was no longer required to participate in the Intensive Activity Period specified in regulation 75(1)(a)(iv)".

Good cause for the purposes of sections 19(5)(b) and 20A(2)(b)

5. In regulation 73 of the Jobseeker's Allowance Regulations, in paragraph (2A)(a)(a), after the words "regulation 75(1)(a)(ii)" there shall be added the words "or (iv)".

Interpretation of sections 19 and 20A of the Jobseekers Act 1995 and Part V of the Jobseeker's Allowance Regulations

6. In regulation 75 of the Jobseeker's Allowance Regulations, after paragraph (1)(a)(iii)(b) there shall be inserted the following—

"and

(iv) the Intensive Activity Period, that is to say, the programme known by that name and provided in pursuance of arrangements made by or on behalf of the Secretary of State under section 2 of the Employment and Training Act 1973, being a programme lasting for up to 52 weeks for any one individual aged 25 years or over and less than 50 years on the first required entry date to any such programme, and consisting for that individual of any one or more of the following elements, namely employed earner's employment,

⁽a) Paragraph (2A) was inserted by S.I. 1997/2863.

⁽b) Regulation 75 was substituted by S.I. 1997/2863. Paragraph (1)(a)(iii) was inserted by S.I. 2000/721.

assistance in pursuing self-employed earner's employment, education and training, work experience, assistance with job search, motivation and skills training.".

(b) In paragraph (4), after the words "within paragraphs (1)(a)(ii)", there shall be inserted the words "or (iv) or the Intensive Activity period for 50 plus".

Notional income

- 7. In regulation 105 of the Jobseeker's Allowance Regulations—
 - (a) in paragraph (10A)(a), after sub-paragraph (c)(ii) there shall be inserted the following—
 - "(iia) in the Intensive Activity Period for 50 plus or in the Intensive Activity Period specified in regulation 75(1)(a)(iv); or";
 - (b) in paragraph (13A)(b), at the end of sub-paragraph (b)(i) there shall be added the words ", other than where the service is performed in connection with the claimant's participation in the Intensive Activity Period for 50 plus or in the Intensive Activity Period specified in regulation 75(1)(a)(iv)".

Notional capital

- **8.** In regulation 113(3A) of the Jobseeker's Allowance Regulations(c), after sub-paragraph (b)(ii) there shall be inserted the following—
 - "(iia) in the Intensive Activity Period for 50 plus or in the Intensive Activity Period specified in regulation 75(1)(a)(iv); or".

Meaning of "person in hardship" and "couple in hardship"

- **9.**—(1) In regulation 140(4A) of the Jobseeker's Allowance Regulations(**d**), for the words from "an employment programme" to the end of that paragraph there shall be substituted the words "one of the New Deal options or to the Intensive Activity Period specified in regulation 75(1)(a) (iv)".
- (2) At the end of regulation 146A(5) of the Jobseeker's Allowance Regulations(e), there shall be added the words "or to the Intensive Activity Period specified in regulation 75(1)(a)(iv)".

Period when a person is not a person in hardship or a couple is not a couple in hardship

- 10.—(1) At the end of both regulations 140A(1)(a) and 146B(1)(a) of the Jobseeker's Allowance Regulations(f), there shall be added the words "or in the Intensive Activity Period specified in regulation 75(1)(a)(iv)".
- (2) At the end of both regulations 140A(4) and 146B(4) of the Jobseeker's Allowance Regulations(g) there shall be added the words "or to the Intensive Activity Period specified in regulation 75(1)(a)(iv)".

Housing costs

- 11. In Schedule 2 to the Jobseeker's Allowance Regulations—
 - (a) in paragraph 4(4A)(h), at the end of paragraph (a), there shall be added the words ", in the Intensive Activity Period specified in regulation 75(1)(a)(iv) or in the Intensive Activity Period for 50 plus";
 - (b) in paragraph 13—
 - (i) in sub-paragraph (1)(ee)(i)(i), after the words "regulation 75(1)(a)(ii)" there shall be inserted the words ", in the Intensive Activity Period specified in regulation 75(1)(a)(iv) or in the Intensive Activity Period for 50 plus";

⁽a) Paragraph (10A) was inserted by S.I. 1998/2117.

⁽b) Paragraph (13A) was inserted by S.I. 2000/678.

⁽c) Paragraph (3A) was inserted by S.I. 1998/2117.

⁽d) Regulation 140(4A) was inserted by S.I. 1997/2863.

⁽e) Regulation 146A(5) was inserted by S.I. 2000/1978.

⁽f) Regulation 140A was inserted by S.I. 1997/2863. Regulation 146B was inserted by S.I. 2000/1978.

⁽g) Regulation 140A(4) was added by S.I. 2000/239.

⁽h) Paragraph 4(4A) was inserted by S.I. 1997/2863 and amended by S.I. 2000/1982.

⁽i) Paragraph 13(1)(ee) was inserted by S.I. 1997/2863.

- (ii) in sub-paragraph (3A)(a)—
 - (aa) in paragraph (a), after the words "regulation 75(1)(a)(ii)" there shall be inserted the words "in the Intensive Activity Period specified in regulation 75(1)(a)(iv) or in the Intensive Activity Period for 50 plus";
 - (bb) at the end, there shall be added the words "or activity";
- (iii) after sub-paragraph (14)(c)(iii)(b) there shall be added the following—
 "or
- (iv) the Intensive Activity Period specified in regulation 75(1)(a)(iv) or the Intensive Activity Period for 50 plus,".

Income to be disregarded

- 12. In Schedule 7 to the Jobseeker's Allowance Regulations—
- (a) in paragraph 14, for sub-paragraph (d)(c) there shall be substituted the following—
 - "(d) any child care expenses reimbursed to the claimant in respect of his participation in a New Deal option, in the Intensive Activity Period specified in regulation 75(1)(a)(iv) or in the Intensive Activity Period for 50 plus";
- (b) for paragraph 60(d), there shall be substituted the following—
 - **"60.** Any mandatory top-up payment made to a person pursuant to section 2 of the Employment and Training Act 1973 in respect of that person's participation in—
 - (a) the self-employment route;
 - (b) an employment-programme specified in-
 - (i) regulation 75(1)(a)(ii)(bb) (Voluntary Sector Option of the New Deal); or
 - (ii) regulation 75(1)(a)(ii)(cc) (Environment Task Force Option of the New Deal); or
 - (c) in the Intensive Activity Period specified in regulation 75(1)(a)(iv) or in the Intensive Activity Period for 50 plus".

Capital to be disregarded

- 13. For paragraph 45 of Schedule 8 to the Jobseeker's Allowance Regulations(e), there shall be substituted the following—
 - **"45.** Any mandatory top-up payment made to a person pursuant to section 2 of the Employment and Training Act 1973 in respect of that person's participation in—
 - (a) the self-employment route;
 - (b) an employment-programme specified in—
 - (i) regulation 75(1)(a)(ii)(bb) (Voluntary Sector Option of the New Deal); or
 - (ii) regulation 75(1)(a)(ii)(cc) (Environment Task Force Option of the New Deal); or
 - (c) the Intensive Activity Period specified in regulation 75(1)(a)(iv) or in the Intensive Activity Period for 50 plus,

but only for the period of 52 weeks from the date of receipt of the payment.".

⁽a) Paragraph 13(3A) was inserted by S.I. 1997/2863 and amended by S.I. 2000/724.

⁽b) Paragraph 13(14) was added by S.I. 2001/488.

⁽c) Paragraph 14(d) was inserted by S.I. 1997/2863.

⁽d) Paragraph 60 was substituted by S.I. 1998/1174.

⁽e) Paragraph 45 was substituted by S.I. 1998/1174.

Amendment of Schedule 3 to the Income Support Regulations

- 14. In Schedule 3 to the Income Support Regulations(a) (housing costs)—
 - (a) in paragraph 4(4A), at the end of paragraph (a), there shall be added the words ", in the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or in the Intensive Activity Period for 50 plus";
 - (b) in paragraph 14—
 - (i) in sub-paragraph (1)(ee)(i), after the words "Jobseeker's Allowance Regulations 1996" there shall be inserted the words ", in the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or in the Intensive Activity Period for 50 plus";
 - (ii) in sub-paragraph (3ZA)—
 - (aa) in paragraph (a), after the words "Jobseeker's Allowance Regulations 1996" there shall be inserted the words ", in the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those Regulations, in the Intensive Activity Period for 50 plus";
 - (bb) at the end, there shall be added the words "or activity";
 - (iii) in sub-paragraph (3B), after the words "Jobseeker's Allowance Regulations 1996" there shall be inserted the words ", in the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or in the Intensive Activity Period for 50 plus";
 - (iv) after sub-paragraph (12)(c)(iii)(b) there shall be added the following—

"or

(iv) the Intensive Activity Period specified in regulation 75(1)(a)(iv) of the Jobseeker's Allowance Regulations 1996 or the Intensive Activity Period for 50 plus,".

Common amendments

15.—(1) In both regulation 2(1) of the Council Tax Benefit Regulations and regulation 2(1) of the Housing Benefit Regulations (interpretation) there shall be inserted in the appropriate place the following definition—

""the New Deal options" means the employment programmes specified in regulation 75(1)(a)(ii) of the Jobseeker's Allowance Regulations 1996 and the training scheme specified in regulation 75(1)(b)(ii) of those Regulations;".

- (2) In each of the regulations specified in paragraph (3) below—
 - (a) there shall be inserted in the appropriate place the following definition—
 - ""Intensive Activity Period for 50 plus" means the programme known by that name and provided in pursuance of arrangements made by or on behalf of the Secretary of State under section 2 of the Employment and Training Act 1973, being a programme lasting for up to 52 weeks for any one individual aged 50 years or over on the day that he or she first joined any such programme, and consisting for that individual of any one or more of the following elements, namely employed earner's employment, assistance in pursuing self-employed earner's employment, education and training, work experience, assistance with job search, motivation and skills training;".
 - (b) in the definition of "self-employment route"(c), at the end of paragraph (b)(ii), there shall be added the word "or", and then there shall be inserted the following—

⁽a) Schedule 3 was substituted by S.I. 1995/1613; the relevant amending instruments are S.I. 1997/2863 and 2000/724.

⁽b) Paragraph 14(12) was added by S.I. 2001/488.

⁽c) The definition of "self-employment route" was inserted in each of these Regulations by S.I. 2000/2910 and amended by S.I. 2001/652.

- "(iii) the Intensive Activity Period specified in regulation 75(1)(a)(iv); or
- (iv) the Intensive Activity Period for 50 plus".
- (3) The regulations specified in this paragraph (interpretation) 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.
- (4) In each of the regulations specified in paragraph (5) of this regulation, after sub-paragraph (c)(ii) there shall be inserted the following—
 - "(iia) in the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or in the Intensive Activity Period for 50 plus; or".
 - (5) The regulations specified in this paragraph (which relate to notional income) are—
 - (a) regulation 26(3A) of the Council Tax Benefit Regulations(a);
 - (b) regulation 35(3A) of the Housing Benefit Regulations(b);
 - (c) regulation 42(4ZA) of the Income Support Regulations(c).
- (6) In each of the regulations specified in paragraph (7) of this regulation, at the end of subparagraph (b)(i) there shall be added the words ", other than where the service is performed in connection with the claimant's participation in the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or in the Intensive Activity Period for 50 plus".
 - (7) The regulations specified in this paragraph (which relate to notional earnings) are—
 - (a) regulation 26(5A) of the Council Tax Benefit Regulations(d);
 - (b) regulation 35(5A) of the Housing Benefit Regulations(e);
 - (c) regulation 42(6A) of the Income Support Regulations(f).
- (8) In each of the regulations specified in paragraph (9) of this regulation, after sub-paragraph (b)(ii) there shall be inserted the following—
 - "(iia) in the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or in the Intensive Activity Period for 50 plus; or".
 - (9) The regulations specified in this paragraph (which relate to notional capital) are—
 - (a) regulation 34(3A) of the Council Tax Benefit Regulations(g);
 - (b) regulation 43(3A) of the Housing Benefit Regulations(h);
 - (c) regulation 51(3A) of the Income Support Regulations(i).
- (10) In each specified paragraph of the Schedules specified in paragraph (11) of this regulation, for sub-paragraph (d)(j) there shall be substituted the following—
 - "(d) any child care expenses reimbursed to the claimant in respect of his participation in a New Deal option, in the Intensive Activity Period specified in regulation 75(1)(a) (iv) of the Jobseeker's Allowance Regulations 1996 or in the Intensive Activity Period for 50 plus";

⁽a) Regulation 26(3A) was inserted by S.I. 1998/2164.

⁽b) Regulation 35(3A) was inserted by S.I. 1998/2164.

⁽c) Regulation 42(4ZA) was inserted by S.I. 1998/2117.

⁽d) Regulation 26(5A) was inserted by S.I. 2000/678.

⁽e) Regulation 35(5A) was inserted by S.I. 2000/678.

⁽f) Regulation 42(6A) was inserted by S.I. 1999/2554.

⁽g) Regulation 34(3A) was inserted by S.I. 1998/2164.

⁽h) Regulation 43(3A) was inserted by S.I. 1998/2164. (i) Regulation 51(3A) was inserted by S.I. 1998/2117.

⁽j) Sub-paragraph (d) was inserted in each case by S.I. 1997/2863.

- (11) The paragraph numbers and Schedules specified in this paragraph (which relate to sums to be disregarded in the calculation of income other than earnings) are—
 - (a) paragraph 11 of Schedule 4 to the Council Tax Benefit Regulations;
 - (b) paragraph 11 of Schedule 4 to the Housing Benefit Regulations;
 - (c) paragraph 13 of Schedule 9 to the Income Support Regulations.
- (12) For each specified paragraph of the Schedules specified in paragraph (13) of this regulation, there shall be substituted the following paragraph—
 - "Any mandatory top-up payment made to a person pursuant to section 2 of the Employment and Training Act 1973 in respect of that person's participation in—
 - (a) the self-employment route;
 - (b) an employment programme specified in—
 - (i) regulation 75(1)(a)(ii)(bb) of those Regulations (Voluntary Sector Option of the New Deal);
 - (ii) regulation 75(1)(a)(ii)(cc) of those Regulations (Environment Task Force Option of the New Deal) or;
 - (c) the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or in the Intensive Activity Period for 50 plus.".
- (13) The paragraph numbers and Schedules specified in this paragraph (which relate to sums to be disregarded in the calculation of income other than earnings)(a) are—
 - (a) paragraph 64 of Schedule 4 to the Council Tax Benefit Regulations;
 - (b) paragraph 64 of Schedule 4 to the Housing Benefit Regulations;
 - (c) paragraph 62 of Schedule 9 to the Income Support Regulations.
- (14) For each specified paragraph of the Schedules specified in paragraph (15) of this regulation, there shall be substituted the following paragraph—
 - "Any mandatory top-up payment made to a person pursuant to section 2 of the Employment and Training Act 1973 in respect of that person's participation in—
 - (a) the self-employment route;
 - (b) an employment programme specified in—
 - (i) regulation 75(1)(a)(ii)(bb) of those Regulations (Voluntary Sector Option of the New Deal);
 - (ii) regulation 75(1)(a)(ii)(cc) of those Regulations (Environment Task Force Option of the New Deal) or;
 - (c) the Intensive Activity Period specified in regulation 75(1)(a)(iv) of those Regulations or in the Intensive Activity Period for 50 plus,

but only for the period of 52 weeks from the date of receipt of the payment.".

- (15) The paragraph numbers and Schedules specified in this paragraph (which relate to capital to be disregarded)(**b**) are—
 - (a) paragraph 53 of Schedule 5 to the Council Tax Benefit Regulations;
 - (b) paragraph 53 of Schedule 5 to the Housing Benefit Regulations;
 - (c) paragraph 50 of Schedule 10 to the Income Support Regulations.

⁽a) The specified paragraphs were inserted by S.I. 1997/2863 and substituted by S.I. 1998/1174.

⁽b) The specified paragraphs were inserted by S.I. 1997/2863 and substituted by S.I. 1998/1174.

Signed in relation to regulations 2(a) and 4 to 6 by authority of the Secretary of State for Education and Employment

13th March 2001

Tessa Jowell
Minister of State,
Department for Education and Employment

Signed in relation to the remainder of these Regulations by authority of the Secretary of State for Social Security

15th March 2001

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

EXPLANATORY NOTE

(This note is not part of the Regulations)

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

In particular, regulations 2(a) and 6 define respectively the Intensive Activity Period for 50 plus ("IAP for 50 plus") and the Intensive Activity Period ("IAP"). Regulation 6 provides that individuals aged between 25 and 49 participating in the IAP are considered to be participating in an employment programme for the purposes of sections 19 and 20A of the Jobseekers Act 1995 and the Jobseeker's Allowance Regulations. The effect of this is that if such a person, without good cause, refuses or fails to participate in the IAP or loses his place on the IAP because of misconduct, he will receive a sanction under section 19 or 20A. By definition, those aged 50 or over who are participating in the IAP for 50 plus are not considered to be participating in an employment programme for those purposes and are therefore not liable to sanction.

Regulation 4 amends regulation 69 of the Jobseeker's Allowance Regulations to provide a different period for a sanction that is applied in relation to the IAP. Regulation 5 provides an additional case where a person is to be regarded as having good cause for the purpose of sections 19(5)(b) and 20A(2)(b) of the Jobseekers Act 1995.

Where a person may not be entitled to a jobseeker's allowance as a result of any act or omission whilst on the IAP or is subject to sanctions in respect of that act or omission whilst a member of a joint-claim couple, regulation 9 amends the Jobseeker's Allowance Regulations so as to provide that such a person shall not be a person in hardship or, as the case may be, the couple of which he is a member shall not be a couple in hardship. Regulation 10 amends those Regulations so as to prescribe the period during which such a person shall not be a person in hardship and the period during which the couple of which that person is a member, shall not be a couple in hardship.

The Regulations also amend the Jobseeker's Allowance Regulations so as to allow claims for jobseeker's allowance separated by periods on the IAP or IAP for 50 plus to link (regulation 3).

These Regulations also amend both the Jobseeker's Allowance Regulations (regulation 11) and the Income Support Regulations (regulation 14) by allowing certain periods of participation in the IAP or IAP for 50 plus to be treated as periods of entitlement to those benefits for the purpose of applying the rules on payment of housing costs in those benefits and by extending to 52 weeks, certain maximum periods which link separate periods of benefit entitlement where a claimant has ceased to be entitled to income support or income-based jobseeker's allowance because he is participating in the IAP or the IAP for 50 plus.

These Regulations also make various amendments to the rules on the treatment of income and capital in the benefits referred to in the first paragraph above which are consequential on the introduction of the IAP and the IAP for 50 plus—

- —they amend the definition of "self-employment route" (regulations 2(b) and 15(2)(b) and (3)) to provide that income paid to people who are receiving assistance in pursuing self-employed earner's employment whilst participating in the IAP or IAP for 50 plus 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. This amendment also enables certain disregards to apply in all the benefits referred to in the first paragraph above in respect of the income and capital of such participants;
- —they provide that certain payments made to providers pursuant to the IAP or IAP for 50 plus shall not be treated as either notional income (regulations 7(a) and 15(4) and (5)) or as notional capital of the participant (regulations 8 and 15(8) and (9));
- —they provide that where a claimant performs a service in connection with the claimant's participation in an IAP or IAP for 50 plus for not less than three days in a week and a training allowance is not paid, that shall be an exception to the rule so that he shall not be attributed with notional earnings (regulations 7(b) and 15(6) and (7));

—they provide that certain payments of child care expenses reimbursed in respect of a claimant's participation in the IAP or IAP for 50 plus shall be disregarded (regulations 12(a) and 15(10) and (11));

—they provide that certain other payments made to IAP or IAP for 50 plus participants shall be disregarded both as income other than earnings (regulations 12(b) and 15(12) and (13)) and as capital (regulations 13 and 15(14) and (15)).

Regulation 15(1) makes a minor technical amendment in relation to the definition of the New Deal options and regulation 15(2)(a) and (3) inserts a definition of the IAP for 50 plus to apply across all the benefits.

These Regulations do not impose any charge on business.

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