



2010 CHAPTER 13

PART 1

SOCIAL SECURITY

Contributory jobseeker's allowance and employment and support allowance

Conditions for contributory jobseeker's allowance

11.—(1) Article 4 of the Jobseekers Order (jobseeker's allowance: the contribution-based conditions) is amended as follows.

(2) In paragraph (2), for sub-paragraph (b) substitute—

“(b) the claimant's relevant earnings for the base year upon which primary Class 1 contributions have been paid or treated as paid are not less than the base year's lower earnings limit multiplied by 26.”.

(3) After that paragraph insert—

“(2A) Regulations may make provision for the purposes of paragraph (2) (b) for determining the claimant's relevant earnings for the base year.

(2B) Regulations under paragraph (2A) may, in particular, make provision—

- (a) for making that determination by reference to the amount of a person's earnings for periods comprised in the base year;
- (b) for determining the amount of a person's earnings for any such period by—
 - (i) first determining the amount of the earnings for the period in accordance with regulations made for the purposes of section 3(2) of the Benefits Act, and

(ii) then disregarding so much of the amount found in accordance with head (i) as exceeded the base year's lower earnings limit (or the prescribed equivalent)."

(4) In paragraph (3A), for "paragraphs (2)(b) and (3)" substitute "paragraph (3)".

(5) After that paragraph insert—

"(3B) Regulations may—

(a) provide for the first set of conditions to be taken to be satisfied in the case of persons—

(i) who have been entitled to any prescribed description of benefit during any prescribed period or at any prescribed time, or

(ii) who satisfy other prescribed conditions;

(b) with a view to securing any relaxation of the requirements of the first set of conditions in relation to persons who have been entitled as mentioned in sub-paragraph (a)(i), provide for that set of conditions to apply in relation to them subject to prescribed modifications.

(3C) In paragraph (3B)—

"the first set of conditions" means the condition set out in paragraph (1)

(a) and the additional conditions set out in paragraph (2);

"benefit" means—

(a) any benefit within the meaning of section 121(1) of the Benefits Act,

(b) any benefit under Parts 7 to 12 of the Benefits Act,

(c) credits under regulations under section 22(5) of the Benefits Act,

(d) a contribution-based jobseeker's allowance, and

(e) working tax credit."

(6) In paragraph 46 of Schedule 1 to the National Insurance Contributions Act 2002 (c. 19) (which amended Article 4(2)(b) of the Jobseekers Order), for "Article 4(2)(b) and (3)" substitute "Article 4(3)".

Conditions for contributory employment and support allowance

12.—(1) Paragraph 1 of Schedule 1 to the Welfare Reform Act (employment and support allowance: conditions relating to national insurance) is amended as follows.

Status: This is the original version (as it was originally enacted).

(2) In sub-paragraph (1)(a) (Class 1 or Class 2 contributions to have been paid in respect of one of the last three complete tax years), for “three” substitute “two”.

(3) In sub-paragraph (1), for paragraph (c) substitute—

“(c) the claimant’s earnings determined in accordance with sub-paragraph (2) must be not less than the base tax year’s lower earnings limit multiplied by 26.”.

(4) For sub-paragraphs (2) and (3) substitute—

“(2) The earnings referred to in sub-paragraph (1)(c) are the aggregate of

(a) the claimant’s relevant earnings for the base tax year upon which primary Class 1 contributions have been paid or treated as paid, and

(b) the claimant’s earnings factors derived from Class 2 contributions.

(3) Regulations may make provision for the purposes of sub-paragraph (2)(a) for determining the claimant’s relevant earnings for the base tax year.

(3A) Regulations under sub-paragraph (3) may, in particular, make provision—

(a) for making that determination by reference to the amount of a person’s earnings for periods comprised in the base tax year;

(b) for determining the amount of a person’s earnings for any such period by—

(i) first determining the amount of the earnings for the period in accordance with regulations made for the purposes of section 3(2) of the Contributions and Benefits Act, and

(ii) then disregarding so much of the amount found in accordance with sub-paragraph (i) as exceeded the base tax year’s lower earnings limit (or the prescribed equivalent).”.

(5) In sub-paragraph (4)—

(a) in paragraph (a), for “persons who” substitute “persons—

(i) who”,

(b) in that paragraph, after “prescribed time” insert “, or

(ii) who satisfy other prescribed conditions”, and

(c) in paragraph (b), for “so entitled” substitute “entitled as mentioned in paragraph (a)(i)”.