
STATUTORY RULES OF NORTHERN IRELAND

2004 No. 8

Housing Renewal Grants (Reduction of Grant) Regulations (Northern Ireland) 2004

PART IV

INCOME AND CAPITAL

CHAPTER III

employed earners

Earnings of employed earners

25.—(1) Subject to paragraph (2), “earnings” means in the case of employment as an employed earner, any remuneration or profit derived from that employment and includes –

- (a) any bonus or commission;
- (b) any payment in lieu of remuneration except any periodic sum paid to a relevant person on account of the termination of his employment by reason of redundancy;
- (c) any payment in lieu of notice or any lump sum payment intended as compensation for the loss of employment but only insofar as it represents loss of income;
- (d) any holiday pay except any payable more than 4 weeks after termination or interruption of the employment;
- (e) any payment by way of a retainer;
- (f) any payment made by the relevant person’s employer in respect of expenses not wholly, exclusively and necessarily incurred in the performance of the duties of the employment, including any payment made by the employer in respect of –
 - (i) travelling expenses incurred by the relevant person between his home and place of employment,
 - (ii) expenses incurred by the relevant person under arrangements made for the care of a member of his family owing to the relevant person’s absence from home;
- (g) any award of compensation made under Article 146(4) or 151(1) of the Employment Rights (Northern Ireland) Order 1996⁽¹⁾ (remedies and compensation for unfair dismissal);
- (h) any such sum as is referred to in section 112(3) of the 1992 Act (certain sums to be earnings for social security purposes);

⁽¹⁾ *S.I. 1996/1919 (N.I. 16)*; Article 146(4) was amended by paragraph 10 of Schedule 1 to the Employment Rights (Dispute Resolution) (Northern Ireland) Order 1998 (*S.I. 1998/1256 (N.I. 8)*) and paragraph 11 of Schedule 9 to the Employment Relations (Northern Ireland) Order 1999 (*S.I. 1999/2790 (N.I. 9)*)

- (i) any statutory sick pay under Part XI of the 1992 Act or statutory maternity pay under Part XII of that Act or a corresponding payment under any statute of the Parliament of the United Kingdom extending solely to Great Britain;
 - (j) any payment made under the legislation of, or under any scheme operating in, the Republic of Ireland which is analogous to income to which sub-paragraphs (g) to (i) relate;
 - (k) any remuneration paid by or on behalf of an employer to the relevant person who for the time being is on parental leave or is absent from work because he is ill.
 - (l) the amount of any payment by way of a non-cash voucher which has been taken into account in the computation of a person's earnings in accordance with regulation 18(22) to (25) of the Social Security (Contributions) Regulations (Northern Ireland) 1979(2);
 - (m) any amount, where a relevant person qualifies for the national minimum wage under section 1 of the National Minimum Wage Act 1998(3), which under section 17 of that Act that person shall be taken to be entitled to be paid under his contract as additional remuneration in respect of any pay reference period falling within the 52 weeks immediately preceding the application.
- (2) Earnings shall not include –
- (a) subject to paragraph (3), any payment in kind;
 - (b) any payment in respect of expenses wholly, exclusively and necessarily incurred in the performance of the duties of the employment;
 - (c) any occupational pension.
- (3) Paragraph 2(a) shall not apply in respect of any non-cash voucher referred to in paragraph (1).
- (4) In this regulation, “any pay reference period” means the period prescribed by the Secretary of State in regulations made under section 1(4) of the National Minimum Wage Act 1998.

Determination of net earnings of employed earners

26.—(1) For the purposes of regulation 21 (average weekly earnings of employed earners), the earnings of a relevant person derived from employment as an employed earner to be taken into account shall, subject to paragraph (2), be his net earnings as determined under paragraph (3).

(2) There shall be disregarded from a relevant person's net earnings, any sum, where applicable, specified in any of paragraphs 1 to 16 or 18 of Schedule 2.

(3) For the purposes of paragraph (1) net earnings shall be determined by taking into account the gross earnings of the relevant person from that employment over the assessment period, less –

- (a) any amount deducted from those earnings by way of –
 - (i) income tax,
 - (ii) primary Class 1 contributions under the 1992 Act;
- (b) one-half of any sum paid by the relevant person by way of a contribution towards an occupational pension scheme;
- (c) one-half of the amount calculated in accordance with paragraph (4) in respect of any qualifying contribution payable by the relevant person; and
- (d) where those earnings include a payment which is payable under any statutory provision having effect in Great Britain and which corresponds to statutory sick pay or statutory maternity pay, any amount deducted from those earnings by way of any contributions

(2) S.R. 1979 No. 186; paragraphs (22) to (25) were added by regulation 3(d) of S.R. 1999 No. 119

(3) 1998 c. 39

which are payable under any statutory provision having effect in Great Britain and which correspond to primary Class 1 contributions under the 1992 Act.

(4) The amount in respect of any qualifying contribution shall be calculated by multiplying the daily amount of the qualifying contribution by the number equal to the number of days in the assessment period; and for the purposes of this regulation the daily amount of the qualifying contribution shall be determined –

- (a) where the qualifying contribution is payable monthly, by multiplying the amount of the qualifying contribution by 12 and dividing the product by 365;
- (b) in any other case, by dividing the amount of the qualifying contribution by the number equal to the number of days in the period to which the qualifying contribution relates.

(5) Where the relevant person is an employed earner in the Republic of Ireland the amounts to be deducted for income tax and primary Class 1 contributions under this regulation shall be such amounts as would have been deducted had the relevant person been employed in Northern Ireland.

(6) In this regulation “qualifying contribution” means any sum which is payable periodically as a contribution towards a personal pension scheme.