

1989 No. 1323

SOCIAL SECURITY

**The Income Support (General) Amendment No. 2
Regulations 1989**

Made - - - - - *28th July 1989*

Coming into force

regulations 1, 2 and 5(a)(iii) *21st August 1989*

*regulations 3, 4, 5(a)(i) and
(ii), (b) and (c) and 6 to 18* *9th October 1989*

Whereas a draft of this instrument was laid before Parliament in accordance with section 29(2) of the Social Security Act 1989(a) and approved by resolution of each House of Parliament.

Now, therefore, the Secretary of State for Social Security in exercise of the powers conferred by sections 20(3)(d) and (12)(c) and (d) and 22(1), (8) and (9) of the Social Security Act 1986(b) and sections 166(1) to (3) of the Social Security Act 1975(c) and of all other powers enabling him in that behalf, after agreement by the Social Security Advisory Committee that the proposals to make these Regulations, in so far as they are required to be referred to it, should not be so referred, hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Income Support (General) Amendment No. 2 Regulations 1989 and shall come into force as follows—

- (a) regulations 1, 2 and 5(a)(iii), on 21st August 1989;
- (b) regulations 3, 4, 5(a)(i) and (ii), (b) and (c) and 6 to 18, on 9th October 1989.

(2) In these Regulations “the General Regulations” means the Income Support (General) Regulations 1987(d).

Amendment of regulation 2 of the General Regulations

2. In regulation 2 of the General Regulations (interpretation), in paragraph (1), in the definition of “training allowance”, after the words “full-time education” there shall be added the words “, other than under arrangements made under section 2 of the Employment and Training Act 1973(e).”.

Amendment of regulation 5 of the General Regulations

3. In regulation 5 of the General Regulations (persons treated as engaged in remunerative work), in paragraph (5), for the reference “regulation 35(1)(b) to (d)” there shall be substituted the reference “regulation 35(1)(b) to (d) and (i)”.

(a) 1989 c.24.

(b) 1986 c.50; section 20(3)(d) and (12)(d) were amended by section 13 of the Social Security Act 1989.

(c) 1975 c.14.

(d) S.I. 1987/1967; relevant amending instruments are S.I. 1988/663, 999 and 2022.

(e) 1973 c.50.

Amendment of regulation 7 of the General Regulations

4. Regulation 7 of the General Regulations (meaning of employment) shall become regulation 7(1) and—

- (a) after the words “Income Support)” there shall be inserted the words “in so far as it relates to the condition of availability for employment”;
- (b) at the end there shall be added the following paragraph—

“(2) For the purposes of section 20(3)(d) of the Act in so far as it relates to the condition of actively seeking employment, work which is treated as employment for the purposes of paragraph (1) and employment as a self-employed earner under any scheme for assisting claimants to become self-employed earners established under arrangements made pursuant to section 2 of the Employment and Training Act 1973 shall be treated as employment.”.

Amendment of regulation 10 of the General Regulations

5. In regulation 10 of the General Regulations (circumstances in which claimants are not to be treated as available for employment)—

- (a) in paragraph (1)—
 - (i) the word “suitable” shall be omitted where it occurs in sub-paragraphs (a) and (b);
 - (ii) in sub-paragraph (d) at the beginning there shall be inserted the words “subject to paragraphs (4) to (6),”; and the following heads shall be substituted for heads (ii) and (iii)—
 - “(ii) the restrictions are reasonable in view of his physical or mental condition; or
 - (iii) he has a usual occupation and those restrictions relate to it and are consistent with conditions which are usual in that occupation;”;
 - (iii) in sub-paragraph (h), for the reference “paragraph 1, 2, 7 or 20” there shall be substituted the reference “paragraph 1, 2, 7, 11 or 20”;
- (b) in paragraph (3), sub-paragraph (a) shall be omitted;
- (c) after paragraph (3) there shall be added the following paragraphs—

“(4) A determination that paragraph (1)(d) does not apply by reason of the circumstances prescribed in head (iii) of that paragraph shall have effect for a period not exceeding 13 weeks beginning—

- (a) in a case where the claimant is not entitled to unemployment benefit and has not been entitled to that benefit for any day since he was last in remunerative work, on the first day for which the claimant makes a claim for income support since the last day on which he was in remunerative work, or vocational training in his usual occupation, or incapable of work;
 - (b) in any other case, on the first day for which a claim for unemployment benefit is made since the claimant was last in remunerative work.
- (5) In determining the length of the period for the purposes of paragraph (4) regard shall be had to—
- (a) the claimant’s usual occupation and any relevant skills and qualifications which he has acquired;
 - (b) the length of the periods during which he has undergone training relevant to his usual occupation;
 - (c) the length of the periods during which he has been employed in his usual occupation and the period since he was last so employed; and
 - (d) the availability and location of employment in his usual occupation.
- (6) For the purposes of paragraph (1)(d), in deciding whether a claimant has no reasonable prospects of securing employment regard shall be had, in particular, to the length of the period during which he has been unemployed.”.

Insertion of regulation 10A in the General Regulations

6. After regulation 10 of the General Regulations (circumstances in which claimants are not to be treated as available for employment) there shall be inserted the following regulation—

“Actively seeking employment

10A.—(1) A claimant shall not be required to be a person who is actively seeking employment where, by virtue of regulation 8 (persons not required to be available for employment), he is not required to be available for employment.

(2) A claimant, other than a person to whom regulation 10(1)(h) applies, shall not be required to be a person who is actively seeking employment during any week in which the adjudication officer is satisfied that, unless income support is paid, the claimant or a member of his family (if any) will suffer hardship.

(3) Subject to paragraph (4), a claimant shall be treated as actively seeking employment in any week if, and only if, he takes such steps in that week as he would be required to take under regulations made under subsection (2)(aa)(i) of section 17 of the Social Security Act(a) in order to be regarded as actively seeking employed earner’s employment in that week for the purposes of that section.

(4) A claimant shall be treated as actively seeking employment in respect of any week for which he is, or would have been had he made a claim for unemployment benefit, deemed to have been actively seeking employment under regulations made under section 17(1)(a)(i) of the Social Security Act(b).

(5) For the purposes of this regulation, in relation to a claimant, “week” has the meaning prescribed in regulations made under section 17(2)(aa)(ii) of the Social Security Act which—

- (a) if he is entitled to unemployment benefit, applies in his case; and
- (b) if he is not entitled to unemployment benefit, would have applied in his case if each of the days for which he claims income support would have fallen within a period of interruption of employment had he claimed unemployment benefit under that Act in respect of those days.”.

Amendment of regulation 22 of the General Regulations

7. In regulation 22 of the General Regulations (reductions in applicable amounts in certain cases of actual or notional unemployment benefit disqualification), in paragraph (5) after the words “available for employment)” there shall be inserted the words “or a claimant who is not required to be actively seeking employment by virtue of regulation 10A(2) (actively seeking employment)”.

Amendment of regulation 28 of the General Regulations

8. In regulation 28 of the General Regulations (calculation of income), in paragraph (2), for the words from “regulations 41 to 43” to the end of that paragraph there shall be substituted the words “regulations 41 and 42 (capital treated as income and notional income).”.

Amendment of regulation 29 of the General Regulations

9. In regulation 29 of the General Regulations (calculation of earnings derived from employed earner’s employment and income other than earnings)—

- (a) in paragraph (2) for the reference “and (4A)” there shall be substituted the reference “and (4A) to (4D)”;
- (b) for paragraph (4) there shall be substituted the following paragraph—

“(4) In a case to which paragraph (3) applies, earnings under regulation 35 (earnings of employed earners) shall be taken into account in the following order of priority—

- (a) earnings normally derived from the employment;

(a) Section 17(2)(aa) was inserted by the Social Security Act 1989, section 10(3).

(b) Section 17(1)(a) was amended by the Social Security Act 1989, section 10(2).

- (b) any payment to which paragraph (1)(b) or (c) of that regulation applies;
- (c) any payment to which paragraph (1)(i) of that regulation applies;
- (d) any payment to which paragraph (1)(d) of that regulation applies.”;
- (c) after paragraph (4A) there shall be inserted the following paragraphs—

“(4B) Where earnings to which regulation 35(1)(i)(i) applies (earnings of employed earners) are paid in respect of or on the termination of any employment which is not part-time employment, the period over which they are to be taken into account shall be—

- (a) a period equal to such number of weeks as is equal to the number (less any fraction of a whole number) obtained by dividing the net earnings by the maximum weekly amount which, on the date on which the payment of earnings is made, is specified in paragraph 8(1)(c) of Schedule 14 to the Employment Protection (Consolidation) Act 1978(a); or
 - (b) a period equal to the length of the specified period,
- whichever is the shorter, and that period shall begin on the date on which the payment is treated as paid under regulation 31 (date on which income is treated as paid).

(4C) Any earnings to which regulation 35(1)(i)(ii) applies which are paid in respect of or on the termination of part-time employment, shall be taken into account over a period equal to one week.

(4D) In this regulation—

- (a) “part-time employment” means employment in which a person is not to be treated as engaged in remunerative work under regulation 5 or 6 (persons treated, or not treated, as engaged in remunerative work);
- (b) “specified period” means a period equal to—
 - (i) the period of notice which is applicable to a person, or would have been applicable if it had not been waived; less
 - (ii) any part of that period during which the person has continued to work in the employment in question or in respect of which he has received a payment to which regulation 35(1)(c) applies,
 and for the purposes of this definition “period of notice” means the period of notice of termination of employment to which a person is entitled by statute or by contract, whichever is the longer, or, if he is not entitled to such notice, the period of notice which is customary in the employment in question.”.

Amendment of regulation 32 of the General Regulations

10. In regulation 32 of the General Regulations (calculation of weekly amount of income)—

- (a) in paragraph (1) for the reference “paragraphs (2) to (5)” there shall be substituted the reference “paragraphs (2) to (7)”;
- (b) after paragraph (6) there shall be added the following paragraph—

“(7) Where any payment of earnings is taken into account under paragraph (4C) of regulation 29 (calculation of earnings derived from employed earner’s employment and income other than earnings), over the period specified in that paragraph, the amount to be taken into account shall be equal to the amount of the payment.”.

Amendment of regulation 35 of the General Regulations

11. In regulation 35 of the General Regulations (earnings of employed earners)—

- (a) in paragraph (1)—
 - (i) for the words “Subject to paragraph (2)” there shall be substituted the words “Subject to paragraphs (2) and (3),”;

(a) 1978 c.44.

- (ii) in sub-paragraph (c) the words from “or any lump sum” to the end of that sub-paragraph shall be omitted;
- (iii) after sub-paragraph (h) there shall be added the following—
 - “(i) where—
 - (i) a payment of compensation is made in respect of employment which is not part-time employment and that payment is not less than the maximum weekly amount, the amount of the compensation less the deductible remainder, where that is applicable;
 - (ii) a payment of compensation is made in respect of employment which is part-time employment, the amount of the compensation.
 - (1A) For the purposes of paragraph (1)(i)(i) the “deductible remainder”—
 - (a) applies in cases where dividing the amount of the compensation by the maximum weekly amount produces a whole number plus a fraction; and
 - (b) is equal to the difference between—
 - (i) the amount of the compensation; and
 - (ii) the product of the maximum weekly amount multiplied by the whole number.”.

(b) after paragraph (2) there shall be added the following paragraph—

“(3) In this regulation—

- (a) “compensation” means any payment made in respect of or on the termination of employment in a case where a person has not received or received only part of a payment in lieu of notice due or which would have been due to him had he not waived his right to receive it, other than—
 - (i) any payment specified in paragraph (1)(a) to (h);
 - (ii) any payment specified in paragraph (2)(a) to (d);
 - (iii) any redundancy payment within the meaning of section 81(1) of the Employment Protection (Consolidation) Act 1978, and
 - (iv) any refund of contributions to which that person was entitled under an occupational pension scheme within the meaning of section 66(1) of the Social Security Pensions Act 1975(a);
- (b) “maximum weekly amount” means the maximum weekly amount which, on the date on which the payment of compensation is made, is specified in paragraph 8(1)(c) of Schedule 14 to the Employment Protection (Consolidation) Act 1978;
- (c) “part-time employment” means employment in which a person is not to be treated as engaged in remunerative work under regulation 5 or 6 (persons treated, or not treated, as engaged in remunerative work).”.

Amendment of regulation 37 of the General Regulations

12. In regulation 37 of the General Regulations (earnings of self-employed earners), in paragraph (2) the words from “except where the claimant” to the end of that paragraph shall be omitted.

Amendment of regulation 41 of the General Regulations

13. In regulation 41 of the General Regulations (capital treated as income), after paragraph (4) there shall be added the following paragraph—

“(5) Any earnings to the extent that they are not a payment of income shall be treated as income.”.

(a) 1975 c.60.

Revocation of regulation 43 of the General Regulations

14. Regulation 43 of the General Regulations (notional earnings of seasonal workers) shall be revoked.

Amendment of regulation 48 of the General Regulations

15. At the end of regulation 48 of the General Regulations (income treated as capital) there shall be added the following paragraph—

“(11) Any compensation within the meaning of regulation 35(3) (earnings of employed earners) which is made in respect of employment which is not part-time employment within the meaning of that regulation, to the extent that it is not earnings by virtue of regulation 35(1)(i)(i) shall be treated as capital.”.

Amendment of regulation 70 of the General Regulations

16. In regulation 70 of the General Regulations (urgent cases)—

- (a) in paragraph (2), sub-paragraph (c) shall be omitted;
- (b) in paragraph (4), for the words from “or (c) applies” to “(notional earnings of seasonal workers)” there shall be substituted the words “applies, where the income he is treated as possessing by virtue of regulation 42(3) (notional income)”.

Amendment of regulation 72 of the General Regulations

17. In regulation 72 of the General Regulations (assessment of income and capital in urgent cases), in paragraph (1), sub-paragraph (e) shall be omitted.

Amendment of Schedule 8 to the General Regulations

18. In Schedule 8 to the General Regulations (sums to be disregarded in the calculation of earnings) in paragraph 1(a)(ii) for the reference “(g) and (h)” there shall be substituted the reference “(g) to (i)”.

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

28th July 1989

Nicholas Scott
Minister of State,
Department of Social Security

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations further amend the Income Support (General) Regulations 1987 in the following respects—

- (a) they prescribe the circumstances in which a person is not required to be actively seeking employment, the circumstances in which a person is, or is not, treated as actively seeking such employment and make supplementary provision in respect of the introduction of the requirement to seek employment actively (regulations 4, 6 and 7);
- (b) they remove references to “suitable employment” in consequence of the repeal of the definition of “suitable” in section 20(4) of the Social Security Act 1975 and amend the circumstances in which a claimant is not treated as available for employment on account of restrictions which he has imposed on the employment which he is prepared to accept (regulation 5);
- (c) they make new provision for taking into account payments of compensation received on the termination of employment without due notice (regulations 3, 9, 10, 11, 15 and 18), and provides for earnings to be treated as income (regulation 13);
- (d) they delete provisions relating to seasonal workers (regulations 8, 12, 14, 16 and 17);
- (e) they make provision for certain persons who are undergoing employment training to qualify for income support (regulations 2 and 5).