

2000 No. 724

SOCIAL SECURITY

**The Social Security Amendment (Employment Zones)
Regulations 2000**

<i>Made</i>	- - -	<i>13th March 2000</i>
<i>Laid before Parliament</i>		<i>13th March 2000</i>
<i>Coming into force</i>		<i>3rd April 2000</i>

The Secretary of State for Social Security, in exercise of the powers conferred upon him by sections 123(1)(a), (d) and (e), 135(1), 136(3) and (5)(a), (b) and (c) and 137(1) of the Social Security Contributions and Benefits Act 1992(a) and sections 4(5), 12(4)(a), (b) and (c), 21, 35(1) and 36(1), (2) and (4) of, and paragraph 3(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) by this instrument which contains only regulations made by virtue of, or consequential upon, section 60 of the Welfare Reform and Pensions Act 1999(d) and which is made before the end of a period of six months beginning with the coming into force of that section(e), hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security Amendment (Employment Zones) Regulations 2000 and shall come into force on 3rd April 2000.

(2) In these Regulations—

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

“the Housing Benefit Regulations” means the Housing Benefit (General) Regulations 1987(g);

“the Income Support Regulations” means the Income Support (General) Regulations 1987(h);

“the Jobseeker’s Allowance Regulations” means the Jobseeker’s Allowance Regulations 1996(i).

Common amendments

2.—(1) In each of the regulations specified in paragraph (2) below (interpretation), there shall be inserted the following definitions in the appropriate places—

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- (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) 1999 c. 30.
(e) See section 173(5)(b) of the Social Security Administration Act 1992 (c. 5).
(f) S.I. 1992/1814.
(g) S.I. 1987/1971.
(h) S.I. 1987/1967.
(i) S.I. 1996/207.

““employment zone” means an area within Great Britain designated for the purposes of section 60 of the Welfare Reform and Pensions Act 1999^(a) and an “employment zone programme” means a programme established for such an area or areas designed to assist claimants for a jobseeker’s allowance to obtain sustainable employment;”;

““employment zone contractor” means a person who is undertaking the provision of facilities in respect of an employment zone programme on behalf of the Secretary of State for Education and Employment;”;

““subsistence allowance” means an allowance which an employment zone contractor has agreed to pay to a person who is 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;
 - (d) regulation 1(3) of the Jobseeker’s Allowance Regulations.

Income and capital

3.—(1) There shall be inserted as—

- (a) regulation 42(5A) of the Income Support Regulations (notional income);
- (b) regulation 105(11A) of the Jobseeker’s Allowance Regulations,

the following paragraph—

“Where the amount of a subsistence allowance paid to a claimant in a benefit week is less than the amount of income-based jobseeker’s allowance that person would have received in that benefit week had it been payable to him, less 50p, he shall be treated as possessing the amount which is equal to the amount of income-based jobseeker’s allowance which he would have received in that week, less 50p.”.

(2) There shall be added as—

- (a) regulation 31(8) of the Council Tax Benefit Regulations (income treated as capital);
- (b) regulation 40(8) of the Housing Benefit Regulations;
- (c) regulation 48(12) of the Income Support Regulations;
- (d) regulation 110(11) of the Jobseeker’s Allowance Regulations,

the following paragraph—

“Any arrears of subsistence allowance which are paid to a claimant as a lump sum shall be treated as capital.”.

(3) There shall be added respectively as—

- (a) paragraphs 71 and 72 of Schedule 9 to the Income Support Regulations (sums to be disregarded in the calculation of income other than earnings);
- (b) paragraph 68 and 69 of Schedule 7 to the Jobseeker’s Allowance Regulations;
- (c) paragraphs 71 and 72 of Schedule 4 to the Council Tax Benefit Regulations;
- (d) paragraphs 72 and 73 of Schedule 4 to the Housing Benefit Regulations,

the following paragraphs—

“Where the amount of a subsistence allowance paid to a person in a benefit week exceeds the amount of income-based jobseeker’s allowance that person would have received in that benefit week had it been payable to him, less 50p, that excess amount.

In the case of a claimant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the claimant, being a fee, grant, loan or otherwise.”.

(4) There shall be added respectively as—

- (a) paragraphs 58 and 59 of Schedule 10 to the Income Support Regulations (capital to be disregarded);

(a) 1999 c. 30.

- (b) paragraphs 53 and 54 of Schedule 8 to the Jobseeker’s Allowance Regulations;
 - (c) paragraphs 61 and 62 of Schedule 5 to the Council Tax Benefit Regulations;
 - (d) paragraphs 61 and 62 of Schedule 5 to the Housing Benefit Regulations,
- the following paragraphs–

“In the case of a claimant participating in an employment zone programme, any discretionary payment made by an employment zone contractor to the claimant, being a fee, grant, loan or otherwise, but only for the period of 52 weeks from the date of receipt of the payment.

Any arrears of subsistence allowance paid as a lump sum but only for the period of 52 weeks from the date of receipt of the payment.”.

Linking periods

4.—(1) In the Council Tax Benefit Regulations–

- (a) in paragraph 11 of Schedule 1(a) (higher pensioner premium)–
 - (i) in both sub-paragraphs (1)(b)(ii) and (2)(b)(ii), for the words “council tax benefit and the disability premium was” there shall be substituted the words “, or was treated as being in receipt of, council tax benefit and the disability premium was or, as the case may be, would have been,”;
 - (ii) in sub-paragraph (3), in both paragraphs (a) and (b), after the words “to be entitled to” there shall be inserted the words “or treated as entitled to”;
 - (iii) after sub-paragraph (5) there shall be added the following sub-paragraph–

“(6) For the purposes of this paragraph, a claimant shall be treated as having been entitled to and in receipt of council tax benefit throughout any period which comprises only days on which he was participating in an employment zone programme and was not entitled to that benefit because, as a consequence of his participation in that programme, he failed to satisfy the condition in section 131(5) of the Contributions and Benefits Act 1992.”;
- (b) in paragraph 2(e) of Schedule 5A(b) (extended payments), after head (ii) there shall be added the following head–
 - “(iii) the claimant shall be treated as having been entitled to and in receipt of income support or a jobseeker’s allowance during any period of less than five weeks in respect of which he was not entitled to either of those benefits because, as a consequence of his participation in an employment zone programme, he was engaged in remunerative work.”.

(2) In the Housing Benefit Regulations–

- (a) in paragraph 10 of Schedule 2(c) (higher pensioner premium)–
 - (i) in both sub-paragraphs (1)(b)(ii) and (2)(b)(ii), for the words “housing benefit and the disability premium was” there shall be substituted the words “, or was treated as being in receipt of, housing benefit and the disability premium was or, as the case may be, would have been,”;
 - (ii) in sub-paragraph (3), in both paragraphs (a) and (b), after the words “to be entitled to” there shall be inserted the words “or treated as entitled to”;
 - (iii) after sub-paragraph (5) there shall be added the following sub-paragraph–

“(6) For the purposes of this paragraph, a claimant shall be treated as having been entitled to and in receipt of housing benefit throughout any period which comprises only days on which he was participating in an employment zone programme and was not entitled to that benefit because, as a consequence of his participation in that programme, he failed to satisfy the condition in section 130(1)(c) of the Contributions and Benefits Act.”;
- (b) in paragraph 2(e) of Schedule 5A(d) (extended payments), after head (ii) there shall be added the following head–
 - “(iii) the claimant shall be treated as having been entitled to and in receipt of income support or a jobseeker’s allowance during any period of less than five weeks in respect of which he was not entitled to either of those benefits because, as a

(a) Paragraph 11(5) was inserted by S.I. 1998/2231.

(b) Schedule 5A was added by S.I. 1996/194; paragraph 2(e) was substituted by S.I. 1996/1510.

(c) Paragraph 10(5) was inserted by S.I. 1998/2231.

(d) Schedule 5A was added by S.I. 1996/194; paragraph 2(e) was substituted by S.I. 1996/1510.

consequence of his participation in an employment zone programme, he was engaged in remunerative work.”.

(3) In the Income Support Regulations—

- (a) at the end of paragraph 3 of Schedule 2(a) (applicable amounts: family premium) there shall be added the following sub-paragraph—

“(7) For the purposes of this paragraph, a claimant shall be treated as having been entitled to income support throughout any period which comprises only days on which he was participating in an employment zone programme and was not entitled to income support because, as a consequence of his participation in that programme, he was engaged in remunerative work or had income in excess of his applicable amount as prescribed in Part IV.”;

- (b) in paragraph 10 of Schedule 2(b) (higher pensioner premium)—

(i) in both sub-paragraphs (1)(b)(ii) and (2)(b)(ii), for the words “income support and the disability premium was” there shall be substituted the words “, or was treated as being in receipt of, income support and the disability premium was or, as the case may be, would have been,”;

(ii) in sub-paragraph (3), in both paragraphs (a) and (b), after the words “to be entitled to” there shall be inserted the words “or treated as entitled to”;

- (iii) after sub-paragraph (4) there shall be added the following sub-paragraph—

“(5) For the purposes of this paragraph, a claimant shall be treated as having been entitled to and in receipt of income support throughout any period which comprises only days on which he was participating in an employment zone programme and was not entitled to income support because, as a consequence of his participation in that programme, he was engaged in remunerative work or had income in excess of his applicable amount as prescribed in Part IV.”;

- (c) in paragraph 14(3ZA) of Schedule 3(c) (housing costs: linking rules) in head (a), after “1996” there shall be inserted the words “or in an employment zone scheme”.

(4) In the Jobseeker’s Allowance Regulations—

- (a) after regulation 48(2)(f)(d) (linking periods) there shall be added the following sub-paragraph—

“(g) any period throughout which the claimant was participating in an employment zone programme and was not entitled to a jobseeker’s allowance because, as a consequence of his participation in that programme, he was engaged in remunerative work or failed to satisfy the condition specified in section 2(1)(c) or in section 3(1)(a).”;

- (b) at the end of paragraph 4 of Schedule 1(e) (applicable amounts: family premium) there shall be added the following sub-paragraph—

“(7) For the purposes of this paragraph, a claimant shall be treated as having been entitled to an income-based jobseeker’s allowance throughout any period which comprises only days on which he was participating in an employment zone programme and was not entitled to a jobseeker’s allowance because, as a consequence of his participation in that programme, he was engaged in remunerative work or failed to satisfy the condition specified in section 2(1)(c) or in section 3(1)(a).”;

- (c) in paragraph 12 of Schedule 1(f) (higher pensioner premium)—

(i) in sub-paragraph (1)(a)(ii), for the words “and the disability premium was” there shall be substituted the words “, or was treated as being entitled to either of those benefits and the disability premium was or, as the case may be, would have been,”;

(ii) in sub-paragraph (2), in both paragraphs (a) and (b), after the words “income-based jobseeker’s allowance” there shall be inserted the words “or ceases to be treated as entitled to either of those benefits”;

- (iii) after sub-paragraph (3) there shall be added the following sub-paragraph—

“(4) For the purposes of this paragraph, a claimant shall be treated as having been entitled to income support or to an income-based jobseeker’s allowance throughout

(a) Paragraph 3 was substituted by S.I. 1998/766.

(b) Paragraph 10(4) was inserted by S.I. 1998/2231.

(c) Schedule 3 was substituted by S.I. 1995/1613; paragraph 14(3ZA) was inserted by S.I. 1997/2863.

(d) Regulation 48(2)(f) was inserted by S.I. 1997/2863.

(e) Paragraph 4 was substituted by S.I. 1998/766.

(f) Paragraph 12(3) was inserted by S.I. 1998/2231.

any period which comprises only days on which he was participating in an employment zone programme and was not entitled to—

- (a) income support because, as a consequence of his participation in that programme, he was engaged in remunerative work or had income in excess of the claimant's applicable amount as prescribed in Part IV of the Income Support Regulations; or
- (b) a jobseeker's allowance because, as a consequence of his participation in that programme, he was engaged in remunerative work or failed to satisfy the condition specified in section 2(1)(c) or in section 3(1)(a).";
- (d) in paragraph 13(3A) of Schedule 2(a) (housing costs: linking rules), in head (a), after the words "regulation 75(1)(a)(ii)" there shall be inserted the words "or in an employment zone programme".

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

13th March 2000

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

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

EXPLANATORY NOTE

(This note is not part of the Regulations)

The Regulations contained in this Instrument are made in consequence of provisions in section 60 of the Welfare Reform and Pensions Act 1999 (c. 30). The instrument is made before the end of the period of six months beginning with the coming into force of those provisions; the regulations in it are therefore exempted from the requirement in section 172(1) of the Social Security Administration Act 1992 (c. 5) to refer proposals to make these Regulations to the Social Security Advisory Committee and are made without reference to that Committee.

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, these Regulations provide for the application of special rules in those benefits in respect of those persons who are, or have been, participating in an employment zone programme established pursuant to section 60 of the Welfare Reform and Pensions Act 1999 (c. 30).

These Regulations provide—

- for the purposes of income support and jobseeker's allowance, that subsistence allowances paid to participants shall be taken into account as income as if the agreed amount had been paid at the time it was paid (regulation 3(1) and (3));
- that arrears of subsistence allowances paid to participants as lump sums shall be treated as capital in all the income-related benefits and in jobseeker's allowance (regulation 3(2));
- that certain discretionary payments made by employment zone contractors to participants and arrears of subsistence payments shall be disregarded as income and as capital in all the income-related benefits and in jobseeker's allowance (regulation 3(3) and (4)).

Regulation 4 provides that periods in employment whilst participating in an employment zone programme shall be treated as periods of entitlement to the various benefits for the purposes of—

- linking jobseeking periods (paragraph (4)(a));
- ascertaining the qualifying period for having housing costs met in income support and jobseeker's allowance (paragraphs (3)(c) and (4)(d));
- entitlement to the lone parent rate of the family premium in income support and jobseeker's allowance (paragraphs (3)(a) and (4)(b));
- entitlement to the higher pensioner premium (paragraphs (1)(a), (2)(a), (3)(b) and (4)(b));
- extended payments of housing benefit and council tax benefit (paragraphs (1)(b) and (2)(b)).

Regulation 2 prescribes definitions of the terms used in these Regulations.

These Regulations do not impose any charge on businesses.

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