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STATUTORY RULES OF NORTHERN IRELAND

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**1998 No. 182**

**HOUSING; RATES; SOCIAL SECURITY**

**The Social Security (Miscellaneous Amendments  
No. 4) Regulations (Northern Ireland) 1998**

*Made* - - - - *13th May 1998*  
*Coming into operation* *1st June 1998*

The Department of Health and Social Services for Northern Ireland, in exercise of the powers conferred on it by Articles 14(1), (2) and (4)(b) and (d), 21(10)(c) and 36(1) and (2) of, and paragraphs 4 and 10 of Schedule 1 to, the Jobseekers (Northern Ireland) Order 1995(1), sections 122(1), 131(1), 132(3) and (4)(b), and 171(1), (3) and (4) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(2) and sections 5(1)(j), 165(1) and (4) of the Social Security Administration (Northern Ireland) Act 1992(3), and of all other powers enabling it in that behalf, with the consent of the Department of the Environment for Northern Ireland(4) in so far as regulation 5(1), (2)(a), (3), (4)(b), (5), (6)(a), (7), (8)(b), (9), (10)(b), (11) and (12)(b) is concerned, and after agreement by the Social Security Advisory Committee that proposals in respect of that Regulation should not be referred to it(5), hereby makes the following Regulations:

**Citation, commencement and interpretation**

1.—(1) These Regulations may be cited as the Social Security (Miscellaneous Amendments No. 4) Regulations (Northern Ireland) 1998 and shall come into operation on 1st June 1998.

(2) In these Regulations—

“the Income Support Regulations” means the Income Support (General) Regulations (Northern Ireland) 1987(6);

“the Housing Benefit Regulations” means the Housing Benefit (General) Regulations (Northern Ireland) 1987(7);

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(1) [S.I. 1995/2705 \(N.I. 15\)](#)  
(2) [1992 c. 7](#)  
(3) [1992 c. 8](#)  
(4) See section 171(6A) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 as inserted by Article 3(3) of the Social Security (Amendment) (Northern Ireland) Order 1993 ([S.I. 1993/1579 \(N.I. 8\)](#))  
(5) See section 150(1)(b) of the Social Security Administration (Northern Ireland) Act 1992 ([c. 8](#))  
(6) [S.R. 1987 No. 459](#); relevant amending Regulations are [S.R. 1988 No. 318](#), [S.R. 1989 Nos. 139 and 395](#), [S.R. 1990 Nos. 297 and 346](#), [S.R. 1993 Nos. 120, 149 and 167](#), [S.R. 1996 Nos. 288 and 405](#), [S.R. 1997 No. 541](#) and [S.R. 1998 No. 81](#)  
(7) [S.R. 1987 No. 461](#); relevant amending Regulations are [S.R. 1990 No. 345](#) and [S.R. 1997 No. 541](#)

“the Family Credit Regulations” means the Family Credit (General) Regulations (Northern Ireland) 1987(8);

“the Disability Working Allowance Regulations” means the Disability Working Allowance (General) Regulations (Northern Ireland) 1992(9);

“the Jobseeker’s Allowance Regulations” means the Jobseeker’s Allowance Regulations (Northern Ireland) 1996(10).

(3) The Interpretation Act (Northern Ireland) 1954(11) shall apply to these Regulations as it applies to a Measure of the Assembly.

### **Revocation**

2. The Jobseeker’s Allowance (Amendment) Regulations (Northern Ireland) 1998(12) (which increase the number of waiting days for a jobseeker’s allowance from 3 to 7) are hereby revoked.

### **Amendment of the Income Support Regulations**

3.—(1) The Income Support Regulations shall be amended in accordance with paragraphs (2) to (5).

(2) After regulation 23 (calculation of income and capital of members of claimant’s family and of a polygamous marriage) there shall be inserted the following regulation—

#### **“Income of participants in the self-employment route of the Employment Option of the New Deal**

23A. Chapters II, III, IV, V, VII and VIIA(13) of this Part and regulations 62 to 66A(14), 68 and 69 shall not apply to any income which is to be calculated in accordance with Chapter IVA of this Part (participants in the self-employment route of the Employment Option of the New Deal).”.

(3) After regulation 39 (deduction of tax and contributions for self-employed earners) there shall be inserted the following Chapter—

#### **“CHAPTER IVA**

Participants in the Self-Employment route of the Employment Option of the New Deal

### **Interpretation**

39A. In this Chapter—

“self-employment route” means that part of the Employment Option of the New Deal which is specified in regulation 75(1)(a)(i)(bb) of the Jobseeker’s Allowance Regulations (Northern Ireland) 1996(15);

“special account” means, where a person was carrying on a commercial activity in respect of which assistance is received under the self-employment route, the account into which the gross receipts from that activity were payable during the period in respect of which such assistance was received.

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(8) S.R. 1987 No. 463; relevant amending Regulations are S.R. 1990 No. 347 and S.R. 1997 No. 541

(9) S.R. 1992 No. 78; relevant amending Regulations are S.R. 1997 No. 541

(10) S.R. 1996 No. 198; relevant amending Regulations are S.R. 1996 Nos. 288 and 356, S.R. 1997 No. 541 and S.R. 1998 No. 81

(11) 1954 c. 33 (N.I.)

(12) S.R. 1998 No. 10

(13) Chapter VIIA was inserted by regulation 4 of S.R. 1993 No. 167

(14) Regulation 66A was inserted by regulation 4(7) of S.R. 1990 No. 297

(15) Regulation 75 was substituted by regulation 8 of S.R. 1997 No. 541 and amended by regulation 4(2) of these Regulations

### **Treatment of gross receipts of participants in the self-employment route of the Employment Option of the New Deal**

**39B.** The gross receipts of a commercial activity carried on by a person in respect of which assistance is received under the self-employment route, shall be taken into account in accordance with the following provisions of this Chapter.

### **Calculation of income of participants in the self-employment route of the Employment Option of the New Deal**

**39C.—(1)** The income of a person who has received assistance under the self-employment route shall be calculated by taking into account the whole of the monies in the special account at the end of the last day upon which such assistance was received and deducting from those monies—

- (a) an amount in respect of income tax calculated in accordance with regulation 39D (deduction in respect of tax for participants in the self-employment route of the Employment Option of the New Deal); and
- (b) any sum to which paragraph (4) refers.

(2) Income calculated pursuant to paragraph (1) shall be apportioned equally over a period which starts on, and includes, the date the income is treated as paid under paragraph (3) and is equal in length to the period beginning with, and including, the day upon which assistance was first received under the self-employment route and ending on the last day upon which such assistance was received.

(3) Income calculated pursuant to paragraph (1) shall be treated as paid—

- (a) in the case where it is due to be paid before the first benefit week in respect of which the participant or his partner first claims income support following the last day upon which assistance was received under the self-employment route, on the day in the week in which it is due to be paid which corresponds to the first day of the benefit week;
- (b) in any other case, on the first day of the benefit week in which it is due to be paid.

(4) This paragraph refers, where applicable in each benefit week in respect of which income calculated pursuant to paragraph (1) is taken into account pursuant to paragraphs (2) and (3), to the sums which would have been disregarded under paragraphs 4 to 6B and 9 of Schedule 8(16) (sums to be disregarded in the calculation of earnings) had the income been earnings.

### **Deduction in respect of tax for participants in the self-employment route of the Employment Option of the New Deal**

**39D.—(1)** The amount to be deducted in respect of income tax under regulation 39C(1) (a) (calculation of income of participants in the self-employment route of the Employment Option of the New Deal) in respect of the period determined under regulation 39C(2) shall be calculated as if—

- (a) the chargeable income is the only income chargeable to tax;
- (b) the personal reliefs which are applicable to the person receiving assistance under the self-employment route by virtue of sections 257(1), 257A(1) and 259 of the Income

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(16) Paragraph 4 was substituted by regulation 9 of [S.R. 1989 No. 139](#) and amended by regulation 12(a) of [S.R. 1989 No. 395](#) and paragraph 6(14)(a), (b), (c) and (d) of Schedule 2 to [S.R. 1993 No. 149](#). Paragraph 5 was amended by paragraph 10(a) of Schedule 1 to [S.R. 1988 No. 318](#), paragraph 14(a) of Schedule 1 to [S.R. 1989 No. 139](#), paragraph 6(14)(e) of Schedule 2 to [S.R. 1993 No. 149](#) and regulation 5(6) of [S.R. 1996 No. 288](#). Paragraph 6 was substituted by regulation 5(11)(a) of [S.R. 1996 No. 405](#). Paragraphs 6A and 6B were inserted by regulation 4(6)(a) of [S.R. 1993 No. 120](#)

and Corporation Taxes Act 1988(17) (personal reliefs) are allowable against that income; and

- (c) the rate at which the chargeable income less the personal relief is assessable to income tax is the lower rate of tax or, as the case may be, the lower rate and the basic rate of tax.

(2) For the purpose of paragraph (1), the lower rate of tax to be applied and the amount of the personal relief deductible shall, where the period determined under regulation 39C(2) is less than a year, be calculated on a pro rata basis.

(3) In this regulation, “chargeable income” means the monies in the special account at the end of the last day upon which assistance was received under the self-employment route.”.

(4) In Schedule 9 (sums to be disregarded in the calculation of income other than earnings), after paragraph 62(18) there shall be added the following paragraph—

“63.—(1) Subject to sub-paragraph (2), in the case of a person who is receiving, or who has received, assistance under an employment programme specified in regulation 75(1)(a)(i)(bb) of the Jobseeker’s Allowance Regulations (Northern Ireland) 1996 (self-employment route of the Employment Option of the New Deal), any payment to the person—

- (a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;
- (b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity,

in respect of which such assistance is or was received.

(2) Sub-paragraph (1) shall apply only in respect of payments which are paid to that person from the special account as defined for the purposes of Chapter IVA of Part V”.

(5) In Schedule 3 in paragraph 14(1)(ee)(19) (linking rule) for “the Jobseeker’s Allowance (Northern Ireland) Regulations 1996” there shall be substituted “the Jobseeker’s Allowance Regulations (Northern Ireland) 1996”.

### **Amendment of the Jobseeker’s Allowance Regulations**

4.—(1) The Jobseeker’s Allowance Regulations shall be amended in accordance with paragraphs (2) to (6).

(2) In regulation 75(1)(a)(20) of the Jobseeker’s Allowance Regulations (interpretation) for head (i) there shall be substituted the following head—

“(i) the Employment Option of the New Deal, being a programme which lasts for any individual for up to 26 weeks and which includes for that individual—

- (aa) employed earner’s employment, training and support, or
- (bb) assistance in pursuing self-employed earner’s employment;”.

(3) After regulation 88 (calculation of income and capital of members of claimant’s family and of a polygamous marriage) there shall be inserted the following regulation—

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(17) 1988 c. 1; sections 257 to 257F were substituted for section 257 by section 33 of the Finance Act 1988 (c. 39); section 257 was amended by section 74(2) of, and Schedule 20 and Part V of Schedule 41 to, the Finance Act 1996 (c. 8) and by section 55(2) of the Finance Act 1997 (c. 16); section 259 was amended by sections 30 and 35 of the Finance Act 1988 and section 20 of the Finance (No. 2) Act 1992 (c. 48), section 77 and Schedule 8, paragraph 6 of the Finance Act 1994 (c. 9) and Schedule 20 and Part V of Schedule 41 to the Finance Act 1996 (c. 8)

(18) Paragraph 62 was added by regulation 9(1)(e)(ii) of S.R. 1998 No. 81

(19) Head (ee) was inserted by regulation 16(3)(a) of S.R. 1997 No. 541

(20) Regulation 75 was substituted by regulation 8 of S.R. 1997 No. 541

**“Income of participants in the self-employment route of the Employment Option of the New Deal**

**88A.** Chapters II, III, IV, V, VII and VIII of this Part and regulations 131 to 136, 138 and 139 shall not apply to any income which is to be calculated in accordance with Chapter IVA of this Part (participants in the self-employment route of the Employment Option of the New Deal).”.

(4) After regulation 102 (deduction of tax and contributions for self-employed earners) there shall be inserted the following Chapter—

**“CHAPTER IVA**

**Participants in the Self-Employment Route of the Employment Option of the New Deal**

**Interpretation**

**102A.** In this Chapter—

“self-employment route” means that part of the Employment Option of the New Deal which is specified in regulation 75(1)(a)(i)(bb)(**21**);

“special account” means, where a person was carrying on a commercial activity in respect of which assistance was received under the self-employment route, the account into which the gross receipts from that activity were payable during the period in respect of which such assistance was received.

**Treatment of gross receipts of participants in the self-employment route of the Employment Option of the New Deal**

**102B.** The gross receipts of a commercial activity carried on by a person in respect of which assistance is received under the self-employment route, shall be taken into account in accordance with the following provisions of this Chapter.

**Calculation of income of participants in the self-employment route of the Employment Option of the New Deal**

**102C.—**(1) The income of a person who has received assistance under the self-employment route shall be calculated by taking into account the whole of the monies in the special account at the end of the last day upon which such assistance was received and deducting from those monies—

- (a) an amount in respect of income tax calculated in accordance with regulation 102D (deduction in respect of tax for participants in the self-employment route of the Employment Option of the New Deal), and
- (b) any sum to which paragraph (4) refers.

(2) Income calculated pursuant to paragraph (1) shall be apportioned equally over a period which starts on, and includes, the date the income is treated as paid under paragraph (3) and is equal in length to the period beginning with, and including, the day upon which assistance was first received under the self-employment route and ending on the last day upon which such assistance was received.

(3) Income calculated pursuant to paragraph (1) shall be treated as paid—

- (a) in the case where it is due to be paid before the first benefit week in respect of which the participant or his partner first claims a jobseeker’s allowance following the last

day upon which assistance was received under the self-employment route, on the day in the week in which it is due to be paid which corresponds to the first day of the benefit week;

(b) in any other case, on the first day of the benefit week in which it is due to be paid.

(4) This paragraph refers, where applicable in each benefit week in respect of which income calculated pursuant to paragraph (1) is taken into account pursuant to paragraphs (2) and (3), to the sums which would have been disregarded under paragraphs 5 to 8, 11 and 12 of Schedule 5(22) (sums to be disregarded in the calculation of earnings) had the income been earnings.

### **Deduction in respect of tax for participants in the self-employment route of the Employment Option of the New Deal**

**102D.**—(1) The amount to be deducted in respect of income tax under regulation 102C(1) (a) (calculation of income of participants in the self-employment route of the Employment Option of the New Deal) in respect of the period determined under regulation 102C(2) shall be calculated as if—

- (a) the chargeable income is the only income chargeable to tax;
- (b) the personal reliefs which are applicable to the person receiving assistance under the self-employment route by virtue of sections 257(1), 257A(1) and 259 of the Income and Corporation Taxes Act 1988 (personal reliefs) are allowable against that income; and
- (c) the rate at which the chargeable income less the personal relief is assessable to income tax is the lower rate of tax or, as the case may be, the lower rate and the basic rate of tax.

(2) For the purpose of paragraph (1), the lower rate of tax to be applied and the amount of the personal relief deductible shall, where the period determined under regulation 102C(2) is less than a year, be calculated on a pro rata basis.

(3) In this regulation, “chargeable income” means the monies in the special account at the end of the last day upon which assistance was received under the self-employment route.”

(5) In Schedule 6 (sums to be disregarded in the calculation of income other than earnings)—

(a) for paragraph 58(23), there shall be substituted the following paragraph—

“**58.** Any mandatory top-up payment made to a person pursuant to section 1 of the Employment and Training Act (Northern Ireland) 1950(24) in respect of that person’s participation in an employment programme specified in—

- (a) regulation 75(1)(a)(i)(bb) (self-employment route of the Employment Option of the New Deal);
- (b) regulation 75(1)(a)(ii) (Voluntary Sector Option of the New Deal), or
- (c) regulation 75(1)(a)(iii) (Environmental Task Force Option of the New Deal).”;

(b) after paragraph 60(25) there shall be added the following paragraph—

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(22) Paragraph 6 was amended by regulation 9(6) of S.R. 1996 No. 288 and paragraph 11 was amended by regulation 18 of S.R. 1996 No. 356

(23) Paragraph 58 was added by regulation 14(b) of S.R. 1997 No. 541

(24) 1950 c. 29 (N.I.); section 1 was amended by Article 3 of the Employment and Training (Amendment) (Northern Ireland) Order 1988 (S.I. 1988/1087 (N.I. 10))

(25) Paragraph 60 was added by regulation 9(2)(b) of S.R. 1998 No. 81

“**61.**—(1) Subject to sub-paragraph (2), in the case of a person who is receiving, or who has received, assistance under an employment programme as specified in regulation 75(1)(a)(i)(bb) (self-employment route of the Employment Option of the New Deal), any payment to that person —

- (a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;
- (b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity,

in respect of which such assistance is or was received.

(2) Sub-paragraph (1) shall apply only in respect of payments which are paid to that person from the special account as defined for the purposes of Chapter IVA of Part VIII.”

(6) In Schedule 7 (capital to be disregarded)—

(a) in paragraph 11 after sub-paragraph (2) there shall be added the following sub-paragraphs—

“**(3)** In the case of a person who is receiving assistance under an employment programme specified in regulation 75(1)(a)(i)(bb) (self-employment route of the Employment Option of the New Deal), the assets acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is being received.

(4) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.”;

(b) for paragraph 43**(26)** there shall be substituted the following paragraph—

“**43.** Any mandatory top-up payment made to a person pursuant to section 1 of the Employment and Training Act (Northern Ireland) 1950 in respect of that person’s participation in an employment programme specified in—

- (a) regulation 75(1)(a)(i)(bb) (self-employment route of the Employment Option of the New Deal);
- (b) regulation 75(1)(a)(ii) (Voluntary Sector Option of the New Deal), or
- (c) regulation 75(1)(a)(iii) (Environmental Task Force Option of the New Deal),

but only for a period of 52 weeks from the date of receipt of the payment.”;

(c) after paragraph 44**(27)** there shall be added the following paragraph—

“**45.** In the case of a person who is receiving, or who has received, assistance under an employment programme specified in regulation 75(1)(a)(i)(bb) (self-employment route of the Employment Option of the New Deal), any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.”

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**(26)** Paragraph 43 was added by regulation 15 of [S.R. 1997 No. 541](#)

**(27)** Paragraph 44 was added by regulation 15 of [S.R. 1997 No. 541](#)

## Common amendments

5.—(1) At the end of each of the regulations specified in paragraph (2) (which relate to income to be treated as capital) there shall be added the following paragraph—

“(7) There shall be treated as capital the gross receipts of any commercial activity carried on by a person in respect of which assistance is received under an employment programme specified in regulation 75(1)(a)(i)(bb) of the Jobseeker’s Allowance Regulations (Northern Ireland) 1996 (self-employment route of the Employment Option of the New Deal), but only in so far as those receipts were payable into a special account (as defined for the purposes of Chapter IVA of Part VIII of those Regulations) during the period in which that person was receiving such assistance.”.

(2) The regulations for the purposes of paragraph (1) are—

- (a) regulation 40 of the Housing Benefit Regulations;
- (b) regulation 31 of the Family Credit Regulations;
- (c) regulation 34 of the Disability Working Allowance Regulations.

(3) For each of the numbered paragraphs of the Schedules specified in paragraph (4) (which relate to sums to be disregarded in the calculation of income other than earnings), there shall be substituted the following paragraph—

“Any mandatory top-up payment made to a person pursuant to section 1 of the Employment and Training Act (Northern Ireland) 1950 in respect of that person’s participation in an employment programme specified in—

- (a) regulation 75(1)(a)(i)(bb) of the Jobseeker’s Allowance Regulations (Northern Ireland) 1996 (self-employment route of the Employment Option of the New Deal);
- (b) regulation 75(1)(a)(ii) of those Regulations (Voluntary Sector Option of the New Deal), or
- (c) regulation 75(1)(a)(iii) of those Regulations (Environmental Task Force Option of the New Deal).”.

(4) The respective paragraph numbers and Schedules for the purposes of paragraph (3) are—

- (a) paragraph 60 of Schedule 9 to the Income Support Regulations**(28)**;
- (b) paragraph 66 of Schedule 4 to the Housing Benefit Regulations**(29)**;
- (c) paragraph 58 of Schedule 2 to the Family Credit Regulations**(30)**;
- (d) paragraph 56 of Schedule 3 to the Disability Working Allowance Regulations**(31)**.

(5) At the end of each of the Schedules specified in paragraph (6) (which relate to sums to be disregarded in the calculation of income other than earnings) there shall be added the following paragraph bearing the specified respective paragraph number—

“—

(1) Subject to sub-paragraph (2), in respect of a person who is receiving, or who has received, assistance under an employment programme specified in regulation 75(1)(a)(i)(bb) of the Jobseeker’s Allowance Regulations (Northern Ireland) 1996 (self-employment route of the Employment Option of the New Deal), any payment to that person—

- (a) to meet expenses wholly and necessarily incurred whilst carrying on the commercial activity;

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**(28)** Paragraph 60 was added by regulation 17(9) and (10)(a) of S.R. 1997 No. 541

**(29)** Paragraph 66 was added by regulation 17(9) and (10)(b) of S.R. 1997 No. 541

**(30)** Paragraph 58 was added by regulation 17(9) and (10)(c) of S.R. 1997 No. 541

**(31)** Paragraph 56 was added by regulation 17(9) and (10)(d) of S.R. 1997 No. 541



(b) which is used or intended to be used to maintain repayments on a loan taken out by that person for the purpose of establishing or carrying on the commercial activity, in respect of which such assistance is or was received.

(2) Sub-paragraph (1) shall apply only in respect of payments which are paid to that person from the special account as defined for the purposes of Chapter IVA of Part VIII of the Jobseeker's Allowance Regulations (Northern Ireland) 1996**(32)**.”.

(6) The respective paragraph numbers and Schedules for the purposes of paragraph (5) are—

- (a) paragraph 68 of Schedule 4 to the Housing Benefit Regulations**(33)**;
- (b) paragraph 60 of Schedule 2 to the Family Credit Regulations**(34)**;
- (c) paragraph 58 of Schedule 3 to the Disability Working Allowance Regulations**(35)**.

(7) At the end of each of the numbered paragraphs of the Schedules specified in paragraph (8) (which relate to sums to be disregarded in the calculation of capital), there shall be added the following sub-paragraphs—

“(3) In the case of a person who is receiving assistance under an employment programme specified in regulation 75(1)(a)(i)(bb) of the Jobseeker's Allowance Regulations (Northern Ireland) 1996 (self-employment route of the Employment Option of the New Deal), the assets acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is being received.

(4) In the case of a person who has ceased carrying on the commercial activity in respect of which assistance was received as specified in sub-paragraph (3), the assets relating to that activity for such period as may be reasonable in the circumstances to allow for disposal of any such asset.”.

(8) The respective paragraph numbers and Schedules for the purposes of paragraph (7) are—

- (a) paragraph 6 of Schedule 10 to the Income Support Regulations**(36)**;
- (b) paragraph 7 of Schedule 5 to the Housing Benefit Regulations**(37)**;
- (c) paragraph 6 of Schedule 3 to the Family Credit Regulations**(38)**;
- (d) paragraph 6 of Schedule 4 to the Disability Working Allowance Regulations.

(9) For the numbered paragraph of each of the Schedules specified in paragraph (10) (which relate to sums to be disregarded in the calculation of capital), there shall be substituted the following paragraph—

“Any mandatory top-up payment made to a person pursuant to section 1 of the Employment and Training Act (Northern Ireland) 1950 in respect of that person's participation in an employment programme specified in—

- (a) regulation 75(1)(a)(i)(bb) of the Jobseeker's Allowance Regulations (Northern Ireland) 1996 (self-employment route of the Employment Option of the New Deal),
- (b) regulation 75(1)(a)(ii) of those Regulations (Voluntary Sector Option of the New Deal); or
- (c) regulation 75(1)(a)(iii) of those Regulations (Environmental Task Force Option of the New Deal),

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

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**(32)** Chapter IVA is inserted by regulation 4(4) of these Regulations

**(33)** Paragraph 67 was added by regulation 17(9) and (10)(b) of S.R. 1997 No. 541

**(34)** Paragraph 59 was added by regulation 17(9) and (10)(c) of S.R. 1997 No. 541

**(35)** Paragraph 57 was added by regulation 17(9) and (10)(d) of S.R. 1997 No. 541

**(36)** Paragraph 6 was amended by regulation 9(b) of S.R. 1990 No. 346

**(37)** Paragraph 7 was amended by regulation 12(b) of S.R. 1990 No. 345

**(38)** Paragraph 6 was amended by regulation 5 of S.R. 1990 No. 347

- (10) The respective paragraph numbers and Schedules for the purposes of paragraph (9) are—
- (a) paragraph 48 of Schedule 10 to the Income Support Regulations(39);
  - (b) paragraph 51 of Schedule 5 to the Housing Benefit Regulations(40);
  - (c) paragraph 50 of Schedule 3 to the Family Credit Regulations(41);
  - (d) paragraph 49 of Schedule 4 to the Disability Working Allowance Regulations(42).

(11) At the end of each of the Schedules specified in paragraph (12) (which relate to sums to be disregarded in the calculation of capital) there shall be added the following paragraph bearing the specified respective paragraph number—

“In the case of a person who is receiving, or has received, assistance under an employment programme specified in regulation 75(1)(a)(i)(bb) of the Jobseeker’s Allowance Regulations (Northern Ireland) 1996 (self-employment route of the Employment Option of the New Deal), any sum of capital which is acquired by that person for the purpose of establishing or carrying on the commercial activity in respect of which such assistance is or was received but only for a period of 52 weeks from the date on which that sum was acquired.”

- (12) The respective paragraph numbers and Schedules for the purposes of paragraph (11) are—
- (a) paragraph 50 of Schedule 10 to the Income Support Regulations(43);
  - (b) paragraph 53 of Schedule 5 to the Housing Benefit Regulations(44);
  - (c) paragraph 52 of Schedule 3 to the Family Credit Regulations(45);
  - (d) paragraph 51 of Schedule 4 to the Disability Working Allowance Regulations(46).

### **Consequential amendments**

6.—(1) The Social Security (Claims and Payments) Regulations (Northern Ireland) 1987(47) shall be amended in accordance with paragraphs (2) and (3).

(2) In regulation 26A(7)(48) (effect of changes of circumstances in jobseeker’s allowance cases), after “regulation 96” there shall be inserted “or 102C(3)”.

(3) In Schedule 7 in paragraph 7(4)(49) (effect of changes of circumstances in income support cases), after “or (2)” there shall be inserted “or 39C(3)”.

Sealed with the Official Seal of the Department of Health and Social Services for Northern Ireland  
on

L.S.

13th May 1998.

*John O'Neill*  
Assistant Secretary

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(39) Paragraph 48 was added by regulation 17(11) and (12)(a) of S.R. 1997 No. 541

(40) Paragraph 51 was added by regulation 17(11) and (12)(b) of S.R. 1997 No. 541

(41) Paragraph 50 was added by regulation 17(11) and (12)(c) of S.R. 1997 No. 541

(42) Paragraph 49 was added by regulation 17(11) and (12)(d) of S.R. 1997 No. 541

(43) Paragraph 49 was added by regulation 17(11) and (12)(a) of S.R. 1997 No. 541

(44) Paragraph 52 was added by regulation 17(11) and (12)(b) of S.R. 1997 No. 541

(45) Paragraph 51 was added by regulation 17(11) and (12)(c) of S.R. 1997 No. 541

(46) Paragraph 50 was added by regulation 17(11) and (12)(d) of S.R. 1997 No. 541

(47) S.R. 1987 No. 465; relevant amending Regulations are S.R. 1990 No. 398 and S.R. 1996 No. 354

(48) Regulation 26A was inserted by regulation 2(14) of S.R. 1996 No. 354

(49) Paragraph 7 was substituted by regulation 7(9) of S.R. 1990 No. 398

The Department of the Environment for Northern Ireland hereby consents to regulation 5(1), (2) (a), (3), (4)(b), (5), (6)(a), (7), (8)(b), (9), (10)(b), (11) and (12)(b) of the foregoing Regulations. Sealed with the Official Seal of the Department of the Environment for Northern Ireland on

L.S.

13th May 1998.

*J. Ritchie*  
Assistant Secretary

*Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

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## EXPLANATORY NOTE

*(This note is not part of the Regulations.)*

These Regulations amend the Jobseeker’s Allowance Regulations (Northern Ireland) 1996 (“the Jobseeker’s Allowance Regulations”), the Income Support (General) Regulations (Northern Ireland) 1987 (“the Income Support Regulations”), the Housing Benefit (General) Regulations (Northern Ireland) 1987, the Family Credit (General) Regulations (Northern Ireland) 1987, the Disability Working Allowance (General) Regulations (Northern Ireland) 1992 and the Social Security (Claims and Payments) Regulations (Northern Ireland) 1987 (“the Claims and Payments Regulations”).

They also revoke the Jobseeker’s Allowance (Amendment) Regulations (Northern Ireland) 1998 which increased the number of waiting days before which a person may be entitled to a jobseeker’s allowance from 3 to 7 (regulation 2).

In particular, these Regulations prescribe that part of the Employment Option of the New Deal (as prescribed in regulation 8 of the Social Security (Amendment) (New Deal) Regulations (Northern Ireland) 1997 shall consist of assistance in pursuing self-employed earner’s employment (“the self-employment route”) (regulation 4(2)). By so doing, the regulations provide that the self-employment route is an employment programme for the purposes of Article 21 of the Jobseekers (Northern Ireland) Order 1995 and that if a person, without good cause, refuses or fails to participate in the self-employment route, or loses his place on the self-employment route due to misconduct, he will receive a sanction under Article 21 of that Act.

The Regulations also make various amendments to the rules on the treatment of income and capital in the benefits referred to above which are consequential on the introduction of the self-employment route—

- (a) they provide that income paid to a participant in respect of the period when he is receiving assistance under the self-employment route 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 (regulations 3(2) and (3) and 4(3) and (4)) and that such income, for the purposes of disability working allowance, family credit and housing benefit, shall be treated as capital (regulation 5(1) and (2));
- (b) they provide that mandatory payments made to participants in the self-employment route shall be disregarded both as income (regulations 4(5)(a) and 5(3) and (4)) and as capital (regulations 4(6)(b) and 5(9) and (10));
- (c) they provide that payments in respect of expenses incurred in receiving assistance under the self-employment route and amounts used or intended to be used to maintain repayments on loans taken out to help establish or carry on the activity to be assisted under the self-employment route shall be disregarded as income (regulations 3(4), 4(5)(b) and 5(5) and (6));
- (d) they provide that business assets of persons receiving assistance under the self-employment route shall, in certain circumstances, be disregarded as capital (regulations 4(6)(a) and 5(7) and (8));
- (e) they provide that capital intended for purchasing business assets for use whilst receiving assistance under the self-employment route shall be disregarded (regulations 4(6)(c) and 5(11) and (12)).

Regulation 3(5) amends a reference to the Jobseeker's Allowance Regulations contained in Schedule 3 to the Income Support Regulations.

Regulation 6 makes a consequential amendment to the Claims and Payments Regulations relating to the date on which relevant changes of circumstances are to have effect for the purposes of persons entitled to a jobseeker's allowance or to income support.

In so far as these Regulations are required, for the purposes of regulation 5(1), (2)(a), (3), (4)(b), (5), (6)(a), (7), (8)(b), (9), (10)(b), (11) and (12)(b) to be referred to the Social Security Advisory Committee under section 149(2) of the Social Security Administration (Northern Ireland) Act 1992 (c. 8), ("the 1992 Act"), after agreement by the Social Security Advisory Committee, they have not been so referred by virtue of section 150(1)(b) of that Act. Otherwise the Regulations make provision corresponding to provision contained in Regulations made by the Secretary of State for Social Security in relation to Great Britain and accordingly, by virtue of section 149(3) of, and paragraph 10 of Schedule 5 to, the 1992 Act, are not subject to the requirement of section 149(2) of that Act for prior reference to the Social Security Advisory Committee.