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STATUTORY RULES OF NORTHERN IRELAND

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**1999 No. 158**

**HOUSING; RATES; SOCIAL SECURITY**

**The Social Security (New Deal Pilot)  
(Amendment) Regulations (Northern Ireland) 1999**

*Made* - - - - *26th March 1999*

*Coming into operation* *1st April 1999*

The Department of Health and Social Services for Northern Ireland, in exercise of the powers conferred on it by Articles 14(1) and (4)(b), 31(1), (3) and (6)(a) and (c) and 36(2) of the Jobseekers (Northern Ireland) Order 1995<sup>(1)</sup> and sections 122(1), 132(3) and (4)(b) and (c) and 171(1), (3) and (4) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992<sup>(2)</sup> and of all other powers enabling it in that behalf, with the consent of the Department of the Environment for Northern Ireland<sup>(3)</sup> in so far as regulation 2(6) is concerned, and after agreement by the Social Security Advisory Committee that proposals in respect of that regulation should not be referred to it<sup>(4)</sup>, and whereas these Regulations are made with a view to ascertaining whether their provisions will, or will be likely to, encourage persons to obtain work or will, or will be likely to, facilitate the obtaining by persons of work<sup>(5)</sup>, hereby makes the following Regulations:

**Citation, commencement and duration**

1.—(1) These Regulations may be cited as the Social Security (New Deal Pilot) (Amendment) Regulations (Northern Ireland) 1999 and shall come into operation on 1st April 1999.

(2) These Regulations shall cease to have effect on 29th November 1999, unless revoked with effect from an earlier date.

(3) The Interpretation Act (Northern Ireland) 1954<sup>(6)</sup> shall apply to these Regulations as it applies to a Measure of the Northern Ireland Assembly.

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(1) [S.I. 1995/2705 \(N.I. 15\)](#)

(2) [1992 c. 7](#)

(3) *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 \(N. I. 8\)](#))

(4) *See* section 150(1)(b) of the Social Security Administration (Northern Ireland) Act 1992 ([c. 8](#))

(5) *See* Article 31(8) of the Jobseekers (Northern Ireland) Order 1995

(6) [1954 c. 33 \(N.I.\)](#)

## **Amendment of the Social Security (New Deal Pilot) Regulations**

2.—(1) The Social Security (New Deal Pilot) Regulations (Northern Ireland) 1998(7) shall be amended in accordance with paragraphs (2) to (7).

(2) In regulation 10 (scope of Part III), for “16” there shall be substituted “16A”.

(3) For regulation 11(1) (definition of “training allowance”), there shall be substituted the following paragraph—

“(1) The definition of “training allowance” in each of the regulations specified in paragraph (2) (which are interpretation provisions) shall be modified in its application to persons to whom this Part applies as if at the end there were added—

“nor does it include any top-up payment made to a person (“the participant”) pursuant to—

- (i) section 1 of the Employment and Training Act (Northern Ireland) 1950(8) in respect of the participant’s participation in the intensive activity period of the New Deal pilot for 25 plus as defined for the purposes of the Social Security (New Deal Pilot) Regulations (Northern Ireland) 1998 in regulation 2(1) of those Regulations (“the intensive activity period”), or
- (ii) a written arrangement entered into between the Department of Economic Development and the person who has arranged for the participant’s participation in the intensive activity period and which is made in respect of the participant’s participation in that period.”

(4) In regulation 15(1) (income to be disregarded)—

- (a) in the first paragraph of the modifications added by that regulation the words from “but this paragraph” to the end of that paragraph shall be omitted;
- (b) for the second paragraph of the modifications added by that regulation there shall be substituted the following paragraph—

“Any top-up payment made to a person (“the participant”) pursuant to—

- (a) section 1 of the Employment and Training Act (Northern Ireland) 1950 in respect of the participant’s participation in the intensive activity period of the New Deal pilot for 25 plus as defined for the purposes of the Social Security (New Deal Pilot) Regulations (Northern Ireland) 1998 in regulation 2(1) of those Regulations (“the intensive activity period”), or
- (b) a written arrangement entered into between the Department of Economic Development and the person who has arranged for the participant’s participation in the intensive activity period and which is made in respect of the participant’s participation in that period.”

(5) In regulation 16(1) (capital to be disregarded) for the second paragraph of the modifications added by that regulation there shall be substituted the following paragraph—

“Any top-up payment made to a person (“the participant”) pursuant to—

- (a) section 1 of the Employment and Training Act (Northern Ireland) 1950 in respect of the participant’s participation in the intensive activity period of the New Deal pilot for 25 plus as defined for the purposes of the Social Security (New Deal Pilot) Regulations (Northern Ireland) 1998 in regulation 2(1) of those Regulations (“the intensive activity period”), or

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(7) S.R. 1998 No. 421

(8) 1950 c. 29; section 1 was amended by Article 3 of the Employment and Training (Amendment) (Northern Ireland) Order 1988 (S.I. 1988/1087 (N.I. 10)) and Article 5 of the Industrial Training (Northern Ireland) Order 1990 (S.I. 1990/1200 (N.I. 8))

- (b) a written arrangement entered into between the Department of Economic Development and the person who has arranged for the participant's participation in the intensive activity period and which is made in respect of the participant's participation in that period,

but only for the period of 52 weeks beginning on the date of receipt of the payment.”.

- (6) After regulation 16, there shall be inserted the following regulation—

**“Self-employment route of the intensive activity period of the New Deal pilot for 25 plus**

**16A.**—(1) Both regulation 102A(9) of the Jobseeker's Allowance Regulations(10) and regulation 39A(11) of the Income Support Regulations(12) (which relate to participants in the self-employment route of the Employment Option of the New Deal) shall be modified in their application to persons to whom this Part applies as if—

- (a) regulation 102A and regulation 39A were renumbered regulation 102A(1) and regulation 39A(1) respectively;
- (b) for the definition of “self-employment route” in the renumbered paragraph (1) there was substituted the following definition—

““self-employment route” means receiving assistance in pursuing self-employed earner's employment whilst participating in the programme known as the intensive activity period of the New Deal pilot for 25 plus as defined for the purposes of the Social Security (New Deal Pilot) Regulations (Northern Ireland) 1998 in regulation 2(1) of those Regulations;”;

- (c) after the renumbered paragraph (1) there was added the following paragraph—

“(2) For the purposes of this Chapter, the last day upon which assistance is received under the self-employment route shall be the day—

- (a) upon which there is at least £2,000 in the participant's special account;
- (b) which is 26 weeks after the day upon which the participant first received such assistance; or
- (c) which is the last day upon which the participant received such assistance,

whichever shall first occur.”.

(2) The provisions specified in paragraph (3) shall be modified in their application to persons to whom this Part applies as if for the references to a person receiving, or having received, assistance under an employment programme specified in regulation 75(1)(a)(i)(bb) of the Jobseeker's Allowance Regulations(13) there were substituted references to a person receiving or, as the case may be, having received, assistance in pursuing self-employed earner's employment whilst participating in the programme known as the intensive activity period of the New Deal pilot for 25 plus as defined for the purposes of the Social Security (New Deal Pilot) Regulations (Northern Ireland) 1998 in regulation 2(1) of those Regulations.

- (3) The provisions to which paragraph (2)(14) refers are—

(9) Regulation 102A was inserted by regulation 4(4) of [S.R. 1998 No. 182](#)

(10) [S.R. 1996 No. 198](#); relevant amending Regulations are [S.R. 1998 No. 182](#) and [S.R. 1997 No. 541](#)

(11) Regulation 39A was inserted by regulation 3(3) of [S.R. 1998 No. 182](#)

(12) [S.R. 1987 No. 459](#); relevant amending Regulations are [S.R. 1998 No. 182](#)

(13) Regulation 75 was substituted by regulation 8 of [S.R. 1997 No. 541](#); head (i) was substituted by regulation 4(2) of [S.R. 1998 No. 182](#)

(14) The provisions referred to in paragraph (3) were amended or, as the case may be, inserted by [S.R. 1998 No. 182](#)

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- (a) in the Disability Working Allowance Regulations(15), regulation 34(7), paragraph 58 of Schedule 3 and paragraphs 6 and 51 of Schedule 4;
  - (b) in the Family Credit Regulations(16), regulation 31(7), paragraph 60 of Schedule 2 and paragraphs 6 and 52 of Schedule 3;
  - (c) in the Housing Benefit Regulations(17), regulation 40(7), paragraph 68 of Schedule 4 and paragraphs 7 and 53 of Schedule 5;
  - (d) in the Income Support Regulations, paragraph 63 of Schedule 9 and paragraphs 6 and 50 of Schedule 10;
  - (e) in the Jobseeker’s Allowance Regulations, paragraph 61 of Schedule 6 and paragraphs 11 and 45 of Schedule 7.”.
- (7) In regulation 17 (scope of Part IV), for “16” there shall be substituted “16A”.

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

L.S.

26th March 1999.

*John O'Neill*  
Assistant Secretary

The Department of the Environment for Northern Ireland hereby consents to regulation 2(6) of the foregoing Regulations.

Sealed with the Official Seal of the Department of the Environment for Northern Ireland on 26th March 1999.

L.S.

*Trevor Pearson*  
Assistant Secretary

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(15) [S.R. 1992 No. 78](#); relevant amending Regulations are [S.R. 1998 No. 182](#)  
(16) [S.R. 1987 No. 463](#); relevant amending Regulations are [S.R. 1998 No. 182](#)  
(17) [S.R. 1987 No. 461](#); relevant amending Regulations are [S.R. 1998 No. 182](#)

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## EXPLANATORY NOTE

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

These Regulations amend the Social Security (New Deal Pilot) Regulations (Northern Ireland) 1998 (“the New Deal Pilot Regulations”) to the extent that they modify provisions in the Jobseeker’s Allowance Regulations (Northern Ireland) 1996, the Income Support (General) Regulations (Northern Ireland) 1987, the Housing Benefit (General) Regulations (Northern Ireland) 1987, the Family Credit (General) Regulations (Northern Ireland) 1987 and the Disability Working Allowance (General) Regulations (Northern Ireland) 1992.

In particular, they provide that persons participating in the pilot scheme established under regulation 2 of the New Deal Pilot Regulations and who are receiving assistance in pursuing self-employment earner’s employment whilst so participating (“the self-employment route”), shall be subject to special rules as to the treatment of their income and capital in the benefits referred to above.

Regulation 2(6) inserts a new regulation 16A into the New Deal Pilot Regulations. This provides that income paid to a participant in 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. These rules relate to its calculation and the date it is taken into account and treated as paid (new regulation 16A(1)). Regulation 2(6) also provides that for the purpose of applying the special rules, the last day on which such assistance is received shall either be the day on which there is at least £2,000 in the participant’s special account or, if that does not occur, the day on which such assistance has been received for a period of 26 weeks.

The new regulation 16A also provides, in paragraphs (2) and (3)—

- (a) that such income, for the purposes of disability working allowance, family credit and housing benefit, shall be treated as capital;
- (b) that mandatory payments made to participants in the self-employment route shall be disregarded both as income and as capital;
- (c) 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;
- (d) that business assets of persons receiving assistance under the self-employment route shall, in certain circumstances, be disregarded as capital; and
- (e) that capital intended for purchasing business assets for use whilst receiving assistance under the self-employment route shall be disregarded.

Regulation 2(4)(b) and (5) amends the New Deal Pilot Regulations so as to extend the income and capital disregards for certain payments made to participants in respect of their participation in the intensive activity period so as to enable them to continue to claim any of the benefits referred to in the first paragraph of this Note. Regulation 2(3) modifies the definition of “training allowance” in those benefits so as to exclude such payments from being a training allowance.

Regulation 2(2) makes a consequential amendment and regulation 2(4)(a) and (7) make technical amendments.

In so far as these Regulations are required, for the purposes of regulation 2(6) to be referred to the Social Security Advisory Committee under section 149(2) of the Social Security Administration

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(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 these Regulations correspond 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.