
STATUTORY INSTRUMENTS

1993 No. 1679

SOCIAL SECURITY

**The Income Support (General)
Amendment No. 3 Regulations 1993**

<i>Made</i>	- - - -	<i>5th July 1993</i>
<i>Laid before Parliament</i>		<i>12th July 1993</i>
<i>Coming into force</i>	- -	<i>2nd August 1993</i>

The Secretary of State for Social Security, in exercise of the powers conferred upon him by sections 135(1), 136(5)(b), 137(1) and 175(1) to (4) of the Social Security Contributions and Benefits Act 1992⁽¹⁾ and of all other powers enabling him in that behalf, after reference to the Social Security Advisory Committee of proposals to make the regulations specified in the Schedule to this instrument⁽²⁾, the Committee having agreed that the proposals in respect of the remainder of the regulations in this instrument be not referred to it⁽³⁾, hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Income Support (General) Amendment No.3 Regulations 1993 and shall come into force on 2nd August 1993.

(2) Regulation 6 of these Regulations shall have effect in relation to any particular claimant at the beginning of the first benefit week to commence for that claimant on or after 2nd August 1993 which applies in his case.

(3) In these Regulations “the Income Support Regulations” means the Income Support (General) Regulations 1987⁽⁴⁾ and expressions used in these Regulations and in the Income Support Regulations shall have the same meaning in these Regulations as they have in the Income Support Regulations.

Urgent Cases

2.—(1) Regulation 70 of the Income Support Regulations⁽⁵⁾ (urgent cases) shall be further amended in accordance with the following provisions of this regulation.

(1) 1992 c. 4; section 137(1) is an interpretation provision and is cited because of the meaning ascribed to the word “prescribed”.
(2) See the Social Security Administration Act 1992 (c. 5), section 172(1).
(3) See the Social Security Administration Act 1992, section 173(1)(b).
(4) S.I.1987/1967.
(5) The relevant amending instrument is S.I.1989/1323.

- (2) In paragraph (3)—
- (a) for sub-paragraph (b), there shall be substituted the following sub-paragraph—
- “(b) is an asylum seeker for the purposes of paragraph 3A;”;
- (b) sub-paragraph (d) shall be omitted.
- (3) After paragraph (3), there shall be inserted the following paragraphs—
- “(3A) For the purposes of this paragraph, a person—
- (a) becomes an asylum seeker when he has submitted a claim for asylum to the Secretary of State that it would be contrary to the United Kingdom’s obligations under the Convention for him to be removed from, or required to leave, the United Kingdom and that claim is recorded by the Secretary of State as having been made; and
- (b) ceases to be an asylum seeker when his claim is recorded by the Secretary of State as having been finally determined or abandoned.
- (3B) In paragraph (3A), “the Convention” means the Convention relating to the Status of Refugees done at Geneva on 28th July 1951 and the protocol to that Convention.”
- (4) In the case of a claimant who was entitled to income support by virtue of regulation 70 of the Income Support Regulations for the benefit week which includes 2nd August 1993, then in respect of each day after that date on which the claimant’s entitlement to income support continues, regulation 70 shall continue to apply in his case as if the preceding provisions of this regulation had not been made.

Mortgage Interest Payments

- 3.—**(1) Schedule 3 to the Income Support Regulations⁽⁶⁾ (housing costs) shall be further amended in accordance with the following provisions of this regulation.
- (2) In paragraph 7 (interest on loans to acquire an interest in the dwelling occupied as the home)—
- (a) in sub-paragraph (3), for the words “sub-paragraphs (3A) to (6)” there shall be substituted the words “sub-paragraphs (3A) to (6B) and paragraphs 7A and 7B”;
- (b) after sub-paragraph (6A) there shall be inserted the following sub-paragraphs—
- “(6B) Where for the time being a loan exceeds, or in a case where more than one loan is to be taken into account, the aggregate of those loans exceeds the appropriate amount specified below for the purposes of this sub-paragraph, then the amount of the loan, or as the case may be, the aggregate amount of those loans, shall for the purposes of paragraph 7 be the appropriate amount and only the interest attributable to that amount shall qualify as eligible interest.
- (6C) Subject to the following provisions of this paragraph the appropriate amount specified for the purposes of sub-paragraph (6B) is—
- (a) before 11th April 1994 £150,000;
- (b) after 10th April 1994 £125,000.
- (6D) Where a person is treated under paragraph 4(6) (payments in respect of two dwellings) as occupying two dwellings as his home, and has loans of a kind specified in sub-paragraphs (3) and (3A) or met under sub-paragraph (7) in respect of both those dwellings, then the restrictions imposed by sub-paragraph (6B) shall be applied separately to the loans for each dwelling, and the eligible interest for the purposes of this paragraph shall be the aggregate of the eligible interest for the loans on both dwellings.

⁽⁶⁾ The relevant amending instruments are S.I. [1988/663](#) and [2022, 1989/1678](#) and [1990/1776](#).

(6E) In a case where paragraph 6 (apportionment of housing costs) applies, the appropriate amount for the purposes of sub-paragraph (6B) shall be the lower of—

(a) a sum determined by applying the formula—

$$P \times Q,$$

where

P = the relevant fraction for the purposes of paragraph 6, and

Q = the amount or, as the case may be, the aggregate amount for the time being of any loan or loans of a kind specified in sub-paragraphs (3) and (3A) or met under sub-paragraph (7); or

(b) the sum for the time being specified in sub-paragraph (6C).

(6F) In a case where sub-paragraph (5) (loans which qualify in part only) applies, the appropriate amount for the purposes of sub-paragraph (6B) shall be the lower of—

(a) a sum representing for the time being the part of the loan applied for the purposes specified in sub-paragraphs (3) and (3A); or

(b) the sum for the time being specified in sub-paragraph (6C).”.

(3) After paragraph 7, there shall be inserted the following paragraphs—

“Apportionment of qualifying loans

7A.—(1) For the purposes of determining whether the appropriate amount for the time being specified for the purposes of paragraph 7(6B) has been exceeded, any loan taken out for a purpose specified in paragraph 8(1) shall, subject to paragraph 7B, be aggregated with any loan taken out for a purpose specified in paragraph 7(3) or (3A) or met under paragraph 7(7).

(2) Where in any case the amount for the time being specified for the purpose of paragraph 7(6B) is exceeded and there are 2 or more loans to be taken into account under either paragraph 7 or paragraph 8 or under the two paragraphs, then the amount of eligible interest in respect of each of those loans to the extent that the loans remain outstanding shall be determined as if each loan had been reduced to a sum equal to the qualifying portion of that loan.

(3) For the purposes of sub-paragraph (2), the qualifying portion of a loan shall be determined by applying the formula—

$$R \times \frac{S}{T}$$

where—

R = the amount for the time being specified for the purposes of paragraph 7(6B);

S = the amount of the outstanding loan to be taken into account; and

T = the aggregate of all outstanding loans to be taken into account under paragraphs 7 and 8.

(4) For the purposes of this paragraph a loan is to be taken into account only to the extent that eligible interest is payable on it.

Disabled Persons

7B.—(1) Any loan taken out to adapt a dwelling for the special needs of a disabled person shall be disregarded in determining whether the appropriate amount for the time being specified for the purposes of paragraph 7(6B) is exceeded and an amount in respect of interest payable on such a loan shall be met in accordance with paragraph 8.

- (2) For the purposes of sub-paragraph (1) a disabled person is a person—
- (a) in respect of whom a disability premium, a disabled child premium, a pensioner premium for persons 75 or over or a higher pensioner premium is included in his applicable amount or the applicable amount of a person living with him; or
 - (b) who is a non-dependant but who, had he in fact been entitled to income support, would have had included in his applicable amount a disability premium, a disabled child premium, a pensioner premium for persons aged 75 or over or a higher pensioner premium.”.

(4) In paragraph 8(7), in sub-paragraph (1), at the beginning there shall be inserted the words “Subject to paragraph 7A,”.

Saving

4.—(1) In the case of a claimant who was entitled to income support for the benefit week which included 2nd August 1993 then, but subject to paragraph (3), in respect of each day after that date on which the claimant’s entitlement to income support continues, Schedule 3 to the Income Support Regulations shall continue to apply in his case as if regulation 3 of these Regulations had not been made.

(2) Heads (c) to (f) of sub-paragraph (9) of paragraph 7 of Schedule 3 to the Income Support Regulations shall apply to paragraph (1) above as they apply to sub-paragraph (1) of paragraph 7, but with the modification that for the words “in receipt of income support”, wherever they occur, there were substituted the words “entitled to income support” and that the words “Subject to sub-paragraphs (10) and (11)” were omitted.

(3) In its application to any loan taken out or increased after 2nd August 1993 Schedule 3 to the Income Support Regulations shall have effect as amended by regulation 3 of these Regulations.

(4) Paragraphs (1) and (3) above shall apply as from 11th April 1994 as if for the references to “2nd August 1993” wherever they occur there were substituted references to “11th April 1994”.

Restriction on meeting housing costs

5. In paragraph 10 of Schedule 3 to the Income Support Regulations, after sub-paragraph (6), there shall be inserted the following sub-paragraphs—

“(6ZA) For the purposes of calculating any period of 6 months referred to in sub-paragraph (6), and for those purposes only, a person shall be treated as entitled to income support for any period of 8 weeks or less in respect of which he was not in receipt of income support and which fell immediately between periods in respect of which he was in receipt thereof.

(6ZB) Any period in respect of which—

- (a) income support was paid to a person, and
- (b) it was subsequently determined on appeal or review that he was not entitled to income support for that period,

shall be treated for the purposes of sub-paragraph (6ZA) as a period in respect of which he was not in receipt of income support.

(6ZC) Heads (c) to (f) of sub-paragraph (9) of paragraph 7 shall apply to sub-paragraph (6ZA) as they apply to sub-paragraph (1) of paragraph 7 but with the modification that the words “Subject to sub-paragraphs (10) and (11)” were omitted and references to “the claimant” were references to the person mentioned in sub-paragraph (6ZA).”.

(7) Paragraph 8 was amended by S.I. [1990/547](#).

Sums to be disregarded in the calculation of income other than earnings

6. In Schedule 9 to the Income Support Regulations (sums to be disregarded in the calculation of income other than earnings), in paragraph 29—

- (a) in sub-paragraph (1)(a) for the words “under that paragraph”, there shall be substituted the words “under paragraphs 7, 8 and 10 of Schedule 3”; and
- (b) for sub-paragraph (2) there shall be substituted the following sub-paragraph—

“(2) The amount to which sub-paragraph (1)(a) refers shall be taken into account in calculating the amount to be excluded under this paragraph only for such period during which either—

- (a) there is applicable to the claimant 50 per cent of his eligible interest under paragraph 7 of Schedule 3; or
- (b) the amount of the loan to be taken into account is restricted by virtue of paragraph 7(6B) or 10 of Schedule 3.”.

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

5th July 1993

Alistair Burt
Parliamentary Under-Secretary of State,
Department of Social Security

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

SCHEDULE

REGULATIONS CONTAINING PROPOSALS REFERRED TO THE SOCIAL SECURITY ADVISORY COMMITTEE

Regulation	Provision
Regulation 3(1) and (2)(a) and (b) in so far as they relate to sub-paragraphs (6B) and (6C) of paragraph 7 of Schedule 3 to the Income Support Regulations.	Limitation on loans taken into account for income support purposes.
Regulation 3(3) in so far as it relates to paragraph 7A of Schedule 3 to the Income Support Regulations.	Apportionment of qualifying loans.
Regulation 4(1), (3) and (4).	Savings Provision.
Regulation 5.	Restrictions on meeting housing costs.
Regulation 6(b).	Sums to be disregarded in the calculation of income other than earnings, except where paragraph 10 of Schedule 3 to the Income Support Regulations applies to the loan.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations further amend the Income Support (General) Regulations 1987.

Certain categories of persons from abroad as defined in regulation 21(3) of the Income Support (General) Regulations 1987, have a reduced applicable amount calculated in accordance with regulation 70 of those Regulations (urgent cases). Regulation 2 amends one of those categories so that asylum seekers, but not those seeking only a variation of their leave to enter the United Kingdom, qualify as urgent cases. There are savings for existing beneficiaries (paragraph (4)).

Regulation 3 excludes from the mortgage interest payments taken into account in determining a person's applicable amount, payments on so much of any loan or loans as exceed £150,000 as from 2nd August 1993 or £125,000 as from 11th April 1994. There are savings provisions for those entitled to income support on 2nd August 1993 with a loan or loans above that amount (regulation 4). Similar savings provisions apply to the 1994 change.

Regulation 5 provides a linking rule for the purposes of determining whether successive periods of 6 months, during which no restriction is placed upon the payment of high mortgage costs, are still current.

Regulation 6 provides for the disregard of certain payments made under a mortgage protection policy in the calculation of income other than earnings.

These Regulations do not impose a charge on businesses.

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

The report of the Social Security Advisory Committee dated 20th May 1993 on the proposals referred to them (that is the proposals identified in the Schedule to this Instrument) together with the statement showing the extent to which these Regulations give effect to them, and in so far as they do not give effect to them, the reasons why not, are contained in Command Paper No.2272, published by Her Majesty's Stationery Office.