
STATUTORY INSTRUMENTS

1996 No. 2367

SOCIAL SECURITY

**The Social Security (Credits and Contributions)
(Jobseeker’s Allowance Consequential and
Miscellaneous Amendments) Regulations 1996**

Made - - - - *11th September 1996*
Laid before Parliament *16th September 1996*
Coming into force - - *7th October 1996*

The Secretary of State for Social Security, in exercise of the powers conferred by sections 22(5), 122(1) and 175(1) and (3) of the Social Security Contributions and Benefits Act 1992(1) and sections 35(1) and 40 of the Jobseekers Act 1995(2) and of all other powers enabling him in that behalf, after agreement by the Social Security Advisory Committee that proposals to make these Regulations should not be referred to it(3), hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security (Credits and Contributions) (Jobseeker’s Allowance Consequential and Miscellaneous Amendments) Regulations 1996 and shall come into force on 7th October 1996.

(2) In these Regulations “the Credits Regulations” means the Social Security (Credits) Regulations 1975(4).

Amendment of the Credits Regulations

2.—(1) The Credits Regulations shall be amended in accordance with the following provisions of this regulation.

(2) In regulation 2(1) (interpretation) —

(a) there are inserted in the appropriate places the following definitions —

(1) 1992 c. 4; section 22(5) was amended by paragraph 22 of Schedule 2 to the Jobseekers Act 1995 (c. 18); section 122(1) is cited for the meaning it gives to prescribe .
(2) 1995 c. 18; section 35(1) is cited for the meaning it gives to regulations .
(3) See section 173(1)(b) of the Social Security Administration Act 1992 (c. 5). That section applies to regulations made under the Jobseekers Act 1995 by virtue of the amendment made by paragraph 67 of Schedule 2 to that Act.
(4) S.I.1975/556; relevant amending instruments are S.I. 1976/1736, 1977/788, 1978/409, 1982/96, 1983/197, 1987/414, 1987/687, 1988/516, 1988/1230, 1988/1545, 1989/1627, 1991/2772, 1992/726, 1994/1837, 1995/829 and 1995/2558.

““benefit” includes a contribution-based jobseeker’s allowance but not an income-based jobseeker’s allowance;

“contribution-based jobseeker’s allowance” has the same meaning as in the Jobseekers Act 1995(5);

“income-based jobseeker’s allowance” has the same meaning as in the Jobseekers Act 1995;

“jobseeker’s allowance” means an allowance payable under Part I of the Jobseekers Act 1995;”;

(b) for the definition of “reckonable year” there is substituted —

““reckonable year” means a year for which the relevant earnings factor of the contributor concerned was sufficient to satisfy —

(a) in relation to short-term incapacity benefit, widowed mother’s allowance, widow’s pension or Category A or Category B retirement pension, paragraph (b) of the second contribution condition specified in relation to that benefit in Schedule 3 to the Contributions and Benefits Act; or

(b) in relation to contribution-based jobseeker’s allowance, the additional condition specified in section 2(3) of the Jobseekers Act 1995;”;

(c) for the definition of “relevant benefit year” there is substituted —

““relevant benefit year” has the same meaning as it has —

(a) in relation to short-term incapacity benefit, in paragraph 2(6)(b) of Schedule 3 to the Contributions and Benefits Act; and

(b) in relation to contribution-based jobseeker’s allowance, in section 2(4)(b) of the Jobseekers Act 1995;”;

(d) in the definition of “relevant earnings factor” —

(i) in paragraph (a) for the words from the beginning to “section 13” there is substituted “if the benefit is a contribution-based jobseeker’s allowance or if the contributions relevant to the benefit under section 21 of the Contributions and Benefits Act”; and

(ii) in paragraphs (b) and (c) for “section 13” there is substituted “that section”;

(e) the definitions of “charity”, “health authority”, “health board”, “local authority” and “preserved board” are omitted.

(3) For regulation 3(1) (general provisions relating to the crediting of contributions and earnings) there is substituted —

“(1) Any contributions or earnings credited in accordance with these Regulations shall be only for the purpose of enabling the person concerned to satisfy —

(a) in relation to short-term incapacity benefit, widowed mother’s allowance, widow’s pension or Category A or Category B retirement pension, the second contribution condition specified in relation to that benefit in Schedule 3 to the Contributions and Benefits Act; or

(b) in relation to contribution-based jobseeker’s allowance, the condition specified in section 2(1)(b) of the Jobseekers Act 1995,

and accordingly, where under any of the provisions of these Regulations a person would, but for this paragraph, be entitled to be credited with any contributions or earnings for a year, or in respect of any week in a year, he shall be so entitled for the purposes of any benefit only if and to no greater extent than that by which his

relevant earnings factor for that year falls short of the level required to make that year a reckonable year.”.

(4) In regulations 7A(2)(a) (credits for invalid care allowance), 7B(3)(a) (credits for disability working allowance) and 7C(4)(a) (credits for family credit) for “regulation 9” there is substituted “regulation 8A or 8B”.

(5) In regulation 8(1) (credits on termination of full-time education, training or apprenticeship) for “unemployment benefit” there is substituted “a contribution-based jobseeker’s allowance”.

(6) After regulation 8 there is inserted —

“Credits for unemployment

8A.—(1) Subject to regulation 9, for the purposes of entitlement to any benefit by virtue of a person’s earnings or contributions, he shall be entitled to be credited with earnings equal to the lower earnings limit then in force, in respect of each week to which this regulation applies.

(2) Subject to paragraph (5) this regulation applies to a week which, in relation to the person concerned, is —

- (a) a week for the whole of which he was paid a jobseeker’s allowance; or
- (b) a week for the whole of which he satisfied or was treated as having satisfied the conditions set out in paragraphs (a), (c) and (e) to (h) of section 1(2) of the Jobseekers Act 1995 (conditions for entitlement to a jobseeker’s allowance) and in respect of which he has satisfied the further condition specified in paragraph (3); or
- (c) a week which would have been a week described in sub-paragraph (b) but for the fact that he was incapable of work for part of it.

(3) The further condition referred to in paragraph (2)(b) is that the person concerned —

- (a) furnished to the Secretary of State notice in writing of the grounds on which he claims to be entitled to be credited with earnings —
 - (i) on the first day of the period for which he claims to be so entitled in which the week in question fell; or
 - (ii) within such further time as may be reasonable in the circumstances of the case; and
- (b) has provided any evidence required by the Secretary of State that the conditions referred to in paragraph (2)(b) are satisfied.

(4) This regulation also applies to a week for the whole of which the conditions set out in paragraphs (a), (c) and (e) to (h) of section 1(2) of the Jobseekers Act 1995 would have been satisfied but for its being a week in respect of which, in accordance with regulation 52(3) (persons treated as engaged in remunerative work) and Part VIII (income and capital) of the Jobseeker’s Allowance Regulations 1996(6), there is taken into account any compensation payment referred to in regulation 98(1)(b) of those Regulations.

(5) This regulation shall not apply to —

- (a) a week in respect of which the person concerned was not entitled to a jobseeker’s allowance (or would not have been if he had claimed it) because of section 14 of the Jobseekers Act 1995 (trade disputes); or
- (b) a week in respect of which, in relation to the person concerned, there was in force a direction under section 16 of that Act (which relates to persons who have reached the age of 16 but not the age of 18 and who are in severe hardship); or

(6) S.I. 1996/207; regulation 52 was amended by S.I. 1996/1516.

- (c) a week in respect of which, because of section 19 of that Act, a jobseeker's allowance was not payable to the person concerned even though he satisfied the conditions for entitlement to that allowance; or
- (d) a week in respect of which a jobseeker's allowance was payable to the person concerned only by virtue of regulation 141 of the Jobseeker's Allowance Regulations 1996⁽⁷⁾ (circumstances in which an income-based jobseeker's allowance is payable to a person in hardship); or
- (e) where the person concerned is a married woman, a week in respect of any part of which an election made by her under regulations made under section 19(4) of the Contributions and Benefits Act had effect.

Credits for incapacity for work

8B.—(1) Subject to regulation 9, for the purposes of entitlement to any benefit by virtue of a person's earnings or contributions, he shall be entitled to be credited with earnings equal to the lower earnings limit then in force, in respect of each week to which this regulation applies.

(2) Subject to paragraphs (3) and (4) this regulation applies to —

- (a) a week in which, in relation to the person concerned, each of the days —
 - (i) was a day of incapacity for work under section 30C of the Contributions and Benefits Act⁽⁸⁾ (incapacity benefit: days and periods of incapacity for work); or
 - (ii) would have been such a day had the person concerned claimed short-term incapacity benefit or maternity allowance within the prescribed time; or
 - (iii) was a day of incapacity for work for the purposes of statutory sick pay under section 151 of the Contributions and Benefits Act and fell within a period of entitlement under section 153 of that Act; or
- (b) a week for any part of which an unemployability supplement was payable by virtue of Schedule 7 to the Contributions and Benefits Act.

(3) Where the person concerned is a married woman, this regulation shall not apply to a week in respect of any part of which an election made by her under regulations made under section 19(4) of the Contributions and Benefits Act had effect.

(4) A day shall not be a day to which paragraph (2)(a) applies unless the person concerned has —

- (a) before the end of the benefit year immediately following the year in which that day fell; or
- (b) within such further time as may be reasonable in the circumstances of the case, furnished to the Secretary of State notice in writing of the grounds on which he claims to be entitled to be credited with earnings.”

(7) For regulation 9 (credits for unemployment or incapacity for work) there is substituted —

“Crediting of earnings for the purposes of entitlement to short-term incapacity benefit — further conditions

9. Earnings which a person is entitled to be credited with in respect of any week by virtue of regulation 8A or 8B (credits for unemployment or incapacity for work) shall be credited

(7) The relevant amending instrument is S.I. 1996/1517.

(8) Section 30C was inserted by section 3(1) of the Social Security (Incapacity for Work) Act 1994 (c. 18).

for the purpose of enabling him to satisfy the second contribution condition for entitlement to short-term incapacity benefit only if —

- (a) in respect of one of the last two complete years before the beginning of the relevant benefit year, that person has an earnings factor of not less than 25 times the lower earnings limit for that year which is derived from earnings upon which primary Class 1 contributions have been paid or treated as paid or from Class 2 contributions; or
- (b) in respect of any day in, or as the case may be any week falling wholly or partly in, the relevant past year there was payable to that person or, but for the operation of the Social Security (Overlapping Benefits) Regulations 1979⁽⁹⁾ there would have been payable to him any one of the following benefits —
 - (i) short-term incapacity benefit at the higher rate or long-term incapacity benefit;
 - (ii) invalid care allowance;
 - (iii) unemployability supplement under Schedule 7 to the Contributions and Benefits Act or as defined in regulation 2(1) of the Social Security (Overlapping Benefits) Regulations 1979⁽¹⁰⁾; or
- (c) that person has made a claim (“the earlier claim”) for —
 - (i) short-term incapacity benefit or disability working allowance in respect of a day, or jobseeker’s allowance in respect of a week, in the relevant past year; or
 - (ii) maternity allowance in respect of a maternity allowance period which includes a day in that year,

and in relation to the earlier claim he has satisfied the contribution conditions for short-term incapacity benefit, or would have satisfied those conditions if the earlier claim had been a claim for that benefit; or

- (d) for the relevant past year that person is entitled to be credited with earnings in respect of any week by virtue of regulation 7; or
- (e) for the relevant past year that person is entitled to be credited with earnings in respect of any one week which included one or more days specified in regulation 8B(2)(a)(iii) (days of incapacity for work for the purposes of statutory sick pay) being a day or days for which that person would have been entitled to short-term incapacity benefit had he claimed it and had all such days specified in regulation 8B(2)(a)(iii) in the relevant past year been treated for the purposes of that benefit as days of incapacity for work.”.

(8) In regulation 9A (credits for persons approaching pensionable age) paragraph (4) is omitted.

Amendment of the Social Security (Contributions) Regulations 1979

3.—(1) The Social Security (Contributions) Regulations 1979⁽¹¹⁾ shall be amended in accordance with the following provisions of this regulation.

(2) In regulation 1(2) (interpretation) there are inserted in the appropriate places the following definitions —

““contributory benefit” includes a contribution-based jobseeker’s allowance but not an income-based jobseeker’s allowance;

“contribution-based jobseeker’s allowance” has the same meaning as in the Jobseekers Act 1995⁽¹²⁾;

⁽⁹⁾ S.I. 1979/597.

⁽¹⁰⁾ The relevant amending instrument is S.I. 1980/1927.

⁽¹¹⁾ S.I. 1979/591; relevant amending instruments are S.I. 1987/2111, 1987/413, 1990/1779, 1995/829 and 1996/486.

⁽¹²⁾ 1995 c. 18.

“income-based jobseeker’s allowance” has the same meaning as in the Jobseekers Act 1995; “jobseeker’s allowance” means an allowance payable under Part I of the Jobseekers Act 1995;”.

(3) In regulation 26A(6) (return of Class 2 contributions paid by low earners) after “an amount by way of” there is inserted “contribution-based jobseeker’s allowance or” and after “paid by way of such” there is inserted “allowance or”.

(4) In regulation 38 (treatment for purpose of contributory benefit of late paid contributions) —

(a) in paragraph (6) for “unemployment benefit” there is substituted “a contribution-based jobseeker’s allowance”; and

(b) after paragraph (6) there is inserted —

“(6A) In paragraph (6) of this regulation the reference to the second contribution condition in relation to a contribution-based jobseeker’s allowance is a reference to the condition specified in section 2(1)(b) of the Jobseekers Act 1995.”.

(5) In regulation 39 (treatment of late paid or unpaid primary Class 1 contributions) —

(a) for the words “unemployment benefit”, in both places where they occur, there is substituted “a contribution-based jobseeker’s allowance”; and

(b) at the beginning there is inserted the paragraph number “(1)” and at the end there is added the following paragraph —

“(2) In paragraph (1)(a) of this regulation the reference to the first contribution condition in relation to a contribution-based jobseeker’s allowance is a reference to the condition specified in section 2(1)(a) of the Jobseekers Act 1995.”.

(6) In regulation 98(c) and (e) (which relate to share fishermen) for “unemployment benefit” there is substituted “a contribution-based jobseeker’s allowance”.

Savings and transitional provisions

4.—(1) For the purposes of determining whether a person is entitled to be credited with earnings in respect of any period before the coming into force of these Regulations, regulation 9(1) to (8) of the Credits Regulations (credits for unemployment or incapacity for work) shall continue to have effect as if the amendments made by these Regulations had not come into force.

(2) In regulation 9 of the Credits Regulations (crediting of earnings for the purposes of entitlement to short-term incapacity benefit), as substituted by regulation 2(7) of these Regulations, in paragraph (c)(i) —

(a) the reference to a claim for jobseeker’s allowance shall, where the claim relates to a day before the coming into force of these Regulations, be read as a reference to a claim for unemployment benefit; and

(b) the reference to a claim for short-term incapacity benefit shall, where the claim relates to a day before 13th April 1995 (which is the date from which sickness benefit was replaced by short-term incapacity benefit), be read as a reference to a claim for sickness benefit.

(3) In spite of regulation 8A of the Credits Regulations (credits for unemployment), as inserted by regulation 2(6) of these Regulations, a person to whom the transitionally protected period defined in regulation 9 of the Jobseeker’s Allowance (Transitional Provisions) Regulations 1995(13) applies shall not be entitled to be credited with earnings in respect of a week falling within that period during which he is engaged in employment for 16 hours or more.

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

11th September 1996

Peter Lilley
Secretary of State,
Department of Social Security

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EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security (Credits) Regulations 1975 and the Social Security (Contributions) Regulations 1979.

Regulation 2 amends the Social Security (Credits) Regulations 1975 in consequence of the coming into force of the Jobseekers Act 1995 (c. 18) and also makes some miscellaneous amendments to those Regulations. In particular, it separates into 3 regulations the matters formerly covered by regulation 9 of those Regulations.

The new regulation 8A provides for credits to be awarded for weeks in respect of which a jobseeker's allowance is paid or the conditions for receiving that allowance are satisfied. The new regulation 8B replaces the existing provision for entitlement to credits during periods of incapacity for work. The substituted regulation 9 replaces the existing provision for restricting the crediting of earnings in respect of periods of unemployment or incapacity for the purposes of entitlement to short-term incapacity benefit.

Regulation 3 amends the Social Security (Contributions) Regulations 1979 in consequence of the coming into force of the Jobseekers Act 1995.

Regulation 4 provides for savings and transitional arrangements.

These Regulations do not impose any costs on business.