
STATUTORY INSTRUMENTS

2000 No. 2545

SOCIAL SECURITY

The Social Security Amendment (Capital Limits and Earnings Disregards) Regulations 2000

Made - - - - 18th September 2000
Laid before Parliament 25th September 2000
Coming into force in accordance with regulation 1(1)

The Secretary of State for Social Security, in exercise of the powers conferred upon him by sections 123(1)(a), (d) and (e), 134(1), 136(2) and (5)(b) and (d), 137(1) and 175(1), (3) and (4) of the Social Security Contributions and Benefits Act 1992⁽¹⁾ and sections 12(4)(b) and (d), 13(1) and (3), 35(1) and 36(1), (2) and (4) of the Jobseekers Act 1995⁽²⁾ 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 him to be representative of the authorities concerned⁽³⁾ and after agreement by the Social Security Advisory Committee that proposals in respect of these Regulations should not be referred to it⁽⁴⁾, hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security Amendment (Capital Limits and Earnings Disregards) Regulations 2000 and shall come into force—

- (a) for the purposes of—
- (i) this regulation and regulation 2(3); and
 - (ii) regulations 3 and 4 and paragraph 1 of the Schedule (in so far as those regulations and that paragraph relate to council tax benefit),
- on 1st April 2001;

(1) 1992 c. 4; sections 123(1) and 137(1) were amended to have effect with respect to council tax benefit by Schedule 9 to the Local Government Finance Act 1992 (c. 14), paragraphs 1(1) and 9; section 137(1) is an interpretation provision and is cited because of the meaning ascribed to the word “prescribed”.

(2) 1995 c. 18; section 35(1) is an interpretation provision and is cited because of the meaning ascribed to the words “prescribed” and “regulations”.

(3) See section 176(1) of the Social Security Administration Act 1992 (c. 5).

(4) See sections 170 and 173(1)(b) of the Social Security Administration Act 1992; paragraph 67 of Schedule 2 to the Jobseekers Act 1995 (c. 18) added that Act to the list of “relevant enactments” in respect of which regulations must normally be referred to the Committee. Section 173(7) defines “regulations”.

- (b) for the purposes of regulation 2(4) and for the purposes of regulations 3 and 4 and paragraph 1 of the Schedule (in so far as those regulations and that paragraph relate to housing benefit)—
- (i) in a case where rent is payable at intervals of a whole number of weeks, on 2nd April 2001; and
 - (ii) in any other case, on 1st April 2001;
- (c) for all other purposes, on 9th April 2001.

(2) Regulation 2(1) of these Regulations shall, in relation to any particular claimant for income support, have effect from the first day of the first benefit week to commence for that claimant on or after 9th April 2001 and in this paragraph, the expressions “benefit week” and “claimant” shall have the same meaning as in regulation 2(1) of the Income Support Regulations⁽⁵⁾.

(3) Regulation 2(2) of these Regulations shall, in relation to any particular claimant for a jobseeker’s allowance, have effect from the first day of the first benefit week to commence for that claimant on or after 9th April 2001 and in this paragraph, the expression “benefit week” shall have the same meaning as in regulation 1(3) of the Jobseeker’s Allowance Regulations⁽⁶⁾.

(4) In these Regulations—

“the Council Tax Benefit Regulations” means the Council Tax Benefit (General) Regulations 1992⁽⁷⁾;

“the Housing Benefit Regulations” means the Housing Benefit (General) Regulations 1987⁽⁸⁾;

“the Income Support Regulations” means the Income Support (General) Regulations 1987⁽⁹⁾;

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

Capital limits

2.—(1) In the Income Support Regulations⁽¹¹⁾—

(a) in regulation 41(1) (capital treated as income), after the figure “£8,000” there shall be inserted the words “or, in a case where regulation 45(aa) applies, £12,000”;

(b) in regulation 45 (capital limit)—

(i) in paragraph (a), after the word “paragraph” there shall be inserted the words “(aa) or”;

(ii) after paragraph (a), there shall be inserted the following paragraph—

“(aa) where the circumstances prescribed in regulation 53(1ZA) apply in the claimant’s case, the prescribed amount is £12,000;”;

(c) in regulation 53 (calculation of tariff income from capital)—

(i) in paragraph (1), after the word “paragraph” there shall be inserted the words “(1ZA) or”;

(ii) after paragraph (1) there shall be inserted the following paragraph—

“(1ZA) Where the claimant—

(a) is aged 60 or over or has a partner who is aged 60 or over;

⁽⁵⁾ The definition of “benefit week” was amended by S.I. 1988/1445.

⁽⁶⁾ The definition of “benefit week” was amended by S.I. 1996/1517 and 2538.

⁽⁷⁾ S.I. 1992/1814.

⁽⁸⁾ S.I. 1987/1971.

⁽⁹⁾ S.I. 1987/1967.

⁽¹⁰⁾ S.I. 1996/207.

⁽¹¹⁾ The relevant amending instruments are S.I. 1990/671, 1996/462 and 1999/3178.

- (b) is not a person to whom the circumstances prescribed in paragraph (1B) apply; and
 - (c) has capital which, calculated in accordance with this Part, exceeds £6,000, that capital shall be treated as equivalent to a weekly income of £1 for each complete £250 in excess of £6,000 but not exceeding £12,000.”;
 - (iii) in both paragraphs (2) and (3), after “(1)” there shall be inserted “, (1ZA)”.
- (2) In the Jobseeker’s Allowance Regulations(12)—
 - (a) in regulation 104(1) (capital treated as income), after the figure “£8,000” there shall be inserted the words “or, in a case where regulation 107(aa) applies, £12,000”;
 - (b) in regulation 107 (capital limit)—
 - (i) in paragraph (a), after the word “paragraph” there shall be inserted the words “(aa) or”;
 - (ii) after paragraph (a), there shall be inserted the following paragraph—

“(aa) where the circumstances prescribed in regulation 116(1ZA) apply in the claimant’s case, the prescribed amount is £12,000.”;
 - (c) in regulation 116 (calculation of tariff income from capital)—
 - (i) in paragraph (1), after the word “paragraph” there shall be inserted the words “(1ZA) or”;
 - (ii) after paragraph (1) there shall be inserted the following paragraph—

“(1ZA) Where the claimant—

 - (a) is aged 60 or over or has a partner who is aged 60 or over;
 - (b) is not a person to whom the circumstances prescribed in paragraph (1B) apply; and
 - (c) has capital which, calculated in accordance with this Part, exceeds £6,000, that capital shall be treated as equivalent to a weekly income of £1 for each complete £250 in excess of £6,000 but not exceeding £12,000.”;

(iii) in both paragraphs (2) and (3), after “(1)” there shall be inserted “,(1ZA)”.
- (3) In regulation 37(1) of the Council Tax Benefit Regulations (calculation of tariff income from capital), for the words from “£3,000” to the end of the paragraph there shall be substituted the words—

“—

 - (a) £6,000 in the case where the claimant is aged 60 or over or has a partner who is aged 60 or over;
 - (b) £3,000 in any other case,

it shall be treated as equivalent to a weekly income of £1 for each complete £250 in excess of £3,000 or, as the case may be, £6,000 but not exceeding £16,000.”.
- (4) In regulation 45 of the Housing Benefit Regulations (calculation of tariff income from capital)(13)—
 - (a) in paragraph (1), after the word “paragraph” there shall be inserted the words “(1ZA) or”;
 - (b) after paragraph (1) there shall be inserted the following paragraph—

(12) The relevant amending instruments are S.I. [1996/1516](#), [1997/65](#) and [1999/2860](#).

(13) Regulation 45 was amended by S.I. [1990/671](#) and [1996/462](#).

“(1ZA) Where the claimant—

- (a) is aged 60 or over or has a partner who is aged 60 or over;
- (b) is not a person to whom the circumstances prescribed in paragraph (1B) apply;
and
- (c) has capital which, calculated in accordance with this Part, exceeds £6,000,

that capital shall be treated as equivalent to a weekly income of £1 for each complete £250 in excess of £6,000 but not exceeding £16,000.”;

- (c) in both paragraphs (2) and (3), after “(1)” there shall be inserted “,(1ZA)”.

Sums to be disregarded in the calculation of earnings

3. In each of the provisions specified in the Schedule to these Regulations (which relate to sums to be disregarded in the calculation of earnings) but subject to regulation 4 below, for the sum “£15”, wherever that sum appears, there shall be substituted the sum “£20”.

Saving

4. Paragraph 3(4)(c) of Schedule 3 to both the Council Tax Benefit Regulations and to the Housing Benefit Regulations, paragraph 4(4)(c) of Schedule 8 to the Income Support Regulations and paragraph 5(4)(c) of Schedule 6 to the Jobseeker’s Allowance Regulations shall have effect as if regulation 3 above had not been made in a case where the claimant was entitled, by virtue of sub-paragraph (2) or (3) of those paragraphs as in force immediately before the coming into force of these Regulations, to a disregard of £15.

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

18th September 2000

Hugh Bayley
Parliamentary Under-Secretary of State,
Department of Social Security

SCHEDULE

Regulation 3

AMENDMENTS TO PROVISIONS RELATING TO SUMS TO
BE DISREGARDED IN THE CALCULATION OF EARNINGS

1. In Schedule 3 to both the Council Tax Benefit Regulations and the Housing Benefit Regulations—

- (a) paragraph 3;
- (b) paragraph 4A**(14)**;
- (c) paragraph 4B**(15)**;
- (d) paragraph 6;
- (e) paragraph 7;
- (f) paragraph 14.

2. In Schedule 8 to the Income Support Regulations—

- (a) paragraph 4;
- (b) paragraph 5;
- (c) paragraph 6A**(16)**;
- (d) paragraph 6B**(17)**;
- (e) paragraph 7;
- (f) paragraph 8;
- (g) paragraph 15.

3. In the Jobseeker's Allowance Regulations—

- (a) regulation 163(3) in so far as it substitutes regulation 101(4)(a) and (5)(a) and (b);
- (b) in Schedule 6—
 - (i) paragraph 5;
 - (ii) paragraph 6;
 - (iii) paragraph 7;
 - (iv) paragraph 8;
 - (v) paragraph 9;
 - (vi) paragraph 10;
 - (vii) paragraph 18;
- (c) in Schedule 6A**(18)**—
 - (i) paragraph 1;
 - (ii) paragraph 2;
 - (iii) paragraph 3;
 - (iv) paragraph 4.

(14) Paragraph 4A was inserted into the Council Tax Benefit Regulations by S.I. [1993/688](#) and into the Housing Benefit Regulations by S.I. [1993/317](#).

(15) Paragraph 4B was inserted into the Council Tax Benefit Regulations by S.I. [1993/688](#) and into the Housing Benefit Regulations by S.I. [1993/317](#).

(16) Paragraph 6A was inserted by S.I. [1993/315](#).

(17) Paragraph 6B was inserted by S.I. [1993/315](#).

(18) Schedule 6A was inserted by S.I. [2000/1978](#).

EXPLANATORY NOTE

(This note is not part of the Regulations)

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, regulation 2(1) and (2) provides respectively that in income support and jobseeker's allowance, claimants who are aged 60 or over or who have a partner aged 60 or over and to whom the limit of £16,000 does not apply, may be entitled to those benefits whilst having up to £12,000 of capital. It also provides in respect of those benefits, as does regulation 2(3) and (4) in respect of council tax benefit and housing benefit respectively, that tariff income shall only be taken into account for such claimants in respect of any capital they have between £6,000 and the relevant upper capital limit.

Regulation 3 of, and the Schedule to, these Regulations increase to £20 from £15 from April 2001, the amount of earnings which may be disregarded in determining entitlements to those benefits. Regulation 4 makes a saving provision.

These Regulations do not impose any charge on business.