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STATUTORY INSTRUMENTS

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**1998 No. 1173**

**SOCIAL SECURITY**

**The Social Security (Miscellaneous  
Amendments) (No.3) Regulations 1998**

*Made - - - - 6th May 1998*  
*Laid before Parliament 11th May 1998*  
*Coming into force in accordance with regulation 1*

The Secretary of State for Social Security, in exercise of powers conferred upon her by sections 123(1), 136(5)(b), 137(1) and 175(1) to (3) of the Social Security Contributions and Benefits Act 1992<sup>(1)</sup> and sections 12(4)(b), 35(1) and 36(1), (2) and (4) of the Jobseekers Act 1995<sup>(2)</sup>, and of all other powers enabling her in that behalf, after consultation, in respect of those provisions in these Regulations relating to housing benefit and council tax benefit, with organisations appearing to her to be representative of the authorities concerned<sup>(3)</sup> and after agreement by the Social Security Advisory Committee that these Regulations should not be referred to it<sup>(4)</sup>, hereby makes the following Regulations:

**Citation and commencement**

1.—(1) These Regulations may be cited as the Social Security (Miscellaneous Amendments) (No.3) Regulations 1998 and this regulation and regulation 2 of these Regulations shall come into force on 1st June 1998.

(2) Regulation 3 of these Regulations shall come into force on 2nd June 1998 but in the case of a claimant for disability working allowance or family credit who has an award of either of these benefits which is current on 2nd June 1998, that regulation shall have effect as from the day following the expiration of that award.

(3) Regulation 4 of these Regulations shall come into force on 1st June 1998 but in the case of a claimant for income support whose benefit week does not commence on that date, that regulation

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- (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 (c. 5); 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.

shall have effect from the first day of the first benefit week to commence for that claimant after that date.

(4) In paragraph (3) of this regulation, the expressions “benefit week” and “claimant” shall have the same meanings as in regulation 2(1) of the Income Support (General) Regulations 1987(5).

(5) Regulation 5 of these Regulations shall come into force on 1st June 1998 but in the case of a claimant for a jobseeker’s allowance whose benefit week does not commence on that date, that regulation shall have effect from the first day of the first benefit week to commence for that claimant after that date.

(6) In paragraph (5) of this regulation, the expression “benefit week” shall have the same meaning as in regulation 1(3) of the Jobseeker’s Allowance Regulations 1996(6).

### **Amendment of the Council Tax Benefit (General) Regulations 1992 and the Housing Benefit (General) Regulations 1987**

2. For paragraph 29 of Schedule 4 to the Council Tax Benefit (General) Regulations 1992(7) and paragraph 28 of Schedule 4 to the Housing Benefit (General) Regulations 1987(8) (sums to be disregarded in the calculation of income other than earnings) there shall be substituted the following paragraph bearing the respective paragraph number—

“—

(1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments—

- (a) on a loan which is secured on the dwelling which the claimant occupies as his home; or
- (b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974(9) or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part III of the Hire-Purchase Act 1964(10).

(2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—

- (a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (b); and
- (b) meet any amount due by way of premiums on—
  - (i) that policy; or
  - (ii) in a case to which sub-paragraph (1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the claimant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).”.

### **Amendment of the Disability Working Allowance (General) Regulations 1991 and of the Family Credit (General) Regulations 1987**

3. In both Schedule 3 to the Disability Working Allowance (General) Regulations 1991(11) and Schedule 2 to the Family Credit (General) Regulations 1987(12) (sums to be disregarded in the

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(5) S.I. 1987/1967; the definition of “benefit week” was amended by S.I. 1988/1445.

(6) S.I. 1996/207; the definition of “benefit week” was amended by S.I. 1996/1517 and 2538.

(7) S.I. 1992/1814 to which there are amending instruments which are not relevant to these Regulations.

(8) S.I. 1987/1971 to which there are amending instruments which are not relevant to these Regulations.

(9) 1974 c. 39.

(10) 1964 c. 53; Part III was substituted by the Consumer Credit Act 1974 (c. 39) Schedule 4, paragraph 22.

(11) S.I. 1991/2887 to which there are amending instruments which are not relevant to these Regulations.

(12) S.I. 1987/1973; paragraph 25 was substituted by S.I. 1992/573.

calculation of income other than earnings), after paragraph 25, there shall be inserted the following paragraph—

“**25A.**—(1) Subject to sub-paragraph (2), any payment received under an insurance policy taken out to insure against the risk of being unable to maintain repayments—

- (a) on a loan which is secured on the dwelling which the claimant occupies as his home; or
- (b) under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part III of the Hire-Purchase Act 1964.

(2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—

- (a) maintain the repayments referred to in sub-paragraph (1)(a) or, as the case may be, (b); and
- (b) meet any amount due by way of premiums on—
  - (i) that policy; or
  - (ii) in a case to which sub-paragraph (1)(a) applies, an insurance policy taken out to insure against loss or damage to any building or part of a building which is occupied by the claimant as his home and which is required as a condition of the loan referred to in sub-paragraph (1)(a).”.

#### **Amendment of the Income Support (General) Regulations 1987**

**4.** In Schedule 9 to the Income Support (General) Regulations 1987(**13**) (sums to be disregarded in the calculation of income other than earnings)—

- (a) in sub-paragraph (1) of paragraph 30, after the words “paragraph 29” there shall be inserted the words “or 30ZA”;
- (b) after paragraph 30 there shall be inserted the following paragraph—

“**30ZA.**—(1) Subject to sub-paragraph (2), any payment received under an insurance policy, other than an insurance policy referred to in paragraph 29, taken out to insure against the risk of being unable to maintain repayments under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part III of the Hire-Purchase Act 1964.

(2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—

- (a) maintain the repayments referred to in sub-paragraph (1); and
- (b) meet any amount due by way of premiums on that policy.”.

#### **Amendment of the Jobseeker’s Allowance Regulations 1996**

**5.** In Schedule 7 to the Jobseeker’s Allowance Regulations 1996(**14**) (sums to be disregarded in the calculation of income other than earnings)—

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(13) S.I. 1987/1967; paragraphs 29 and 30 were substituted by S.I. 1995/1613 and paragraph 30 was amended by S.I. 1995/2927.

(14) S.I. 1996/207.

- (a) in sub-paragraph (1) of paragraph 31, after the words “paragraph 30” there shall be inserted the words “or 31A”;
- (b) after paragraph 31 there shall be inserted the following paragraph—

“**31A.**—(1) Subject to sub-paragraph (2), any payment received under an insurance policy, other than an insurance policy referred to in paragraph 30, taken out to insure against the risk of being unable to maintain repayments under a regulated agreement as defined for the purposes of the Consumer Credit Act 1974 or under a hire-purchase agreement or a conditional sale agreement as defined for the purposes of Part III of the Hire-Purchase Act 1964.

(2) A payment referred to in sub-paragraph (1) shall only be disregarded to the extent that the payment received under that policy does not exceed the amounts, calculated on a weekly basis, which are used to—

- (a) maintain the repayments referred to in sub-paragraph (1); and
- (b) meet any amount due by way of premiums on that policy.”.

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

6th May 1998

*Keith Bradley*  
Parliamentary Under-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 Council Tax Benefit (General) Regulations 1992 (S.I. [1992/1814](#)), the Disability Working Allowance (General) Regulations 1991 (S.I. [1991/2887](#)), the Family Credit (General) Regulations 1987 (S.I. [1987/1973](#)), the Housing Benefit (General) Regulations 1987 (S.I. [1987/1971](#)), the Income Support (General) Regulations 1987 (S.I. [1987/1967](#)) (collectively referred to below as “the income-related benefits”) and the Jobseeker’s Allowance Regulations 1996 (S.I. [1996/207](#)).

In particular, these Regulations provide that, for the purposes of the income-related benefits and jobseeker’s allowance, payments received under an insurance policy taken out to insure against the risk of being unable to maintain repayments on certain loans or under a hire-purchase or similar agreement shall, in certain circumstances, be disregarded in the calculation of a person’s income (regulations 2, 3, 4(b) and 5(b)). Regulations 4(a) and 5(a) make consequential amendments.

These Regulations do not impose a charge on business.