
STATUTORY INSTRUMENTS

1987 No. 1973

The Family Credit (General) Regulations 1987

PART IV

INCOME AND CAPITAL

CHAPTER II

NORMAL WEEKLY INCOME

Calculation of income on a weekly basis

13.—(1) For the purposes of section 20(5) of the Act (conditions of entitlement to family credit), the income of a claimant shall be calculated on a weekly basis—

- (a) by ascertaining in accordance with this Chapter and Chapter V of this Part (other income) the amount of his normal weekly income; and
- (b) by adding to that amount the weekly income calculated under regulation 36 (calculation of tariff income from capital).

(2) For the purposes of paragraph (1) “income” includes income derived under regulations 25 and 26 (capital treated as income and notional income).

Normal weekly earnings of employed earners

14.—(1) Subject to regulation 17 (periods to be disregarded), where a claimant’s income consists of earnings from employment as an employed earner his normal weekly earnings shall be determined by reference to his weekly earnings from that employment—

- (a) over a period immediately preceding the week in which the claim is received or, if there is a trade dispute or a period of short-time working at his place of employment, over a period immediately preceding the date of the start of that dispute or period of short-time working, and being a period of—
 - (i) 5 weeks, if he is paid weekly; or
 - (ii) 2 months, if he is paid monthly; or
- (b) whether or not sub-paragraph (a)(i) or (ii) applies, where a claimant’s earnings fluctuate or are not likely to represent his weekly earnings, over such other period preceding the week in which the claim is received as may, in any particular case, enable his normal weekly earnings to be determined more accurately.

(2) Where the claimant has been in his employment or, after a continuous period of interruption exceeding 13 weeks, has resumed his employment, for less than the period specified in paragraph (1) (a)(i) or (ii)—

- (a) if he has received any earnings for the period that he has been in that employment or for the period after his resumption, and those earnings are likely to represent his weekly earnings

from that employment his normal weekly earnings shall be determined by reference to those earnings;

- (b) in any other case, the Secretary of State shall require the claimant's employer to furnish an estimate of the claimant's likely earnings over a period of—
- (i) 5 weeks, if he is paid weekly; or
 - (ii) 2 months, if he is paid monthly; or
 - (iii) whether or not head (i) or (ii) applies, such other period as may, in any particular case, enable his normal weekly earnings to be determined more accurately,
- and the claimant's normal weekly earnings shall be determined by reference to that estimate.

(3) For the purposes of this regulation, the claimant's earnings shall be calculated in accordance with Chapter III of this Part.

(4) For the purposes of this regulation "a period of short-time working" means a continuous period not exceeding 13 weeks during which the claimant is not required by his employer to be available to work the full number of hours normal in his case under the terms of his employment.

Normal weekly earnings of self-employed earners

15.—(1) Subject to regulation 17 (periods to be disregarded), where a claimant's income consists of earnings from employment as a self-employed earner, his normal weekly earnings shall be determined, subject to paragraph (2), by reference to his weekly earnings from that employment—

- (a) over a period of 26 weeks immediately preceding the week in which the claim is received; or
- (b) where any accounts of the employment are maintained and audited by a person qualified for appointment as an auditor under section 389 of the Companies Act 1985⁽¹⁾, over a 52 week period in respect of which such accounts are maintained provided that that period terminates within the 26 weeks preceding the date on which the claim is received; or
- (c) over such other period of weeks preceding the week in which the claim is received as may, in any particular case, enable his normal weekly earnings to be determined more accurately.

(2) Subject to regulation 17, where the claimant has been in employment as a self-employed earner for less than the period specified in paragraph (1)(a), his normal weekly earnings shall be determined by reference to any earnings received for the period that he has been in that employment and by reference to an estimate of his likely weekly earnings over the remainder of the first 26 weeks of the employment or by reference to such other evidence as may, in any particular case, enable his normal weekly earnings to be determined more accurately.

(3) For the purposes of this regulation, the claimant's earnings shall be calculated in accordance with Chapter IV of this Part.

Normal weekly income other than earnings

16.—(1) Subject to paragraph (2), a claimant's normal weekly income which does not consist of earnings shall be determined by reference to his weekly income over a period of 26 weeks immediately preceding the date of claim or over such period immediately preceding that date as may, in any particular case, enable his normal weekly income to be determined more accurately.

(1) 1985 c. 6.

(2) Where a claimant's income consists of any payments made by a person, whether under a court order or not, for the maintenance of any member of his family, and those payments are made or due to be made at regular intervals, his normal weekly income shall be determined—

- (a) if before the date of claim those payments are made at regular intervals, by reference to the normal weekly amount;
- (b) if they are not so made, by reference to the average of such payments received in the 13 weeks immediately preceding the week in which the claim is received.

(3) For the purposes of this regulation, income other than earnings shall be calculated in accordance with Chapter V of this Part.

Periods to be disregarded

17. For the purposes of ascertaining a claimant's normal weekly earnings there shall be disregarded—

- (a) in the case of an employed earner, any period in the assessment period where the earnings of the claimant are irregular or unusual;
- (b) in the case of a self-employed earner, any period in the assessment period during which no activities have been carried out for the purposes of the business,

and his normal weekly earnings shall be determined by reference to his weekly earnings in the remainder of that period and in such a case any reference in these Regulations to a claimant's assessment period shall be construed as a reference to the latter period.

Calculation of weekly amount of income

18. For the purposes of regulations 14 to 16 (normal weekly income), where the period in respect of which a payment is made—

- (a) does not exceed a week, the weekly amount shall be the amount of that payment;
- (b) exceeds a week, the weekly amount shall be determined—
 - (i) in a case where that period is a month, by multiplying the amount of the payment by 12 and dividing the product by 52;
 - (ii) in a case where that period is 3 months, by multiplying the amount of the payment by 4 and dividing the product by 52;
 - (iii) in a case where that period is a year, by dividing the amount of the payment by 52;
 - (iv) in any other case, by multiplying the amount of the payment by 7 and dividing the product by the number equal to the number of days in the period in respect of which it is made.