Draft Regulations laid before Parliament under section 77(9) of the Social Security Act 1998, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

1999 No.

SOCIAL SECURITY

The Social Security (Incapacity, Earnings and Work Trials) Pilot Schemes Regulations 1999

Made - - - -	*1999*
Coming into force - -	*11th April 1999*

Whereas a draft of this instrument was laid before Parliament in accordance with section 77(9) of the Social Security Act 1998(**1**) and approved by resolution of each House of Parliament:

Now, therefore, the Secretary of State for Social Security, in exercise of the powers conferred by sections 171A, 171B, 171C, 171D, 171E, 171G(2) and 175(2) to (4) of the Social Security Contributions and Benefits Act 1992(**2**), and sections 77 and 84 of the Social Security Act 1998(**3**) and of all other powers enabling him in that behalf, after reference to the Social Security Advisory Committee(**4**), hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security (Incapacity, Earnings and Work Trials) Pilot Schemes Regulations 1999 and shall come into force on 11th April 1999.

(2) These Regulations, other than regulation 7 (transitional provision), shall cease to have effect on 8th April 2000, unless revoked with effect from an earlier date.

(3) In these Regulations—

"the Contributions and Benefits Act" means the Social Security Contributions and Benefits Act 1992(**5**);

"the Incapacity General Regulations" means the Social Security (Incapacity for Work) (General) Regulations 1995(**6**);

(**1**) 1998 c. 14.
(**2**) 1992 c. 4. Sections 171A to 171C were inserted by the Social Security (Incapacity for Work) Act 1994 (c. 18), section 5; and sections 171D, 171E and 171G were inserted by section 6(1) of that Act. Section 171G(2) is cited because of the meaning assigned to the word "prescribe".
(**3**) 1998 c. 14. Section 84 is cited because of the meaning assigned to the word "prescribe".
(**4**) *See* the Social Security Administration Act 1992, section 172(1).
(**5**) 1992 c. 4.
(**6**) S.I. 1995/311, to which there are amendments not relevant to this regulation.

"a pilot scheme area" means the locality of the district offices of the Department of Social Security specified in column (3) of the Schedule to these Regulations and, in relation to those district offices, the postal districts specified in column (4) of the Schedule;

"the pilot scheme period" means any day within a period beginning on 11th April 1999 and ending on 8th April 2000; and

"a prescribed benefit" means any benefit, allowance or advantage under the Contributions and Benefits Act (other than statutory sick pay) mentioned in section 77(8) of the Social Security Act 1998 and for which entitlement is dependent on incapacity for work.

Application

2. These Regulations shall apply to any person who—

(a) subject to regulation 6, is residing in a pilot scheme area during any period within the pilot scheme period; and

(b) is—

(i) on 11th April 1999, receiving a prescribed benefit from a district office in a pilot scheme area; or

(ii) on or after 11th April 1999, entitled to, and claims, a prescribed benefit in a pilot scheme area for any day within the pilot scheme period.

Modification of the Incapacity General Regulations

3. These Regulations modify the Incapacity General Regulations to the extent prescribed in these Regulations and in so far as those Regulations apply to a person to whom these Regulations apply.

Earnings

4.—(1) Where a person who does any work on any day in a week for which he would otherwise be treated as capable of work under regulation 16 of the Incapacity General Regulations(**7**), he shall, if his earnings in that week do not exceed £15, be treated as incapable of work for that week.

(2) For the purposes of calculating the amount of a person's earnings under this regulation, the provisions of the Social Security Benefit (Computation of Earnings) Regulations 1996(**8**) shall be treated as if they applied to this regulation.

Work Trials

5.—(1) A person to whom this regulation applies shall be treated as incapable of work on any day, in whole or in part as the case may be, on which he does any approved work in a period of incapacity for work consisting of days, or part days, as the case may be, aggregated to not more than 15 days.

(2) This regulation applies to a person—

(a) who has been incapable of work or treated as incapable of work for a period of incapacity for work of more than 196 days;

(b) who is receiving a prescribed benefit; and

(c) who is engaged in approved work on a trial basis.

(3) In this regulation—

(**7**) Regulation 16 was amended by S.I. 1995/987 and 1996/3207.
(**8**) S.I. 1996/2745.

"approved work" means, in relation to a person, work arranged in writing by the Employment Service of the Department for Education and Employment with an employer in respect of that person;

"a period of incapacity for work" means—

(a) a period of 4 or more consecutive days each of which is a day on which a person is incapable of work and any two such periods separated by a period of not more than 8 weeks is to be treated as one period of incapacity for work, or

(b) such larger number of weeks as is prescribed under section 30C(4)(b) of the Contributions and Benefits Act; and

"trial basis" means such trial period and other related matters as may be agreed between the person, the Department for Education and Employment and an employer in relation to the approved work.

Residence

6.—(1) This regulation applies to a person who moves his residence from a pilot scheme area ("former pilot scheme area") to a residence which is not within a pilot scheme area in the course of the pilot scheme period.

(2) A person to whom paragraph (1) applies shall be treated as residing in the former pilot scheme area if—

(a) immediately before his departure from the former pilot scheme area, he was doing work in circumstances in which regulation 4 or 5 applied; and

(b) immediately after his departure from the former pilot scheme area, he continues to do the work for which he was treated as incapable of work in circumstances in which regulation 4 or 5 applied.

Transitional Provision

7. On the expiry of these Regulations, the Incapacity General Regulations shall apply to any person to whom these Regulations applied with modifications to those Regulations made by these Regulations for—

(a) in relation to a person to whom regulation 4 applies, a period up to 7th October 2000, or

(b) in relation to a person to whom regulation 5 applies, the remaining period in respect of which he is doing approved work,

but only in respect of the work for which he is engaged in doing on 8th April 2000 or the work approved in relation to him before 8th April 2000, as the case may be.

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

Parliamentary Under-Secretary of State,
1999 Department of Social Security