1987 No. 5

SOCIAL SECURITY

The Supplementary Benefit (Requirements and Resources) (Amendment) Regulations (Northern Ireland) 1987

Made	*19th January 1987*
Coming into operation . .	*26th January 1987*

The Department of Health and Social Services, in exercise of the powers conferred on it by paragraphs 1(2) and 2(1) of Schedule 1 to the Supplementary Benefits (Northern Ireland) Order 1977(**a**) and of all other powers enabling it in that behalf, and with the consent of the Department of Finance and Personnel(**b**), hereby makes the following regulations:

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Supplementary Benefit (Requirements and Resources) (Amendment) Regulations (Northern Ireland) 1987 and shall come into operation on 26th January 1987.

(2) In these regulations—

"Requirements Regulations" means the Supplementary Benefit (Requirements) Regulations (Northern Ireland) 1983(**c**);

"Resources Regulations" means the Supplementary Benefit (Resources) Regulations (Northern Ireland) 1984(**d**).

Amendment of the Requirements Regulations

2.—(1) The Requirements Regulations shall be amended in accordance with paragraphs (2) to (5).

(2) In regulation 14 (housing requirements), after paragraph (4A) there shall be inserted the following paragraph—

> "(4AA) Where for the purposes of Article 4 of, and Schedule 5 to, the Rates (Northern Ireland) Order 1977(**e**), it appears to the Department of the Environment, or it is deemed in pursuance of paragraphs 2 to 4 of that Schedule that the hereditament includes the home and that only a proportion of the rateable value of the hereditament is attributable to use for the purpose of a private dwelling, the amounts applicable under regulation 16 or 18 shall be

(a) S.I. 1977/2156 (N.I. 27); provisions of the Supplementary Benefits (Northern Ireland) Order 1977, as amended by Article 7 of, and Part I of Schedule 2 to, the Social Security (Northern Ireland) Order 1980 (S.I. 1980/870 (N.I. 8)), are set out in Part II of that Schedule

(b) Formerly the Department of Finance: *see* S.I. 1982/338 (N.I. 6) Article 3. *See also* Article 41(1) of the Supplementary Benefits (Northern Ireland) Order 1977, as amended by the Social Security (Northern Ireland) Order 1980

(c) S.R. 1983 No. 61; the relevant amending regulations are S.R. 1983 No. 291

(d) S.R. 1984 No. 54; the relevant amending regulations are S.R. 1985 No. 336 and S.R. 1986 No. 236

(e) S.I. 1977/2157 (N.I. 28)

such proportion of the amounts applicable in respect of the hereditament or premises as a whole as is equal to the proportion of the rateable value of the hereditament attributable to the part of the hereditament used for the purposes of a private dwelling.''.

(3) For regulation 16 (mortgage payments) there shall be substituted the following regulation—

''*Interest on loans to acquire an interest in the home*

16.—(1) Subject to paragraphs (2) to (10) the following amounts shall be applicable under this regulation—

(*a*) if the claimant or, if he is a member of a married or unmarried couple, he or his partner is aged 60 or over, 100 per cent. of the eligible interest in his case;

(*b*) if the claimant or, if he is a member of a married or unmarried couple, he and his partner are aged under 60—

(i) where the claimant has been in receipt of an allowance in respect of a continuous period of not less than 16 weeks, 100 per cent. of the eligible interest in his case,

(ii) in any other case, 50 per cent. of the eligible interest in that case.

(2) Where in a case to which paragraph (1)(*b*)(ii) applies—

(*a*) either—

(i) the claim for an allowance is refused, or

(ii) an award of an allowance is terminated on appeal or review, solely because the claimant's resources exceed his requirements by virtue of the fact that only 50 per cent. of the eligible interest in his case is applicable to him under paragraph (1)(*b*)(ii); and

(*b*) the claimant or his partner makes a further claim no later than 20 weeks after—

(i) where the original claim for an allowance was refused, the date of that claim, or

(ii) where an award of an allowance was terminated on appeal or review, the date of the claim in respect of which that award was made,

the amount applicable under this regulation commencing on a date not before the expiry of 16 weeks from the date specified in head (i) or (ii), as the case may be, shall be 100 per cent. of the eligible interest in that case and until that date shall be the amount specified in paragraph (1)(*b*)(ii).

(3) Subject to paragraphs (4) and (5), in this regulation ''eligible interest'' means the amount of interest on a loan, whether or not secured by way of a mortgage taken out to defray money applied for the purpose of—

(*a*) acquiring an interest in the home; or

(*b*) paying off another loan but only to the extent that interest on that other loan would have been eligible interest had the loan not been paid off.

(4) Subject to paragraph (5) and regulation 14(4AA) and to any restriction imposed under regulation 21, the amount of eligible interest in any case shall be the amount, calculated on a weekly basis, of—

(*a*) where, or in so far as, section 26 of the Finance Act 1982(**a**) applies to the payments of interest on the loan, the interest which is payable after deduction of a sum equal to income tax thereon at the basic rate for the year of assessment in which the payment of interest becomes due:

(*b*) in any other case the interest which is payable on the loan without deduction of such a sum.

(5) Where a loan is applied only in part for a purpose specified in paragraph (3), only such proportion of the interest payable thereon as is equal to the proportion of the loan applied for that purpose shall qualify as eligible interest.

(6) Where, under the terms of a loan taken out for a purpose specified in paragraph (3), interest is payable on accumulated arrears of interest (whether or not those arrears have been consolidated with the outstanding capital), the amount of such interest shall be applicable under this regulation as if it were eligible interest but only in so far as it represents interest on arrears incurred during any period—

(*a*) when paragraph (1)(*b*)(ii) applied in that case; or

(*b*) when the claimant was not entitled to benefit which fell within the period of 20 weeks specified in paragraph (2)(*b*),

and in either case only to the extent that arrears do not exceed 50 per cent. of the eligible interest that otherwise would have been payable during the period in question.

(7) Where a person who was formerly one of a married or unmarried couple—

(*a*) has taken out, either solely or jointly with his former partner, a loan secured on their home for a purpose other than one specified in paragraph (3); and

(*b*) has left the home and either cannot or will not pay the interest on the loan,

and, if that person's former partner has to pay the interest on the loan in order to continue to live in the home, there shall be applicable to the former partner under this regulation the amount of interest on the loan calculated as if it were a loan taken out for a purpose specified in paragraph (3).

(8) Where an amount is applicable under this regulation, if, notwithstanding that the amount of interest payable is reduced by virtue of—

(*a*) a reduction in interest rates; or

(*b*) a reduction in the amount of loan capital outstanding,

the amount of instalments which the borrower is liable to pay remains constant, the amount applicable shall not be adjusted to take account of the

(**a**) 1982 c. 39.