



Government Circular No. 01/01

THE DEPARTMENT OF HEALTH AND SOCIAL SECURITY

THE JOBSEEKER'S ENHANCED ALLOWANCE (AMENDMENT) SCHEME 2000

Approved by Tynwald 16th January 2001

Coming into operation in accordance with paragraph 1

Citation and commencement

1. This Scheme may be cited as the Jobseeker's Enhanced Allowance (Amendment) Scheme 2000 and shall come into operation as follows -

- (a) for the purposes of paragraph 2(4)(b) and (5)(a) and (d), except where sub-paragraph (b) applies, on 9th April 2001;
- (b) in respect of a person who is entitled to a jobseeker's enhanced allowance on 9th April 2001, on the day after his entitlement to such an allowance ends; and
- (c) for all other purposes, on 1st February 2001.

Amendment of the Jobseeker's Enhanced Allowance Scheme 1996

2. (1) The Jobseeker's Enhanced Allowance Scheme 1996(a) shall be amended in accordance with the following sub-paragraphs.

(2) In paragraph 1(2) (general conditions of entitlement) for the words "65 (in the case of a man) or 60 years (in the case of a woman)" there shall be substituted the words "pensionable age".

(3) In paragraph 2 (qualification for benefit) -

- (a) in sub-paragraph (3) -
 - (i) in head (a) -

(a) G.C. 22/96.

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- (aa) after the word "period" there shall be inserted the words "or periods";
- (bb) for the word "has" there shall be substituted the word "had",
- (ii) in heads (c) and (d) after the word "period" there shall be inserted the words "or periods", and
- (iii) in head (f) (which was inserted by paragraph 2(3)(a) of the Jobseeker's Enhanced Allowance Scheme 1996 (Amendment) Scheme 1996(a)), -
 - (aa) for the word "compensation" there shall be substituted the words "any compensation payment";
 - (bb) for the words "any day;" there shall be substituted the words "any day -";
- (b) in sub-paragraph (4), in head (a), for "case" there shall be substituted "case,;" and
- (c) in sub-paragraph (6) for the definition of "compensation" there shall be substituted the following -

"compensation payment" has the meaning given by regulation 98(3) of the Jobseeker's Allowance Regulations 1996;".

(4) In paragraph 3 (rate of benefit) -

- (a) in sub-paragraph (1) for the words "Subject to sub-paragraph (2) and paragraph 4" there shall be substituted the words "Subject to sub-paragraphs (2) and (3) and paragraph 4";
- (b) in sub-paragraph (2)(b) (which was substituted by paragraph 2(4) of the Jobseeker's Enhanced Allowance Scheme 1996 (Amendment) Scheme 1996) for the words "allowance payable", in the second place in which they occur, there shall be substituted the following -

"allowance payable; and

- (c) if the deduction in respect of pension payments which falls to be made in accordance with regulation 81 of the Jobseeker's Allowance Regulations 1996 exceeds the amount of contribution-based jobseeker's allowance payable, the excess shall be deducted from the amount of jobseeker's enhanced allowance payable".

(c) after sub-paragraph (2) there shall be inserted the following sub-paragraph -

“(3) Even though the conditions for entitlement to benefit under this Scheme are satisfied with respect to a person, the benefit shall not be payable for any period for which the person concerned has been denied payment of a jobseeker's allowance under section 19 of the Jobseekers Act.”.

(5) In paragraph 4 (increase for adult dependants) -

(a) in sub-paragraph (1) -

(i) at the start there shall be inserted the words “Subject to sub-paragraph (6),”, and

(ii) in head (b) for the word “earnings” there shall be substituted the words “net earnings”;

(b) for head (b) of sub-paragraph (4) there shall be substituted the following head -

“(b) who does not have weekly net earnings which exceed the amount of the relevant increase, and”;

(c) in sub-paragraph (5) for the word “subsection” there shall be substituted the word “sub-paragraph”; and

(d) after sub-paragraph (5) there shall be added the following sub-paragraph -

“(6) In calculating the rate of increase of benefit under this paragraph -

(a) the effects of regulations 80 and 81 of the Jobseeker's Allowance Regulations 1996 shall be modified as follows; and

(b) if the deduction in respect of earnings which falls to be made in accordance with regulation 80 of the Jobseeker's Allowance Regulations 1996 exceeds the amount of contribution-based jobseeker's allowance payable and jobseeker's enhanced allowance, the excess shall be deducted from the amount of increase in the weekly rate of jobseeker's enhanced allowance payable under this paragraph; and

(c) if the deduction in respect of pension payments which falls to be made in accordance with regulation 81 of the Jobseeker's Allowance Regulations 1996 exceeds the amount of contribution-based jobseeker's allowance and jobseeker's enhanced allowance payable, the excess shall be deducted from the amount of increase in the weekly rate of jobseeker's enhanced allowance payable under this paragraph.”.

(6) In paragraph 5 (duration of benefit) -

(a) in sub-paragraph (2)(b) -

(i) for the figure “56” there shall be substituted the figure “12”, and

(ii) for the word "days" (which was substituted by paragraph 2(5)(a) of the Jobseeker's Enhanced Allowance Scheme 1996 (Amendment) Scheme 1996) there shall be substituted the word "weeks"; and

(b) after sub-paragraph (2) there shall be inserted the following sub-paragraph -

"(3) Any period for which payment of benefit has been denied in accordance with paragraph 3(3) shall, however, be treated as a period for which benefit has been paid for the purposes of sub-paragraph (1).".

(7) In paragraph 10 (interpretation) -

(a) in the definition of "mariner" for the word "Contribution" there shall be substituted the word "Contributions"; and

(b) after the definition of "mariner" there shall be inserted the following definitions -

"net earnings" means net earnings calculated in accordance with the Social Security Benefit (Computation of Earnings) Regulations 1996 as if an allowance under this Scheme were a benefit under Parts II to V of the Contributions and Benefits Act or any Regulations made thereunder;"

"pension payments" has the same meaning as it has in section 35 of the Jobseekers Act;

"pensionable age" has the meaning given by the rules in paragraph 1 of Schedule 4 to the Pensions Act 1995;"

Made

8th December 2000



Minister for Health and Social Security

EXPLANATORY NOTE

(This note is not part of the Scheme)

1. The Jobseeker's Enhanced Allowance Scheme 1996 (the "principal Scheme") makes provision for an additional weekly payment to be made to persons who are entitled to a contribution-based jobseeker's allowance where they become unemployed following a period of at least two years' employment in the Isle of Man, and may be supplemented by an additional payment in respect of an adult who is dependent on the beneficiary.
2. This Scheme makes a number of amendments to the principal Scheme (as it now stands) as follows, which shall, unless otherwise stated, come into force on 1st February 2001.
3. Paragraph 2(3)(a)(i)(aa) and (ii) provides that a person shall be treated as being in employment in the Island in the requisite two-year period before he became unemployed for any number of periods during which he was entitled to short-term incapacity benefit or long-term incapacity benefit, or would have been so entitled if he had satisfied the contribution conditions for short-term incapacity benefit, or he was engaged in self-employment or his employment was interrupted (or a combination of the two) for up to 12 weeks in aggregate. Currently, only one such period in each case is allowed.
4. Paragraph 2(4)(b) removes an anomaly which currently exists in the principal Scheme, as follows.
 - 4.1 Currently, under the Jobseeker's Allowance Regulations 1996, where a person is in receipt of a personal, occupational or public service pension which is in excess of £50 per week, then that excess amount reduces the amount of contribution-based jobseeker's allowance that that person receives - on a £ for £ basis. However, no similar deduction is made from the amount of jobseeker's enhanced allowance that might be payable to him. This results in an enhanced allowance payable to persons whose occupational pension has extinguished their entitlement to contribution based JSA.

Paragraph 2(4)(b) corrects this anomaly by providing that such an excess amount will now go on to reduce the amount of jobseeker's enhanced allowance payable, also on a £ for £ basis.
 - 4.3 Paragraph 2(5)(a) and (d) similarly amends the principal Scheme to provide that where a person is in receipt of earnings or pension payments which are so large so as to extinguish both any contribution-based jobseeker's allowance and any amount of basic jobseeker's enhanced allowance payable to him, any excess amount will now reduce the amount of increase in the rate of jobseeker's enhanced allowance in respect of a dependent adult of his which he might be entitled to - £ for £.
 - 4.4 The changes will come into operation on 9th April 2001, except in respect of a person who immediately prior to that date was in receipt of a jobseeker's enhanced allowance, who will be unaffected by the new procedures until his entitlement ends.

5. Paragraph 2(4)(c) inserts new sub-paragraph (3) into paragraph 3 of the principal Scheme. It provides for the treatment of any period for which the claimant has been denied a contribution-based jobseeker's allowance under section 19 of the Jobseekers Act 1995 (for example, because the jobseeker failed to take up an opportunity of employment or left his employment without good cause) as counting towards the maximum period for which a jobseeker's enhanced allowance is payable. Paragraph 2(5)(a) makes consequential provision in paragraph 3(1) of the principal Scheme for new sub-paragraph (3).
6. Paragraph 2(5)(b) clarifies the conditions which must be satisfied by a person who is one of a couple who are not married to gain entitlement to the adult dependency increase under the principal Scheme.
7. Paragraph 2(6)(a) allows for the linking of benefit claims which are interrupted by any period that a person spends as an employed earner or as a self-employed earner, or any period of interruption of such employment, provided that it lasts for no more than 12 weeks. Currently the period allowed is only 8 weeks. This change brings the linking of claims within the principal Scheme into line with those contained in the Jobseeker's Allowance Regulations 1996.
8. Paragraph 2(6)(b) removes another anomaly which exists in the principal Scheme which enables a person who has been denied payment of a contribution-based jobseeker's allowance under section 19 of the Jobseekers Act 1995 (for example, for either, without good cause, failing to take up an opportunity of employment or for leaving his employment) to nevertheless receive an enhanced jobseeker's allowance, because such an allowance is payable provided that the person has *underlying entitlement* to contribution-based jobseeker's allowance.
9. The remaining provisions make minor clarifying amendments.