



# Social Security Act 1975

## 1975 CHAPTER 14

### PART IV

#### GENERAL PROVISIONS AS TO OPERATION AND ADMINISTRATION OF THIS ACT

##### *Up-rating of benefits*

#### **124 Power to increase rates of benefit**

- (1) The Secretary of State may by order increase any of the sums specified in—
  - (a) Schedule 4 to this Act;
  - (b) Schedule 6 to this Act, paragraphs 3(1)(a)(i) and (ii) (calculation of earnings-related supplement and addition) ; and
  - (c) sections 2(6)(c) and 7(2)(b) of the Old Cases Act;
  - (d) sections 30(1) and (2), 45(3) and (4), 66(4) and (5) of this Act (earnings rules).
- (2) No order shall be made under this section unless a draft of it has been laid before, and approved by a resolution of, each House of Parliament.
- (3) The Secretary of State shall lay with any draft order under this section a copy of a report by the Government Actuary giving the latter's opinion on the likely effect on the National Insurance Fund of the making of the order.

#### **125 Duty to increase certain benefits**

- (1) The Secretary of State shall in the tax year 1975-1976 and each subsequent tax year review the sums specified in—
  - (a) Schedule 4 to this Act, Parts I, III, IV and V (except the sum specified in Part III for age addition); and
  - (b) sections 2(6)(c) and 7(2)(b) of the Old Cases Act,for the purpose of determining whether those sums have retained their value in relation to the general level of earnings or prices obtaining in Great Britain.

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*Status: This is the original version (as it was originally enacted). This item of legislation is currently only available in its original format.*

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- (2) For the purposes of any such review the Secretary of State shall estimate the general level of earnings and prices in such manner as he thinks fit and shall have regard either to earnings or prices according to which he considers more advantageous to beneficiaries, except that he shall have regard only to prices as respects the sums specified in—
  - (a) Part I of Schedule 4 to this Act, paragraphs 1 and 4, and Part IV of that Schedule, paragraphs 1(a) and 3 (unemployment and sickness benefit and maternity allowance); and
  - (b) Part V of that Schedule, paragraphs 1, 9, 11 and 15(6) (injury benefit and lower rate allowance in respect of deceased's children).
- (3) If on any such review the Secretary of State concludes that any of the sums in question have not retained their value as mentioned above, he shall prepare and lay before each House of Parliament the draft of an up-rating order increasing those sums at least to such extent as he thinks necessary to restore their value.
- (4) If a draft order laid before Parliament in pursuance of this section is approved by resolution of each House, the Secretary of State shall make the order in the form of the draft.

## **126 Supplementary provisions as to up-rating**

- (1) If on a review under section 125 above the Secretary of State determines that he is not required to prepare and lay the draft of an up-rating order, he shall instead lay before each House of Parliament a report explaining his reasons for arriving at that determination.
- (2) The Secretary of State shall with any report under subsection (1) above lay a copy of a report by the Government Actuary giving the latter's opinion on the likely effect on the National Insurance Fund of the Secretary of State's determination that no order is required.
- (3) Section 125(3) above shall not require the Secretary of State to provide for an increase in any case in which it appears to him that the amount of the increase would be inconsiderable.
- (4) The Secretary of State may, in providing for an increase in pursuance of section 125(3), adjust the amount of the increase so as to secure that the sums specified for any particular benefits continue to differ from each other by the same amount, or so as to round any sum up or down to such extent as he thinks appropriate having regard to the nature and the rate or amount of the benefit in question.
- (5) A draft order prepared under section 125(3) shall be framed so as to bring the increase of any sum to which it relates into force not later than the expiration of the period of 12 months beginning with the date on which the provision fixing the current amount of that sum came into force; but if since that date there have been laid before Parliament under subsection (1) of this section one or more reports, or one or more draft orders not increasing that sum, that period shall be extended by a further 12 months for each such report or draft order.
- (6) Schedule 14 to this Act has effect with respect to benefit under this Act or the Old Cases Act, where rates of benefit are altered—
  - (a) by an Act subsequent to this Act, or by an up-rating order; or
  - (b) in consequence of any such Act or order altering any maximum rate of benefit.