



# Social Security Pensions Act 1975

## 1975 CHAPTER 60

### PART II

#### BENEFITS

##### *Category A and B retirement pensions*

#### **6 Rate of Category A retirement pension**

- (1) The weekly rate of a Category A retirement pension shall consist of—
  - (a) a basic component of £11.60 ; and
  - (b) an additional component payable where there are one or more surpluses in the pensioner's earnings factors for the relevant years.
- (2) The additional component shall be the weekly equivalent of 1 ¼ per cent, of the amount of the surpluses mentioned in subsection (1)(b) above or, if there are more than 20 such surpluses, of those 20 which are the largest.
- (3) For the purposes of subsection (2) above the weekly equivalent of the amount there mentioned shall be calculated by dividing that amount by 52 and rounding the result to the nearest whole penny, taking ½ as nearest to the next whole penny above.
- (4) For the purposes of this section—
  - (a) there is a surplus in the pensioner's earnings factor for a relevant year if that factor exceeds the qualifying earnings factor for the final relevant year; and
  - (b) the amount of the surplus is the amount of that excess; and for the purposes of paragraph (a) above the pensioner's earnings factor for any relevant year shall be taken to be that factor as increased by any order or orders that have come into force under section 21 below before the end of the final relevant year.
- (5) References in this section to the pensioner's earnings factor for any relevant year are references to the aggregate of his earnings factors derived from contributions actually paid by him in respect of that year.

- (6) In this section " relevant year " means any tax year (not being earlier than the first tax year for which lower and upper earnings limits are specified under section 1 above) in the period between (inclusive) the tax year in which the pensioner attained the age of 16 and (exclusive) the tax year in which he attained pensionable age and " final relevant year " means the last tax year which is a relevant year in relation to the pensioner.

## **7 Rate of widow's Category B retirement pension**

- (1) The weekly rate of a woman's Category B retirement pension payable—
- (a) by virtue of subsection (2) or (3) of section 29 of the principal Act during any period after the death of the husband; or
  - (b) by virtue of subsection (4) of that section where the husband was over pensionable age when he died,
- shall be determined in the manner specified in section 6 above for a Category A retirement pension, taking references in that section to the pensioner as references to the husband.
- (2) The weekly rate of a woman's Category B retirement pension payable by virtue of subsection (4) of section 29 of the principal Act where the husband was under pensionable age when he died shall be determined in the manner specified in section 6 above for a Category A retirement pension, taking references in that section to the pensioner and the tax year in which he attained pensionable age as references to the husband and the tax year in which he died.

## **8 Category B retirement pension for widower**

- (1) A man who has retired from regular employment shall be entitled to a Category B retirement pension if—
- (a) he has had a wife and she has died, and he was married to her when she died ;  
and
  - (b) they were both over pensionable age when she died;
- and
- (c) she either was entitled to a Category A retirement pension or would have been so entitled if she had retired on the date of her death.
- (2) The weekly rate of a man's Category B retirement pension under this section shall be determined in the manner specified in section 6 above for a Category A retirement pension, taking references in that section to the pensioner as references to the wife.
- (3) Subject to the provisions of the principal Act, a man's Category B retirement pension under this section shall commence from the date on which he becomes entitled to it under subsection (1) above and shall be payable for his life.

## **9 Special provision for surviving spouses**

- (1) This section has effect where but for section 27(6) of the principal Act (prevention of double entitlement) a person would be entitled both—
- (a) to a Category A retirement pension; and
  - (b) to a Category B retirement pension under section 8 above or a Category B retirement pension under section 29 of the principal Act by virtue of the contributions of a husband who has died.

- (2) If by reason of a deficiency of contributions the basic component in the Category A retirement pension falls Short of the sum specified in section 6(1)(a) above, that component shall be increased by the amount of the shortfall or the amount of the basic component in the rate of the Category B retirement pension, whichever is the less.
- (3) If the additional component in the Category A retirement pension falls short of the prescribed maximum, that component shall be increased by the amount of the shortfall or the amount of the additional component in the rate of the Category B retirement pension, whichever is the less.

## **10 Special provision for married women**

- (1) This section has effect where but for section 27(6) of the principal Act a married woman would be entitled both—
  - (a) to a Category A retirement pension ; and
  - (b) to a Category B retirement pension by virtue of the contributions of her husband.
- (2) If by reason of a deficiency of contributions the basic component in the Category A retirement pension falls short of the weekly rate specified in paragraph 9 of Part I of Schedule 4 to the principal Act (married woman's Category B retirement pension),' that component shall be increased by the amount of the shortfall or the amount of the weekly rate of the Category B retirement pension, whichever is the less.

## **11 Application of earnings rule**

In section 30(1) of the principal Act (which provides for a reduction in the weekly rate of a Category A or Category B retirement pension where the pensioner has earnings over a specified amount) the reference to the weekly rate of pension shall be construed as a reference to that rate exclusive of the additional component and of any graduated retirement benefit.

## **12 Deferred retirement**

Schedule 1 to this Act shall have effect for increasing the rate of a Category A or Category B retirement pension in cases where a person defers his retirement after attaining pensionable age.

### *Widow's benefit*

## **13 Rate of widowed mother's allowance and widow's pension**

- (1) Where a woman becomes entitled to a widowed mother's allowance or a widow's pension in consequence of the death of her husband and he was over pensionable age when he died, the weekly rate of that allowance or pension shall, subject to subsection (3) below, be determined in the manner specified in section 6 above for a Category A retirement pension, taking references in that section to the pensioner as references to the husband.
- (2) Where a woman becomes entitled to a widowed mother's allowance or widow's pension in consequence of the death of her husband and he was under pensionable age when he died, the weekly rate of that allowance or pension shall, subject to

subsection (3) below, be determined in the manner specified in section 6 above for a Category A retirement pension, taking references in that section to the pensioner and the tax year in which he attained pensionable age as references to the husband and to the tax year in which he died.

- (3) The foregoing provisions of this section shall, so far as they relate to a widow's pension, have effect subject to section 26(2) of the principal Act (reduction of widow's pension for woman under 50).

*Invalidity benefit and disablement pension*

**14 Rate of invalidity pension for persons under pensionable age**

Subject to subsection (4) of section 15 of the principal Act (persons over pensionable age), the weekly rate of an invalidity pension under that section shall for any period of interruption of employment be determined in the manner specified in section 6 above for a Category A retirement pension, taking the reference in that section to the tax year in which the pensioner attained pensionable age as a reference to the tax year which includes or included the first day of entitlement to the pension in that period.

**15 Invalidity pension for widows**

- (1) This section applies to a woman who—
- (a) ceases to be entitled to a widow's allowance without becoming entitled to a widowed mother's allowance or ceases to be entitled to a widowed mother's allowance ; and
  - (b) when she so ceases is incapable of work ; and
  - (c) either—
    - (i) would have been entitled to a widow's pension if she had been over the age of 40 when her husband died or when she ceased to be entitled to a widowed mother's allowance; or
    - (ii) is entitled to such a pension with a reduction under section 26(2) of the principal Act.
- (2) Subject to subsection (5) below, a woman to whom this section applies shall be entitled to an invalidity pension under this section for any day of incapacity for work which—
- (a) falls in a period of interruption of employment that began before the time when she ceased to be entitled as mentioned in Subsection (1)(a) above; and
  - (b) is after that time and after the first 168 days of incapacity for work in that period.
- (3) An invalidity pension under this section shall be payable at—
- (a) the weekly rate that would apply if the pension were payable under section 15 of the principal Act; or
  - (b) the weekly rate specified in subsection (4) below, whichever is the higher.
- (4) The weekly rate mentioned in subsection (3)(b) above is—
- (a) if the woman is not entitled to a widow's pension, a weekly rate equal to that of the widow's pension to which she would have been entitled if she had been over the age of 50 when her husband died; and

- (b) if she is entitled to a widow's pension with a reduction under the said section 26(2), a weekly rate equal to the difference between the weekly rate of that pension and what it would have been without the reduction.
- (5) A woman shall not be entitled to an invalidity pension under this section if she is over pensionable age and has retired from regular employment; but if she retires from regular employment, having attained pensionable age, and the period of interruption of employment mentioned in subsection (2) (a) above did not terminate earlier than the day before she attained that age—
- (a) she shall, if not otherwise entitled to a Category A retirement pension, be entitled to such a pension; and
  - (b) the weekly rate of the Category A retirement pension to which she is entitled (whether by virtue of paragraph (c) above or otherwise) shall be determined in the manner specified in subsection (3) above for an invalidity pension under this section.
- (6) No invalidity pension shall be payable under section 15 of the principal Act for any day of incapacity for which an invalidity pension is payable under this section.

## **16 Invalidity pension for widowers**

- (1) This section applies to a man whose wife has died and who either—
- (a) was incapable of work at the time when she died; or
  - (b) becomes incapable of work within the prescribed period after that time.
- (2) Subject to subsection (5) below, a man to whom this section applies shall be entitled to an invalidity pension under this section for any day of incapacity for work which—
- (a) falls in a period of interruption of employment that began before the time when his wife died or within the prescribed period after that time ; and
  - (b) is after that time and after the first 168 days of incapacity for work in that period.
- (3) An invalidity pension under this section shall be payable at—
- (a) the weekly rate that would apply if the pension were payable under section 15 of the principal Act; or
  - (b) the weekly rate specified in subsection (4) below, whichever is the higher.
- (4) Where the man's wife was over pensionable age when she died the weekly rate mentioned in paragraph (b) of subsection (3) above is a rate determined in the manner specified in section 6 above for a Category A retirement pension, taking references in that section to the pensioner as references to the wife; and where the man's wife was under pensionable age when she died the weekly rate mentioned in that paragraph is a rate determined in the manner specified in section 6 above for a Category A retirement pension, taking references in that section to the pensioner and the tax year in which he attained pensionable age as references to the wife and the tax year in which she died.
- (5) A man. shall not be entitled to an invalidity pension under this section if he is over pensionable age and has retired from regular employment; but if he retires from regular employment, having attained pensionable age, and the period of interruption of employment mentioned in subsection (2)(a) above did not terminate earlier than the day before he attained that age—

- (a) he shall, if not otherwise entitled to a Category A retirement pension and also not entitled to a Category B retirement pension by virtue of section 8 above, be entitled to a Category A retirement pension; and
  - (b) the weekly rate of the Category A retirement pension to which he is entitled (whether by virtue of paragraph (a) above or otherwise) shall be determined in the manner specified in subsection (3) above for an invalidity pension under this section.
- (6) No invalidity pension shall be payable under section 15 of the principal Act for any day of incapacity for which an invalidity pension is payable under this section.

### **17 Invalidity allowance and disablement pension**

In section 16(2) of the principal Act (rates of invalidity allowance) and paragraph 5 of Part V of Schedule 4 to that Act (rates of increase in unemployment supplement to disablement pension)—

- (a) in paragraph (a) (rate if beneficiary is under the age of 35) for " 35 " there shall be substituted  
"40";
- (b) in paragraph (b) (rate if beneficiary is under the age of 45) for " 45 " there shall be substituted  
"50".

#### *Unemployment and sickness benefit*

### **18 Rate of unemployment and sickness benefit for persons under pensionable age**

- (1) The rate of unemployment or sickness benefit shall be the same for all persons entitled by virtue of subsection (2)(a) of section 14 of the principal Act (persons under pensionable age); and accordingly for subsections (4) and (5) of that section (which provide for a higher or lower rate of benefit for such persons according to whether or not they are married women) there shall be substituted—

“(4) In the case of a person entitled under subsection (2)(a) above, unemployment or sickness benefit shall be payable at the weekly rate specified in relation thereto in Schedule 4, Part I, paragraph 1.”

- (2) In paragraph 1 of Part I of Schedule 4 to that Act for the entry in the second column there shall be substituted

“£9.80”.

#### *Contribution conditions and earnings factors*

### **19 Contribution conditions for retirement pensions, widowed mother's allowance and widow's pension**

- (1) Paragraph 5 of Schedule 3 to the principal Act (contribution conditions for Category A and B retirement pensions, widowed mother's allowance and widow's pension) shall be amended in accordance with subsections (2) and (3) below.

- (2) In sub-paragraphs (2)(b) and (3)(b) (earnings factor for any year to be not less than that year's lower earnings limit multiplied by 50) for the words " not less than that year's lower earnings limit multiplied by 50 " there shall be substituted the words
- “not less than the qualifying earnings factor for that year”.
- (3) After sub-paragraph (5) there shall be added—
- “(6) In relation to Category A and Category B retirement pension, the second condition shall be deemed to be satisfied notwithstanding that paragraphs (a) and (b) of sub-paragraph (3) above are not complied with as respects each of the requisite number of years if—
- (a) those paragraphs are complied with as respects not less than 20 of that number of years ; and
- (b) in each of the other years the contributor concerned was, within the meaning of regulations, precluded from regular employment by responsibilities at home.
- (7) In relation to a widowed mother's allowance and widow's pension, the second condition shall be deemed to be satisfied notwithstanding that paragraphs (a) and (b) of sub-paragraph (3) above are not complied with as respects each of the requisite number of years if—
- (a) those paragraphs are complied with as respects at least half that number of years (or at least 20 of them, if that is less than half); and
- (b) in each of the other years the contributor concerned was, within the meaning of regulations, precluded from regular employment by responsibilities at home”.
- (4) Section 28(2) of the principal Act (woman married under the age of 55 entitled to Category A retirement pension only if she has the necessary earnings factors for at least half the years between marriage and pensionable age) shall cease to have effect.
- (5) In section 33 of the principal Act (partial satisfaction of contribution conditions) the following subsection shall be added—
- “(4) Regulations may provide that where—
- (a) a person is entitled by virtue of this section to a Category A or Category B retirement pension consisting only of the additional component with no basic component; and
- (b) that pension, and any graduated retirement benefit to which he may be entitled, together amount to less than the prescribed rate,
- the person's entitlement as respects that Category A or Category B retirement pension shall be satisfied either altogether or for a prescribed period by the making of a single payment of the prescribed amount.”

## **20 Use of former spouse's contributions**

- (1) Where a person—
- (a) has been married ; and
- (b) in respect of the tax year in which the marriage terminated or any previous tax year, does not with his own contributions satisfy the contribution conditions for a Category A retirement pension, then, for the purpose of enabling him

to satisfy those conditions, the contributions of his former spouse may to the prescribed extent be treated as if they were his own contributions.

- (2) Where a person has been married more than once this section applies only to the last marriage and the reference to that person's former spouse shall be construed accordingly.
- (3) Section 28(3) of the principal Act and Schedule 7 to that Act (widow's right to Category A retirement pension on late husband's contributions) shall cease to have effect.

## **21 Revaluation of earnings factors**

- (1) This section shall have effect for the purpose of securing that earnings factors relevant to the calculation of the additional component in the rate of any long-term benefit maintain their value in relation to the general level of earnings obtaining in Great Britain.
- (2) The Secretary of State shall in each tax year review the general level of earnings obtaining in Great Britain and any changes in that level which have taken place since the last review under this section; and for the purposes of any such review the Secretary of State shall estimate the general level of earnings in such manner as he thinks fit.
- (3) If on any such review the Secretary of State concludes that earnings factors for any previous tax year (not being earlier than the first tax year for which lower and upper earnings limits are specified under section 1 above) have not maintained their value in relation to the general level of earnings he shall prepare and lay before each House of Parliament the draft of an order directing that those earnings factors shall, for the purpose of any such calculation as is mentioned in subsection (1) above, be increased by such percentage of their amount apart from the order as he thinks necessary to restore their value.
- (4) Subsection (3) above shall not require the Secretary of State to direct any increase where it appears to him that the increase would be inconsiderable.
- (5) If on any such review the Secretary of State determines that he is not required to prepare and lay the draft of an order as aforesaid he shall instead lay before each House of Parliament a report explaining his reasons for arriving at that determination.
- (6) 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.
- (7) The first review under this section shall be in the second tax year for which lower and upper earnings limits are specified under section 1 above ; and in relation to that review subsection (2) above shall have effect as if for the reference to the last review there were substituted a reference to the beginning of the first tax year for which those limits are so specified.

### *Supplementary*

## **22 Mobility allowance**

- (1) In Chapter II of Part II of the principal Act (non-contributory benefits) the following is inserted after section 37—

“Mobility allowance.

- 37A**(1) Subject to the provisions of this section, a person who satisfies prescribed conditions as to residence or presence in Great Britain shall be entitled to a mobility allowance for any period throughout which he is suffering from physical disablement such that he is either unable to walk or virtually unable to do so.
- (2) Regulations may prescribe the circumstances in which a person is or is not to be treated for the purposes of this section as suffering from such physical disablement as is mentioned above ; but a person qualifies for the allowance only if—
- (a) his inability or virtual inability to walk is likely to persist for at least 12 months from the time when a claim for the allowance is received by the Secretary of State ; and
- (b) during most of that period his condition will be such as permits him from time to time to benefit from enhanced facilities for locomotion.
- (3) The weekly rate of a mobility allowance shall be that specified in Schedule 4 to this Act, Part III, paragraph 3A.
- (4) In the tax year 1976-77, and thereafter in each subsequent tax year, the Secretary of State shall consider whether the rate of mobility allowance should be increased having regard to the national economic situation as a whole, the general standard of living and such other matters as he thinks relevant.
- (5) No person shall be entitled to a mobility allowance—
- (a) in respect of a period in which he is under the age of 5 or over pensionable age;
- (b) except in prescribed cases, for any week before that in which a claim for the allowance by or in respect of him is received by the Secretary of State.
- (6) Regulations may prescribe cases in which mobility allowance is not to be payable, or is to be payable at a reduced rate, while the person otherwise entitled has the use—
- (a) of an invalid carriage or other vehicle provided by the Secretary of State under section 33 of the Health Services and Public Health Act 1968 ; or
- (b) of any prescribed description of appliance supplied under the enactments relating to the National Health Service being such an appliance as is primarily designed to afford a means of personal and independent locomotion out of doors.
- (7) Except so far as may be provided by regulations, the question of a person's entitlement to a mobility allowance shall be determined as at the date when a claim for the allowance is received by the Secretary of State.
- (8) A payment to or in respect of any person by way of a mobility allowance, and the right to receive such a payment, shall (except in prescribed circumstances and for prescribed purposes) be disregarded in applying any enactment or instrument under which regard is to be had to a person's means.”.

- (2) In Part III of Schedule 4 to the principal Act there is inserted:—

“3A Mobility allowance  $\text{£}5$ ”.

- (3) Regulations may make provision—
- (a) for permitting a claim for a mobility allowance to be made, or treated as if made, for a period beginning after the date on which the claim is made ;
  - (b) for permitting an award on any such claim to be made for a period beginning after the date on which the claim is made subject to the condition that the person in respect of whom the claim is made satisfies the prescribed requirements for entitlement when benefit becomes payable under the award ;
  - (c) for the review of any such award if those requirements are found not to have been satisfied.
- (4) Regulations may provide for disqualifying a person for receiving a mobility allowance for a period not exceeding six weeks on any disqualification if he fails without good cause to attend for, or to submit himself to, such medical or other examination or treatment as may be required in accordance with the regulations.
- (5) In the case of regulations under section 114(1) of the principal Act (determination of questions), so far as they relate to any question arising in connection with mobility allowance, subsection (3) of that section (determination of questions by Secretary of State's officer; reference of question to local tribunal, etc.) shall not apply.
- (6) Section 139 of the principal Act (consultation with National Insurance Advisory Committee) shall not apply to any regulations contained in an instrument which states that they relate only to mobility allowance and are made consequentially on the introduction of the allowance.

## 23 Increase of long-term benefits

- (1) Subject to subsections (4) and (5) below, the provisions of sections 124 to 126 of the principal Act (power and duty to increase rates of benefit under that Act) shall apply also to—
- (a) the sum specified in section 6(1)(a) above ;
  - (b) the sums which are the additional components in the rates of long-term benefits ;
  - (c) the sums which are the increases in the rates of retirement pensions under Schedule 1 to this Act so far as attributable to additional components in such pensions ; and
  - (d) the sums which are such increases so far as not so attributable.
- (2) Any increase under the said section 124 of the sums mentioned in subsection (1)(b) above shall take the form of a direction that those sums shall be increased by a specified percentage of their amount apart from the order and shall apply only in relation to additional components calculated under section 6 above by reference to final relevant years which are—
- (a) earlier than the tax year preceding that in which the order comes into force; or
  - (b) if the order comes into force on or after 6th May in any tax year, earlier than that year.
- (3) Any increase under the said section 124 of the sums mentioned in subsection (1)(c) or (d) above shall take the form of a direction that those sums shall be increased by a specified percentage of their amount apart from the order and shall apply only in

relation to sums calculated under Schedule 1 to this Act by reference to periods of deferment which have ended before the coming into force of the order.

- (4) For the purposes of any review under section 125 of the principal Act (review of benefits by reference to earnings or prices) the Secretary of State shall, as respects the sums mentioned in paragraphs (a) and (d) of subsection (1) above, have regard to earnings or prices according to which he considers more advantageous to beneficiaries and, as respects the sums mentioned in paragraphs (b) and (c) of that subsection, to prices.
- (5) The reference in section 126(5) of the principal Act to the date on which the provision fixing the current amount of a sum came into force shall be construed—
  - (a) in relation to any increase of the sums mentioned in paragraph (b) or (c) of subsection (1) above, as a reference to the date on which the last order made by virtue of that paragraph came into force or, if no such order has been made, to the beginning of the second tax year for which lower and upper earnings limits are specified under section 1 above;
  - (b) in relation to any increase in the sums mentioned in paragraph (d) of that subsection, as a reference to the date on which the provision fixing the current amount of the sum specified in section 6(1)(a) above came into force.

#### **24 Power to modify provisions about graduated retirement benefit**

- (1) So long as sections 36 and 37 of the National Insurance Act 1965 (graduated retirement benefit) continue in force by virtue of regulations made under Schedule 3 to the Social Security (Consequential Provisions) Act 1975, regulations may make provision—
  - (a) for applying the provisions of sections 124 to 126 of the principal Act to the amount of graduated retirement benefit payable for each unit of graduated contributions and to increases of such benefit under any provisions made by virtue of paragraph (b) below;
  - (b) for replacing section 36(4) of the National Insurance Act 1965 (increase of graduated retirement benefit in cases of deferred retirement) with provisions corresponding to those of paragraphs 1 to 3 of Schedule 1 to this Act;
  - (c) for extending section 37 of that Act (increase of woman's retirement pension by reference to her late husband's graduated retirement benefit) to men and their late wives.
- (2) This section is without prejudice to any power to modify the said sections 36 and 37 conferred by Schedule 3 to the said Act of 1975.

#### **25 Simultaneous entitlement to more than one pension**

- (1) Where under Part II of the principal Act (whether Chapter I or Chapter II) a person would, but for section 27(6) of that Act, be entitled to more than one retirement pension,

he may give notice in writing to the Secretary of State from time to time stating which of the pensions he wishes to receive; and that pension shall then be the one to which he is entitled in respect of any week commencing after the date of the notice.
- (2) If no such notice is given, the person shall be entitled (whichever pension he may have claimed) to whichever one is from time to time the most favourable to him.