
Status: This is the original version (as it was originally enacted).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

SCHEDULES

SCHEDULE 5

MINOR AND CONSEQUENTIAL AMENDMENTS

Social Security Pensions Act 1975 (c.60)

- 15 In section 1(1)(b) of the Social Security Pensions Act 1975 (earnings limits), the words " primary Class 1 " shall be substituted for the word " such".
- 16 In section 6 of that Act (rate of Category A retirement pension)—
- (a) in subsection (5), for the word " References ", in the first place where it occurs, there shall be substituted the words " Subject to subsection (5A) below, references"; and
 - (b) the following subsection shall be inserted after that subsection—

“(5A) The Secretary of State may prescribe circumstances in which pensioners' earnings factors for any relevant year may be calculated in such manner as may be prescribed.”.
- 17 In section 27 of that Act (contracted-out rates of Class 1 contributions), at the end of subsection (1) there shall be added the words “and
- (c) in the case of a secondary Class 1 contribution, the normal percentage of so much of those earnings as exceeds the current upper earnings limit.”.
- 18 In section 28 of that Act (orders altering the contracted-out percentages specified in section 27), after subsection (6) there shall be inserted the following subsection—
- “(7) A draft of an order making alterations in either or both of the contracted-out percentages may contain consequential provisions altering any percentage for the time being specified in paragraph 2(2) of Schedule 3 to this Act as that percentage applies in relation to earnings paid or payable on or after the day as from which the order is to have effect.”.
- 19 The following subsection shall be substituted for subsection (5) of section 36 of that Act—
- “(5) The widow's pension need not be in accordance with subsection (2) above in case of the earner dying after termination of his service in the relevant employment having completed in that employment less than five years' qualifying service for the purposes of Schedule 16 to the Social Security Act 1973 (preservation).”.
- 20 The words ", except in the case mentioned in section 52D(4) below," shall be inserted after the word " satisfied " —
- (a) where it first occurs in subsection (2) of section 40 of the Social Security Pensions Act 1975 (financing and assurance of benefits); and

Status: This is the original version (as it was originally enacted).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

- (b) in subsection (1) of section 41 of that Act (sufficiency of resources of occupational pension schemes).
- 21 The following subsection shall be substituted for subsection (1A) of section 41 of that Act—
- “(1A) Regulations may provide for subsection (1) above to have effect, in prescribed cases, with the omission of paragraphs (b) and (c) or either of them or with the substitution for both or either of them of provisions specified in the regulations.”.
- 22 (1) In section 41A of that Act (protection of earners' pensions)—
- (a) in subsection (1), for " commencement of payment", in the third place where those words occur, there shall be substituted " relevant"; and
- (b) the following subsections shall be inserted after that subsection—
- “(1A) In subsection (1) above "the relevant date" means, subject to subsection (1B) below, the commencement of payment date.
- (1B) In the application of subsection (1) above to a case where a scheme makes such provision as to any part of a pension as is mentioned in section 33(4) above, the reference to the relevant date is to be construed, in relation to the part of the pension as to which such provision is made, as a reference to the date on which by virtue of it that part of the pension commences to be paid.”.
- (2) Sub-paragraph (1) above shall be deemed to have come into force on 1st January 1985.
- 23 The following further amendments of that section shall also be made—
- (a) in subsection (2), " (1C)" shall be substituted for " (1)"; and
- (b) in subsection (6), " subsections (1)(c) and (1C)(b)" shall be substituted for " subsection (1)(c) and (ii)".
- 24 In section 41B of that Act (protection of widows' pensions)—
- (a) in subsection (2), " (1A) " shall be substituted for " (1)"; and
- (b) in subsection (5), " subsections (1)(c) and (1A)(b)" shall be substituted for " subsection (1)(c) and (ii)".
- 25 (1) The words " the prescribed person " shall be substituted—
- (a) in section 42 of the Social Security Pensions Act 1975 (premium on termination of contracted-out employment)—
- (i) in subsection (1), for the words " an earner's employer "; and
- (ii) in subsections (2) and (3), for the words " his employer ";
- (b) in section 43 of that Act (additional provisions relating to premiums), for the words " an employer "—
- (i) in both places where they occur in subsection (4); and
- (ii) in both places where they occur in subsection (6); and
- (c) in section 45 of that Act (premium where guaranteed minimum pension excluded from full revaluation), for the words "the earner's employer " in subsection (1).
- (2) In section 43(4) of that Act, the words " the earners' employer " shall be substituted for the word " him".

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

- 26 The following subsection shall be inserted after section 43(1) of that Act (calculation of contributions equivalent premium)—
- “(1A) Where an earner's earnings paid in any period—
- (a) exceeded the lower earnings limit; but
 - (b) were not such that primary Class 1 contributions within Bracket 3 fell to be paid in respect of them,
- it shall be assumed for the purposes of subsection (1) above that his earnings paid in that period were such that, taking the rate specified in Bracket 3 as the appropriate rate, the same amount of primary Class 1 contributions fell to be paid in respect of them as in fact fell to be paid in respect of them.”.
- 27 In subsection (2) of section 44 of that Act (premium on termination of contracted-out scheme)—
- (a) in paragraph (a), after the word " arrangements" there shall be inserted the words " and have not been disposed of so as to discharge the trustees or managers of the scheme under paragraph 16 of Schedule 1A to this Act"; and
 - (b) in paragraph (b), for the words " so subject" there shall be substituted the words " subject to approved arrangements."
- 28 In section 46 of that Act (provisions as to actuarial tables) the words " sections 44(7), 44A(3) and 45(4) " shall be substituted—
- (a) in subsection (1), for the words " sections 44(7) and 45(4)" ; and
 - (b) in subsection (3), for the words " section 44(7) and 45(4) ".
- 29 The following subsection shall be inserted after section 47(2) of that Act (calculation of certified amount)—
- “(2A) Where an earner's earnings paid in any period—
- (a) exceeded the lower earnings limit; but
 - (b) were not such that primary Class 1 contributions within Bracket 3 fell to be paid in respect of them,
- it shall be assumed for the purposes of subsection (2) above that his earnings paid in that period were such that, taking the rate specified in Bracket 3 as the appropriate rate, the same amount of primary Class 1 contributions fell to be paid in respect of them as in fact fell to be paid in respect of them.”.
- 30 The following subsection shall be inserted after section 47(9) of that Act (prohibition of recovery or retention of state scheme premium)—
- “(9A) Nothing in subsection (9) above affects—
- (a) the right of the trustees or managers of a scheme, in a case where an accrued rights premium or a pensioner's rights premium has been paid, to reduce the pension of the person in respect of whom the premium has been paid by the amount of his guaranteed minimum pension ;
 - (b) the right of trustees or managers, in a case where a limited revaluation premium has been paid, to recoup it—
 - (i) out of the resources of the scheme, in so far as they derive from contributions ; or

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

- (ii) in prescribed cases, out of payments made to them in respect of an earner's transfer to their scheme from some other scheme;
- (c) the right of trustees or managers, in a case where a state scheme premium has been paid, to make the deduction for which paragraph 13(6) of Schedule 1A to this Act provides when they calculate the cash equivalent to which the earner in respect of whom the premium has been paid has a right under Part II of that Schedule.”.
- 31 In section 48 of that Act (guaranteed minimum pensions to be inalienable) the following subsection shall be inserted after subsection (1)—
- “(1A) In subsection (1) above, the references to assignments of and agreements to assign a guaranteed minimum pension do not include references to any assignment of or agreement to assign a policy of insurance or annuity contract in accordance with conditions prescribed by regulations under section 52C(4)(b) below.”.
- 32 The following subsection shall be substituted for subsection (2) of section 55 of that Act (determination of questions whether scheme conforms with equal access requirements)—
- “(2) The persons competent to make an application under this section in respect of a scheme are—
- (a) the persons mentioned in section 41E(2)(a) to (d) above ; and
- (b) such other persons as regulations may specify, in relation to any category of schemes into which the scheme falls, as being proper persons to make an application for the purposes of this section in respect of a scheme of that category.”.
- 33 The words " under section 38 of this Act" shall be omitted from subsection (5)(b) of section 59 of that Act (increase of official pensions).
- 34 In subsection (1) of section 60 of that Act (determination of questions), the following paragraph shall be added after paragraph (c)—
- “(d) any question whether a cash sum paid or an alternative arrangement made under the Policyholders Protection Act 1975 provides the whole or any part of the guaranteed minimum pension to which an earner or his widow was entitled under a contracted-out scheme.”.
- 35 In subsection (4) of section 68 of that Act (provisions extending to Northern Ireland) for the words "Section 57 of this Act extends " there shall be substituted the words " Sections 56B, 56N and 57 of this Act extend".
- 36 In Schedule 3 to that Act (priority in bankruptcy of debts relating to contributions, etc.), in paragraph 2 (calculation of amount of employer's debt)—
- (a) in sub-paragraph (2), after the word " deemed " there shall be inserted the words " , in a case where the relevant event took place before the day of the passing of the Social Security Act 1985,"; and
- (b) there shall be added at the end of that sub-paragraph (but not as part of paragraph (b)) the words "and shall be deemed, in a case where the relevant event took place on or after the day of the passing of the Social Security Act 1985, to be an amount equal to—
- (i) 6-25 per cent, of the total reckonable earnings mentioned in paragraph (a) above ; and

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

(ii) 41 per cent, of the total reckonable earnings mentioned in paragraph (b) above."