# SCHEDULES

### SCHEDULE 10

Section 86.

#### MINOR AND CONSEQUENTIAL AMENDMENTS

## PART I

#### PENSIONS

## Social Security Act 1973 (c. 38)

- 1 The Social Security Act 1973 shall be amended as follows.
  - In section 58(2) (linked qualifying service)—
    - (a) the following paragraph shall be substituted for paragraph (a)—
      - "(a) under the rules of a scheme applying to him in the earlier period of service—
        - (i) there was made a transfer of his accrued rights under that scheme to another scheme applying to him in the later period of service; or
        - (ii) those rights were secured by a policy of insurance or an annuity contract and were subsequently transferred to another scheme applying to him in the later period of service;"; and
    - (b) in paragraph (b), for the words " that transfer " there shall be substituted the words " the transfer of his accrued rights to the second scheme. ".
    - In section 64 (modification of occupational pension scheme by order of Occupational Pensions Board) the following subsection shall be inserted after subsection (1)—

"(1A) The Board shall also have power on such an application to make an order—

- (a) authorising the modification of the scheme with a view to achieving any one or more of such other purposes as may be prescribed; or
- (b) modifying the scheme with a view to achieving any one or more of those purposes.".
- In section 66—

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- (a) in subsection (1)(a), for the words " and the Pensions Act " there shall be substituted the words ", the Pensions Act and Part I of the Social Security Act 1986 ";
- (b) in subsection (7)(a), after the words " contracting-out certificates " there shall be inserted the words " and appropriate scheme certificates "; and
- (c) the following subsection shall be substituted for subsection (10)—

"(10) References in this section—

- to this Part of this Act, the Pensions Act and Part I of (a) the Social Security Act 1986 include references to any provisions in force in Northern Ireland and corresponding to provisions of this Part of this Act, the Pensions Act or Part I of the Social Security Act 1986; and
- to contracting-out certificates and appropriate scheme (b) certificates include references to contracting-out certificates and appropriate scheme certificates within the meaning of any such provisions.".
- In section 67(1)(a) (review of determinations by Board) after the words " 5 contracting-out certificate" there shall be inserted the words "or an appropriate scheme certificate ".
- 6 In section 69 (rule against perpetuities)—
  - (a) in subsection (1), for the words " an occupational" there shall be substituted the words "a personal or occupational ";
  - in subsection (2), for the words "under this Part of this Act" there shall be (b) substituted the words "or an appropriate scheme under Part I of the Social Security Act 1986 "; and
  - in subsection (5), for the words " which ceases to be contracted-out, or " (c) there shall be substituted the words

"which ceases-

- if it is an occupational pension scheme, to be contracted-(a) out · or
- if it is a personal pension scheme, to be an appropriate (b) scheme.

or".

- 7 Sections 70 (legal restrictions of doubtful application), 71 (friendly societies) and 72 (fees for official services to schemes) shall have effect in relation to personal pension schemes as they have effect in relation to occupational pension schemes.
- 8 In section 99(1) the following definitions shall be inserted at the appropriate places-

"" appropriate scheme " shall be construed in accordance with Part I of the Social Security Act 1986 ;"; and

"" personal pension scheme " has the same meaning as in the Social Security Act 1986 ; ".".

- 9 In paragraph 4 of Schedule 16 (preservation of benefits under occupational pension schemes)
  - for the words " requisite benefits " in the first place where they occur in (a) sub-paragraph (2) and in sub-paragraph (3) there shall be substituted the words "a guaranteed minimum pension "; and
  - for the words " his requisite benefits " in sub-paragraph (2) there shall be (b) substituted the words "the guaranteed minimum pension ".

# Social Security Act 1975 (c. 14)

10 In paragraph 6(1)(h) of Schedule 1 to the Social Security Act 1975 (regulations about return of contributions) after the word " of ", in the first place where it occurs, there shall be inserted the words "the whole or any prescribed part of any ".

#### Social Security Pensions Act 1975 (c. 60)

- 11 The Social Security Pensions Act 1975 shall be amended as follows.
- 12 In section 26 (contracting-out)—
  - (a) in subsection (1), for the words " the requisite benefits "there shall be substituted the words "a guaranteed minimum pension "; and
  - (b) in subsection (2), for the words from the beginning to " such pension" there shall be substituted the words ""Guaranteed minimum pension " means any pension which is provided by an occupational pension scheme in accordance with the requirements of sections 33 and 36 below ".
- 13 In section 27(4) (contracted-out rates of Class 1 contributions) for the words from the beginning to " that employment" there shall be substituted the words

"Where-

- (a) an earner has ceased to be employed in an employment; and
- (b) earnings are paid to him or for his benefit within the period of 6 weeks, or such other period as may be prescribed, from the day on which he so ceased,

that employment".

- 14 In section 29 (contracted-out rates of benefit)—
  - (a) in subsection (1)(a), for the words " or a widow's pension" there shall be substituted the words ", a widow's pension or a widower's invalidity pension under section 16 above ";
  - (b) in subsection (2)—
    - (i) after the words " this section " there shall be inserted the words "and sections 16(2B), 28(7A) and 59(1A) of the principal Act "; and
    - (ii) at the end there shall be added the words "or if as a result of a transfer payment or transfer under regulations made by virtue of section 38 below he is no longer entitled to guaranteed minimum pensions under the scheme by which the transfer payment or transfer is made and has not as a result of the transfer payment or transfer become entitled to guaranteed minimum pensions under the scheme to which the transfer payment or transfer is made."
- 15 In section 30(1)(a) (contracted-out employment) for the words " the requisite benefits of " there shall be substituted the words "a guaranteed minimum pension provided by ".
- 16 In section 32 (contracted-out schemes)—
  - (a) in subsection (2)—
    - (i) for the words " the requisite benefits " in paragraph (a); and
    - (ii) for the words " requisite benefits " in paragraph (b), there shall be substituted the words "guaranteed minimum pensions ";
  - (b) in subsection (4) the words " relating to the scheme or its management" shall cease to have effect.
- 17 In section 33 (requirements for contracting-out) the following subsection shall be inserted after subsection (1)—
  - "(1A) In the case of an earner who is a married woman or widow who is liable to pay primary Class 1 contributions at a reduced rate by virtue of section 3 of

this Act, subject to the provisions of this Part of this Act, for a scheme to be contracted-out in relation to her employment it must—

- (a) provide for her to be entitled to a pension under the scheme if she attains pensionable age ; and
- (b) satisfy such other conditions as may be prescribed.".

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The following subsection shall be substituted for section 38(1) (transfer of accrued rights)—

- "(1) Regulations may prescribe circumstances in which and conditions subject to which—
  - (a) there may be made by one occupational pension scheme to another or by an occupational pension scheme to a personal pension scheme a transfer of or a transfer payment in respect of—
    - (i) an earner's accrued rights to guaranteed minimum pensions under a contracted-out scheme ;
    - (ii) an earner's accrued rights to pensions under an occupational pension scheme which is not contracted-out, to the extent that those rights derive from his accrued rights to guaranteed minimum pensions under a contracted-out scheme ; or
    - (iii) the liability for the payment of guaranteed minimum pensions to or in respect of any person who has become entitled to them;
  - (b) there may be made to an occupational pension scheme or a personal pension scheme a transfer of or a transfer payment in respect of an earner's accrued rights to guaranteed minimum pensions which are appropriately secured for the purposes of section 52C below.".
- 19 Sections 41(4) and 49(3) and (7) (powers of Occupational Pensions Board which are no longer required) shall cease to have effect.
- 20 In section 41A(4) of that Act (protection of earner's pensions) " 2 " shall be substituted for "5 ".
- 21 In section 42(1X6) (premium on termination of contracted-out employment) for the word " five" there shall be substituted the word "two ".
- 22 In section 43(2A) (linked qualifying service)—
  - (a) the following paragraph shall be substituted for paragraph (a)—
    - "(a) under the rules of a scheme applying to him in the earlier period of service—
      - (i) there was made a transfer of his accrued rights under that scheme to another scheme applying to him in the later period of service; or
      - (ii) those rights were secured by a policy of insurance or an annuity contract and were subsequently transferred to another scheme applying to him in the later period of service;"; and
  - (b) in paragraph (b), for the words " that transfer " there shall be substituted the words "transfer of his accrued rights to the second scheme ".
- (1) In subsection (1) of section 44 (premium on termination of contracted-out scheme) after the word " is" there shall be inserted the words "or has been"and after the words " for the event of " there shall be inserted the words ", or in connection with, ".

- (2) The following subsections shall be inserted after subsection (1B) of that section (arrangements for scheme's ceasing to be contracted-out)-
  - "(1C) If the scheme ceases to be a contracted-out scheme (whether by being wound up or otherwise) and the Occupational Pensions Board either
    - have withdrawn their approval of previously approved arrangements (a) relating to it; or
    - have declined to approve arrangements relating to it, (b)

the Board may issue a certificate to that effect.

- (1D) A certificate issued under subsection (1C)(a) or (b) above shall be cancelled by the Board if they subsequently approve the arrangements.".
- (3) In subsection (2)(a) of that section, after the word " under ", in the second place where it occurs, there shall be inserted the words "section 52C of or ".
- (4) In subsection (5) of that section, for the words " The amount" there shall be substituted the words "Subject to subsection (5A) below, the amount ".
- (5) The following subsections shall be inserted after that subsection—
  - "(5A) Where in calculating the costs referred to in subsection (5) above the Secretary of State cannot readily ascertain the amount of any earnings in a tax week, he may make the calculation as if the amount of those earnings were equal to the upper earnings limit for that tax week, and may certify the costs accordingly.
  - (5B) Where-
    - (a) the Secretary of State subsequently ascertains the amount of those earnings; and
    - it appears to him that the amount of the premium would have been (b) less if he had not made the calculation on the basis described in subsection (5A) above,

he shall refund to the prescribed person the amount by which it would have been less.".

- The following subsection shall be inserted after section 49(2) of that Act (duty to 24 supervise schemes which have ceased to be contracted-out)-
  - "(2A) Where in the case of any scheme the Board have issued a certificate under subsection (1C) of section 44 above which has not been cancelled under subsection (1D) of that section, or a certificate under subsection (2) of section 44ZA above which has not been cancelled under subsection (3) of that section, the Board shall not be under the duty which would otherwise be imposed oh them by subsection (2) above in relation to that scheme.".
- 25 In section 50 (alteration of rules of contracted-out schemes)—
  - (a) in subsection (1)—
    - (i) after the word "Board " there shall be inserted the words "unless it is an alteration to which this subsection does not apply "; and
    - (ii) for the words " such alteration " there shall be substituted the words "alteration to which this subsection applies "; and
  - the following subsection shall be inserted after that subsection-(b)

- "(1A) Subsection (1) above does not apply—
  - (a) to an alteration consequential on a provision of the Health and Social Security Act 1984, the Social Security Act 1985 or the Social Security Act 1986 ; or
  - (b) to an alteration of a prescribed description.".
- 26 (1) Section 52C (cases where scheme's liability is discharged) shall have effect and shall he deemed always to have had effect as if the following subsections were substituted for subsections (1) to (3)—
  - "(1) A transaction to which this section applies discharges the trustees or managers of an occupational pension scheme from their liability to provide for or in respect of any person either the requisite benefits or short service benefit or any alternative to short service benefit—
    - (a) if it is carried out not earlier than the time when that person's pensionable service terminates ; and
    - (b) if and to the extent that it results in—
      - (i) the requisite benefits ; or
      - (ii) short service benefit, or an alternative to short service benefit, for or in respect of that person being appropriately secured ; and
    - (c) in a case where the transaction takes place on or after 1st January 1986, if and to the extent that the requirements set out in any one of paragraphs (a), (b) and (c) of subsection (5) below are satisfied.
  - (2) This section applies to the following transactions—
    - (a) the taking out or the transfer of the benefit of a policy of insurance or a number of such policies ;
    - (b) the entry into or the transfer of the benefit of an annuity contract or a number of such contracts.".
  - (2) Subsection (5) of that section shall have effect and shall be deemed always to have had effect as if " (1) " were substituted for "(2)(b) ".
  - (3) In relation to transactions which take place after the commencement of section 8 above section 52C(1) of the Social Security Pensions Act 1975 shall have effect with the substitution of the words "guaranteed minimum pensions" for the words " the requisite benefits ", in both places where they occur.
- (1) Subsection (1) of section 52D (Supplementary provisions) shall have effect and shall be deemed always to have had effect—
  - (a) as if the following paragraph were substituted for paragraph(b)—
    - "(b) either—
      - (i) the transaction wholly or partly securing them was carried out before 1st January 1986 and discharged the trustees or managers of the scheme as mentioned in subsection (1) of that section ; or
      - (ii) it is carried out on or after that date without any of the requirements specified in subsection (5)(a) to(c) of that section being satisfied in relation to it and the scheme has been wound up ;"; and

- (b) as if for the words from " entitled " to " which " there were substituted the words "only entitled to such part (if any) of his or her guaranteed minimum pension as ".
- (2) In that subsection after the words " purposes of " there shall be inserted the words "sections 16(2B), 28(7A) and 59(1A) of the principal Act and ".
- 28 The following definition shall be inserted after the definition of "occupational pension scheme" in section 66(1)—

"" personal pension scheme " has the meaning assigned to it by section 84(1) of the Social Security Act 1986;".

- At the end of paragraph 5(1) of Part I of Schedule 1A (revalution of pensions) there shall be added the words "and which is not an average salary benefit ".
- 30 In Part II of Schedule 1A (transfer values)—
  - (a) the following sub-paragraphs shall be inserted after paragraph 12(2)—
    - "(2A) Where a member continues in employment to which a scheme applies after his pensionable service in that employment terminates—
      - (a) if regulations so provide, he only acquires a right to the cash equivalent of such part of the benefits specified in sub-paragraph (1) above as may be prescribed ; and
      - (b) if regulations so provide, he acquires no right to a cash equivalent.
    - (2B) Regulations may provide for the purposes of sub-paragraph (2A) above that in prescribed circumstances a number of employments (whether or not consecutive) shall be treated as a single employment.";
  - (b) paragraph 12(4) and the reference to it in paragraph 12(3) shall be omitted and shall be deemed never to have been included;
  - (c) in paragraph 13—
    - (i) in paragraph (c) of sub-paragraph (2), for the words " such other type or types of pension arrangements as may be prescribed " there shall be substituted the words "other pension arrangements which satisfy prescribed requirements "; and
    - (ii) the following sub-paragraph shall be inserted after that sub-paragraph—
      - "(2A) Without prejudice to the generality of sub-paragraph (2) above, the powers conferred by that sub-paragraph include power to provide that a scheme, an annuity or pension arrangements must satisfy requirements of the Inland Revenue.";
    - (iii) in sub-paragraph (5)(b), for the word " them " there shall be substituted the words "the trustees or managers of the scheme from which he is being transferred "; and
  - (d) in paragraph 14—
    - (i) in sub-paragraph (1), for the words "The cash equivalents mentioned in paragraph 12(1) above " there shall be substituted the words "Gash equivalents ";

- (ii) at the end of sub-paragraph (2), there shall be added (but not as part of paragraph (c)) the words "and power to provide that they shall be calculated and verified in accordance with guidance prepared by a prescribed body, "; and
- (iii) the following paragraph shall be substituted for sub-paragraph (3)
  (b)—
  - "(b) that in prescribed circumstances a cash equivalent shall be increased or reduced.".

## Employment Protection (Consolidation) Act 1978 (c. 44)

- (1) In the following provisions of the Employment Protection (Consolidation) Act 1978 (which all relate to payments to pension schemes of contributions which are unpaid on employer's insolvency) the words " or a personal pension scheme " shall be inserted after the words "an occupational pension scheme"—
  - (a) section 123(1) and (3);
  - (b) section 124(2);
  - (c) section 125(3); and
  - (d) section 126(1).
  - (2) In section 123(2) of that Act for the words "in accordance with an occupational pension scheme" there shall be substituted the words "to an occupational pension scheme or a personal pension scheme ".
  - (3) In section 127(3) of that Act the following definition shall be inserted after the definition of "occupational pension scheme"—

"" personal pension scheme " means any scheme or arrangement which is comprised in one or more instruments or agreements and which has, or is capable of having, effect so as to provide benefits, in the form of pensions or otherwise, payable on death or retirement to or in respect of employees who have made arrangements with the trustees or managers of the scheme for them to become members of the scheme ;".

### PART II

#### **INCOME-RELATED BENEFITS**

#### National Assistance Act 1948 (c.29)

- 32 (1) In subsection (3) of section 22 of the National Assistance Act 1948 (charges to be made for local authority accommodation) for the words "(apart from any supplementation of his resources which he will receive under the Supplementary Benefits Act 1976" there shall be substituted the words "(disregarding income support) ".
  - (2) At the end of subsection (5) of that section there shall be added the words " except that, until the first such regulations come into force, a local authority shall give effect to Part III of Schedule 1 to the Supplementary Benefits Act 1976, as it had effect immediately before the amendments made by Schedule 2 to the Social Security Act 1980.

33 The words ".whether before or after the commencement of the Supplementary Benefits Act 1976," shall be omitted from subsection (6) of section 43 of that Act (recovery of cost of assistance from persons liable for maintenance).

## Maintenance Orders Act 1950 (c.37)

- 34 In subsection (1) of section 3 of the Maintenance Orders Act 1950 (jurisdiction of English courts to make affiliation orders) after " 1976" there shall be inserted the words "or section 25 of the Social Security Act 1986 ".
- 35 In section 4 of that Act (jurisdiction of English courts to make affiliation orders against persons in Scotland or Northern Ireland)—
  - (a) the following paragraph shall be added at the end of subsection (1)—
    - "(d) for an order under section 24 of the Social Security Act 1986 (which provides for the recovery of expenditure on income support from such persons);" and
  - (b) in subsection (2), after the words " or the said section 18 " there shall be inserted the words " or the said section 24".
- 36 In section 9 of that Act—
  - (a) the following paragraph shall be added at the end of subsection (1)—
    - "(d) for an order under section 24 of the Social Security Act 1986 (which provides for the recovery of expenditure on income support from such persons);"and
  - (b) in subsection (2), after the words "or the said section 18" there shall be inserted the words " or the said section 24".
- 37 In section 11(1) of that Act (jurisdiction of Northern Ireland courts to make affiliation orders) after "1977" there shall be inserted the words "or any enactment applying in Northern Ireland and corresponding to section 25 of the Social Security Act 1986 ".
- 38 In section 12 of that Act (jurisdiction of Northern Ireland courts to make affiliation orders against persons in England or Scotland)—
  - (a) the following paragraph shall be added at the end of subsection (1)—
    - "(d) for an order under any enactment applying in Northern Ireland and corresponding to section 24 of the Social Security Act 1986 (which provides for the recovery of expenditure on income support from such persons);"and
  - (b) the words " or of any order falling within subsection (1) (d) of this section" shall be added at the end of subsection (2).
  - In section 16(2) of that Act (enforcement of maintenance orders)—
    - (a) the following sub-paragraph shall be inserted after paragraph (a)(vii)—
      - "(viii) section 24 of the Social Security Act 1986 or section 4 of the Affiliation Proceedings Act 1957 on an application made under section 25(1) of the Act of 1986 ;";
    - (b) the following sub-paragraph shall be inserted after paragraph (b)(viii)—

"(ix) an order made on an application under section 24 of the Social Security Act 1986;"; and

(c) the following sub-paragraph shall be inserted after paragraph (c)(vii)—

"(viii) any enactment applying in Northern Ireland and corresponding to section 24 of the Social Security Act 1986 ;".

## Ecclesiastical Jurisdiction Measure 1963 (No. 1)

40 In subsection (7) of section 55 of the Ecclesiastical Jurisdiction Measure 1963, as amended by section 1 of the Ecclesiastical Jurisdiction (Amendment) Measure 1974, (deprivation etc. of priests etc. after certain proceedings) in the definition of "affiliation order" the word "or" shall be omitted and at the end there shall be inserted the words "or section 25 of the Social Security Act 1986".

## Social Work (Scotland) Act 1968 (c.49)

41 (1) In section 78(2A) of the Social Work (Scotland) Act 1968 (duty to make contributions in respect of children in care etc.) for words from " of " where second occurring to the end there shall be substituted the words "of income support or family credit. ".

(2) In section 87(3) of that Act (charges for service and accommodation)—

- after the word " by" where first occurring there shall be inserted the words (a) "the Schedule to the Housing (Homeless Persons) Act 1977, paragraph 2(1) of Schedule 4 to the Social Security Act 1980, ";
- after "1983 " there shall be inserted "and paragraph 32 of Schedule 10 to (b) the Social Security Act 1986 "; and
- for the words " to 44 " there shall be substituted the words " (as amended by (c) paragraph 5 of Schedule 1 to the Law Reform (Parent and Child) (Scotland) Act 1986) and 43 ".

## Administration of Justice Act 1970 (c. 31)

- In Schedule 8 to the Administration of Justice Act 1970 (maintenance orders)
  - in paragraph 5, the word "or" shall be omitted from both places where it (a) occurs and after "1975" there shall be inserted the words "or section 25 of the Social Security Act 1986 "; and
  - in paragraph 6, the word "or", where first occurring, shall be omitted and (b) after "1976" there shall be inserted the words "or section 24 of the Social Security Act 1986 ".

## Attachment of Earnings Act 1971 (c. 32)

- 43 In Schedule 1 to the Attachment of Earnings Act 1971 (maintenance orders)
  - in paragraph 6, the word " or " shall be omitted from both places where it (a) occurs and after "1976" there shall be inserted the words "or section 25 of the Social Security Act 1986 "; and
  - in paragraph 7, the word "or" where first occurring shall be omitted and (b) after "1976" there shall be inserted the words "or section 24 of the Social Security Act 1986 ".

Housing (Financial Provisions) (Scotland) Act 1972 (c. 46)

- (1) In section 24(1)(a) of the Housing (Financial Provisions) (Scotland) Act 1972 (amount to be carried to credit of rent rebate account) for the words " under section 32 of the Social Security and Housing Benefits Act 1982" there shall be substituted the words "under section 30 of the Social Security Act 1986 ".
  - (2) In section 25(1)(a) of that Act (amount to be carried to credit of rent allowance account) for the words " under section 32 of the Social Security and Housing Benefits Act 1982 " there shall be substituted the words "under section 30 of the Social Security Act 1986 ".

## Employment and Training Act 1973 (c. 50)

45 In section 12(2)(b) of the Employment and Training Act 1973 (ancillary and transitional provisions) for the words " supplementary benefit within the meaning of the Supplementary Benefits Act 1976 " there shall be substituted the words "income support ".

### *Legal Aid Act 1974 (c. 4)*

- 46 In each of the following provisions of the Legal Aid Act 1974, for the words from "supplementary " to " 1970 " there shall be substituted the words "income support or family credit"—
  - (a) section 1(1)(b);
  - (b) section 4(2);
  - (c) section 11(5).
- 47 In paragraph 3(c) of Part I of Schedule 1 to that Act for the words "18 of the Supplementary Benefits Act 1976" there shall be substituted the words "24 of the Social Security Act 1986 ".

#### Social Security Act 1975 (c. 14)

- 48 The following provisions of the Social Security Act 1975—
  - (a) section 87 (benefits to be inalienable); and
  - (b) section 165A(1) (necessity of claim for entitlement),

shall have effect in relation to income-related benefits as they have effect in relation to benefits under that Act.

# Local Government (Scotland) Act 1975 (c. 30)

#### Rating (Disabled Persons) Act 1978 (c. 40)

- 49 The words " the housing benefit scheme (whether or not modified under section 28 of the Social Security Act 1986) " shall be substituted for the words "a scheme made under section 28(1)(a) of the Social Security and Housing Benefits Act 1982 (whether or not modified under section 30(1)(a) of that Act)—
  - (a) in section 8(4) of the Local Government (Scotland) Act 1975 (payment of rates by instalments);
  - (b) in section 1(6) of the Rating (Disabled Persons) Act 1978 (rebates for hereditaments with special facilities for disabled persons); and

(c) in section 4(9) of that Act (rebates for lands and heritages with special facilities for disabled persons).

## Employment Protection (Consolidation) Act 1978 (c.44)

- In section 132 of the Employment Protection (Consolidation) Act 1978 (recoupment of benefit)—
  - (a) in subsection (2)(a) and (c), for the words "supplementary benefit" there shall be substituted the words "income support ";
  - (b) in subsection (3)—
    - (i) in paragraphs (a) and (f), for the words " supplementary benefit" there shall be substituted the words "income support "; and
    - (ii) in paragraph (e), for the words from "who" to the end of the paragraph there shall be substituted the words "a right of appeal to a social security appeal tribunal against any decision of an adjudication officer as to the total or partial recoupment of income support in pursuance of the regulations; "; and
  - (c) in subsection (4), for the words from " supplementary benefit ", in the first place where those words occur, to the end there shall be substituted the words "income support, no sum shall be recoverable under the Social Security Act 1986, and no abatement, payment or reduction shall be made by reference to the income support recouped.".

## *Child Care Act 1980 (c. 5)*

- 51 The following subsection shall be substituted for subsection (1A) of section 45 of the Child Care Act 1980 (liability for contributions in respect of children in care)—
  - "(1A) A person shall not be liable under subsection (1) (i) above to make any contribution during any period when he is in receipt of income support or family credit.".

## Local Government, Planning and Land Act 1980 (c. 65)

- (1) In section 54 of the Local Government, Planning and Land Act 1980 (rate support grant) in subsections (1) and (2) for the words "and subsidies under section 32(1)(a) of the Social Security and Housing Benefits Act 1982 " there shall be substituted the words "and rate rebate subsidy under the Social Security Act 1986 ".
  - (2) The following paragraph shall be substituted for subsection (5)(d) of that section—
    - "(d) subsection (10) or section 30 of the Social Security Act 1986 (power to exclude rate fund contributions under subsection (6) of that section and certain other items);".
- 53 In section 154 of that Act (grant of rent rebates by urban developments corporations) for the words " Part. II of the Social Security and Housing Benefits Act 1982 " there shall be substituted the words "Part II of the Social Security Act 1986 ".

## Magistrates' Courts Act 1980 (c. 43)

54 The following paragraph shall be added after subsection 1(1) of section 65 of the Magistrates' Courts Act 1980 (domestic proceedings)—

"(m) section 24 or 25 of the Social Security Act 1986;".

### Civil Jurisdiction and Judgments Act 1982 (c. 27)

- 55 In paragraph 5 of Schedule 5 to the Civil Jurisdiction and Judgments Act 1982 (proceedings excluded from Schedule 4)—
  - (a) in sub-paragraph (c), after "1976," there shall be inserted the words "section 24 of the Social Security Act 1986, or any enactment applying in Northern Ireland and corresponding to it, "; and
  - (b) in sub-paragraph (d), after " 1976," there shall be inserted the words "section 25 of the Social Security Act 1986 or any enactment applying in Northern Ireland and corresponding to it, ".

# Legal Aid Act 1982 (c. 44)

56 In section 7(8) of the Legal Aid Act 1982 (legal aid contribution orders) for the words from "supplementary benefit" to the end there shall be substituted the words "income support or family credit under the Social Security Act 1986. ".

## Transport Act 1982 (c. 49)

57 In section 70(2)(b) of the Transport Act 1982 (payments in respect of applicants for exemption from wearing seat belts) for the words from " of" to " and " there shall be substituted the words "of income support or family credit and ".

## *Housing Act 1985 (c.68)*

- 58 In subsection (2)(b) of section 425 of the Housing Act 1985 (the local contribution differential) for the words " section 32 of the Social Security and Housing Benefits Act 1982" there shall be substituted the words "section 30 of the Social Security Act 1986 ".
- 59 In Item 4 in Part I of Schedule 14 to that Act (items to be credited to the Housing Revenue Account) for the words " Social Security and Housing Benefits Act 1982" there shall be substituted the words "Social Security Act 1986 ".
- 60 In paragraph 3 of Part IV of that Schedule (rate fund contributions to the Housing Revenue Account) for the words " section 34(1) of the Social Security and Housing Benefits Act 1982 " there shall be substituted the words "section 30(6) of the Social Security Act 1986 ".

## Legal Aid (Scotland) Act 1986 (c.47)

61 In section 8(b) (availability of legal advice and assistance) and section 11(2) (clients' contributions) of the Legal Aid (Scotland) Act 1986, for the words from "supplementary " to " 1970 " there shall be substituted the words "income suport or family credit ".

## PART III

## BENEFITS UNDER SOCIAL SECURITY ACT 1975

## Social Security Act 1975 (c. 14)

- 62 The Social Security Act 1975 shall have effect subject to the amendments specified in paragraphs 63 to 66 below.
- 63 In section 12(1) (descriptions of contributory benefits) the following sub-paragraph shall be substituted for sub-paragraph (i) of paragraph (e)— "(i) widow's payment,".
- 64 In section 13 (contribution conditions) in subsection (1), in the Table headed " Other benefits " the following entry shall be inserted before the entry relating to widowed mother's allowance—

"Widow's payment".

65 The following entry shall be inserted in section 167(1)(a) of that Act (regulations subject to affirmative Parliamentary procedure) immediately after the entry relating to section 20(3)—

"section 61(3) (constant attendance allowance);"

- 66 In Schedule 3 (contribution conditions)—
  - (a) in paragraph 4(1) for the words preceding paragraph (a) there shall be substituted the words—

## "Widow's payment

- 4 (1) The contribution condition for a widow's payment is that—".
- (b) " payment" shall be substituted for "allowance"—
  - (i) in sub-paragraph (2)(b) of paragraph 8; and
  - (ii) in the second place where it occurs in sub-paragraph (3) of that paragraph ; and
- (c) the following paragraph shall be substituted for paragraph 13—
  - "13 Where a woman claims a widow's payment, the contributor concerned for the purposes of the claim shall be deemed to satisfy the contribution condition for the payment if on a claim made in the past for any short-term benefit he has satisfied the first contribution condition for the benefit, by virtue of paragraph 8 above, with contributions of a class relevant to widow's payment.".

### Industrial Injuries and Diseases (Old Cases) Act 1975 (c. 16)

67 The words following " pension rate " shall be omitted from sections 2(6)(b) and 7(2)(c) (weekly rates of benefit) of the Industrial Injuries and Diseases (Old Cases) Act 1975.

- 68 (1) In section 4(8)(a) of that Act (parliamentary procedure for making of schemes) for the words " an up-rating order under the Social Security Act " there shall be substituted the words "any order or regulations under the Social Security Acts 1975 to 1986 ".
  - (2) In section 7 of that Act (amount of benefit)—
    - (a) in subsection (3), the following paragraph shall be substituted for paragraph (d)—
      - "(d) where the person is treated under the provisions of the scheme as residing with his or her spouse or contributing at a weekly rate of not less than the relevant amount towards the maintenance of his or her spouse, by the relevant amount (that is to say, an amount equal to any increase which would be payable under section 44 of that Act in respect of the spouse if the person were entitled to sickness benefit)."; and
    - (b) in subsection (4), the following paragraph shall be substituted for the paragraph set out in that subsection—
      - "(d) where the person is treated under the provisions of the scheme as residing with his or her spouse or contributing at a weekly rate of not less than the relevant amount towards the maintenance of his or her spouse, by the relevant amount (that is to say. an amount equal to any increase which would be payable under section 66 of that Act in respect of the spouse if the person were entitled to disablement pension plus unemployability supplement).".

Social Security Pensions Act 1975 (c. 60)

- 69 In section 13(3) of the Social Security Pensions Act 1975 (rate of widowed mother's allowance and widow's pension) for " 50" there shall be substituted "55 ".
- 70 In section 15 of that Act (invalidity pension for widows)—
  - (a) in subsection (1)—
    - (i) the following paragraphs shall be substituted for paragraphs (a) and (b)—
      - "(a) is not entitled to a widowed mother's allowance on her late husband's death or subsequently ceases to be entitled to such an allowance; and
      - (b) is incapable of work at the time when he died or when she subsequently ceases to be so entitled ;";
    - (ii) in paragraph (c), for " 40 " there shall be substituted "45 ";
  - (b) in subsection (2)(a), for the words from " she " to the end there shall be substituted the words "her late husband died or she subsequently ceased to be entitled to a widowed mother's allowance ; "; and
  - (c) in subsection (4)(a), for " 50 " there shall be substituted "55 ".

## PART IV

## STATUTORY MATERNITY PAY, STATUTORY SICK PAY ETC

## Income and Corporation Taxes Act 1970 (c. 10)

71

- At the end of section 219A of the Income and Corporation Taxes Act 1970 (which charges certain payments to income tax under Schedule E) there shall be added "and
  - (d) payments of statutory maternity pay under Part V of the Social Security Act 1986 or, in Northern Ireland, any corresponding provision contained in an Order in Council under the Northern Ireland Act 1974.".

## Social Security Act 1975 (c. 14)

- 72 The words " (other than maternity allowance)" shall be inserted—
  - (a) after the words " that subsection ", in subsection (2) of section 13 of the Social Security Act 1975 ; and
  - (b) after the words " for benefit", in subsection (8) of that section.
- 73 In section 122(4) of that Act for the words "either or both those Funds " there shall be substituted the words "that Fund ".

## Social Security (Miscellaneous Provisions) Act 1977 (c. 5)

74 In section 18(2)(c) of the Social Security (Miscellaneous Provisions) Act 1977 (certain sums to be earnings for social security purposes) for the words " that Act" there shall be substituted the words "the Employment Protection (Consolidation) Act 1978 ".

## Employment Protection (Consolidation) Act 1978 (c. 44)

- 75 In section 33 of the Employment Protection (Consolidation) Act 1978 (right to return to work) in subsections (3) and (4) for the word " rights " there shall be substituted the word "right" and in subsection (5) for the words " either of the rights " there shall be substituted the words "the right ".
- 76 In subsection (4) of section 123 of that Act (payment of unpaid contributions to pension schemes) for the words " maternity pay" there shall be substituted the words ", statutory sick pay, statutory maternity pay under Part V of the Social Security Act 1986, maternity pay under Part III of this Act ".

## Social Security and Housing Benefits Act 1982 (c. 24)

77 The following subsection shall be substituted for section 3(9) of the Social Security and Housing Benefits Act 1982 (definitions relating to period of entitlement to statutory sick pay)—

"(9) In this section—

" confinement" is to be construed in, accordance with section 50 of the Social Security Act 1986 ; and

" disqualifying period " means—

- (a) in relation to a woman entitled to statutory maternity pay, the maternity pay period ; and
- (b) in relation to a woman entitled to maternity allowance, the maternity allowance period ;

" maternity allowance period " has the meaning assigned to it by section 22(2) of the principal Act; and

" maternity pay period " has the meaning assigned to it by section 47(1) of the Social Security Act 1986.".

78 The following paragraph shall be inserted before paragraph (a) of section 45(2) of that Act (Parliamentary control of subordinate legislation)—

"(za) regulations under section 7 of this Act;".

### Insolvency Act 1985 (c. 65)

79 In paragraph 3(2)(d) of Part II of Schedule 4 to the Insolvency Act 1985 (preferential debts) the words from the beginning to "1982 " shall cease to have effect.

### Bankruptcy (Scotland) Act 1985 (c. 66)

80 Paragraph 9(2)(d) of Schedule 3 to the Bankruptcy (Scotland) Act 1985 (preferential debts) shall cease to have effect.

## Wages Act 1986 (c.48)

81 In subsection (1)(f) of section 7 of the Wages Act 1986 (meaning of " wages ") for the words " maternity pay under Part III of the 1978 Act" there shall be substituted the words "statutory maternity pay under the Social Security Act 1986 ".

### PART V

#### **COMMON PROVISIONS**

### Social Security Act 1973 (c. 38)

82 In section 68(1) of the Social Security Act 1973 (submission to Occupational Pensions Board of proposals to make regulations) for the word " Where " there shall be substituted the words "Subject to section 61 of the Social Security Act 1986, where ".

### Social Security Act 1975 (c. 14)

- 83 In subsection (6)(aa) of section 14 of the Social Security Act 1975 (unemployment benefit and sickness benefit) and in subsection (4)(aa) of section 15 of that Act (invalidity pension) for the words "126A of this Act" there shall be substituted the words "63(1)(d) of the Social Security Act 1986 ".
- 84 In subsection (1) of section 28 of that Act (Category A retirement pension) the words from " (subject" to " rule)) " shall be omitted.

- 85 The following subsection shall be substituted for subsection (3) of section 90 of that Act (obligations of claimant)—
  - "(3) The regulations relevant under subsection (2) above are—
    - (a) those made by virtue of the following provisions of this Chapter, namely—

(i) section 88(a), and

(ii) section 89(1) and (2); and

- (b) those made by virtue of section 51(1)(h), (k) and (l) of the Social Security Act 1986.".
- 86 In section 141(2) (reference of proposals to make regulations to Industrial Injuries Advisory Council) for the word " Where" there shall be substituted the words "Subject to section 61 of the Social Security Act 1986, where ".
- 87 The following section shall be substituted for section 165A of that Act—

## "165A General provision as to necessity of claim for entitlement to benefit.

- (1) Except in such cases as may be prescribed, no person shall be entitled to any benefit unless, in addition to any other conditions relating to that benefit being satisfied—
  - (a) he makes a claim for it in the prescribed manner and within the prescribed time; or
  - (b) by virtue of regulations made under section 51 of the Social Security Act 1986 he is treated as making a claim for it.
- (2) Where under subsection (1) above a person is required to make a claim or to be treated as making a claim for a benefit in order to be entitled to it—
  - (a) if the benefit is a widow's payment, she shall not be entitled to it in respect of a death occurring more than twelve months before the date on which the claim is made or treated as made ; and
  - (b) if the benefit is any other benefit, except disablement benefit or reduced earnings allowance, the person shall not be entitled to it in respect of any period more than twelve months before that date.".
- 88 The words ", reduced earnings allowance " shall be inserted in section 165A(3)(c), as originally enacted, after the words "disablement benefit ".
- 89 In section 167(3) of that Act (parliamentary procedure) for the words ", 123A or 126A or an up-rating order" there shall be substituted the words "or 123A ".
- 90 In paragraph 8 of Schedule 16 (exemption in respect of up-rating regulations from requirements to consult Industrial Injuries Advisory Council) for the words from " one or more " to the end there shall be substituted the words " one or more of the following provisions—
  - (a) section 120 and 122 of this Act; and
  - (b) section 63 of the Social Security Act 1986.".

## Social Security Pensions Act 1975 (c. 60)

91 In section 23 of the Social Security Pensions Act 1975 (increase of long-term benefits)—

- (a) in subsections (2) and (3), for the words " the said section 124 " there shall be substituted the words "section 63 of the Social Security Act 1986 ";
- (b) in subsection (2), for the words " subsection (1)(b) above " there shall be substituted the words "section 63(1)(b) of that Act "; and
- (c) in subsection (3), for the words "subsection (1)(c) or (d) above" there shall be substituted the words "section 63(1)(c) or (d) of that Act ".
- 92 In section 24(1)(a) of that Act (graduated retirement benefit) for the words " 124 to 126 of the principal Act" there shall be substituted the words "sections 63 and 64 of the Social Security Act 1986 ".
- 93 In subsection (1) of section 59 of that Act (official pension) for the words " that section " there shall be substituted the words "section 63 of the Social Security Act 1986 ".
- 94 In section 61(2) of that Act (consultation about regulations)—
  - (a) for the word " Where " there shall be substituted the words "Subject to section 61 of the Social Security Act 1986, where "; and
  - (b) after the words " of this Act" there shall be inserted the words "or of Part I of the Social Security Act 1986 ".
- 95 In Schedule 1 to that Act (deferred retirement)—
  - (a) in paragraphs 2(5) and 4(3)(b), for the words "124 of the principal Act" there shall be substituted the words "63 of the Social Security Act 1986 "; and
  - (b) in paragraph 4A(3)(a), for the words "126A of the principal Act" there shall be substituted the words "63(1)(d) of the Social Security Act 1986 ".

## Child Benefit Act 1975 (c. 61)

- 96 At the end of subsection (1) of section 6 of the Child Benefit Act 1975 (child benefit claims and payments) there shall be added the words "and within the prescribed time ".
- 97 In paragraph 1 of Schedule 3 to that Act (increases in rate of benefit), after the word "Act" there shall be inserted the words "or section 63 of the Social Security Act 1986 ".

## Social Security Act 1980 (c. 30)

- 98 In section 10 of the Social Security Act 1980 (consultation with Social Security Advisory Committee on proposals for regulations)—
  - (a) in subsection (1), after the word " subsection " there shall be inserted the words "and to section 61 of the Social Security Act 1986 "; and
  - (b) in subsection (9), after the word " section " there shall be inserted the words "or section 61 of the Social Security Act 1986 ".
- 99 In paragraph 12(2) of Schedule 3 to that Act (regulations not requiring submission to Social Security Advisory Committee) for the words from " sections of " to the end there shall be substituted the words " provisions—
  - (a) section 120, 122 or 123A of the principal Act;
  - (b) section 63 of the Social Security Act 1986,

or contained in a statutory rule which states that it contains only provisions in consequence of an order under section 120 of the Social Security (Northern Ireland)

Act 1975 or any enactment applying in Northern Ireland and corresponding to section 63 of the Social Security Act 1986.".

## Social Security Act 1985 (c. 53)

In section 9(9) of the Social Security Act 1985 (abatement of invalidity allowance) for the words " sections 124 and 126A of the Social Security Act 1975" there shall be substituted the words "section 63 of the Social Security Act 1986 ".

## PART VI

#### MISCELLANEOUS

#### Income and Corporation Taxes Act 1970 (c. 10)

- 101 In section 219 of the Income and Corporation Taxes Act 1970 (taxation of benefits)
  - (a) in subsection (1), for the words, "maternity benefit" there shall be substituted the words "maternity allowance, widow's payments "; and
  - (b) in subsection (2), for the words " in respect of a family income supplement under the Family Income Supplements Act 1970 or the Family Income Supplements Act (Northern Ireland) 1971 " there shall be substituted the words "of family credit under the Social Security Act 1986 or any corresponding enactment applying to Northern Ireland, ".

## Attachment of Earnings Act 1971 (c. 32)

102 In section 24(2)(c) of the Aattachment of Earnings Act 1971 (social security benefits etc. not earnings for purposes of Act) for the words from " of " to the end there shall be substituted "enactment relating to social security ; ".

National Insurance Act 1974 (c. 14)

Social Security Act 1980 (c. 30)

Social Security Act 1985 (c. 53)

- 103 The words " the Social Security Acts 1975 to 1986 " shall be substituted—
  - (a) for the words " the Social Security Act 1975 " in section 6(1) of the National Insurance Act 1974 ;
  - (b) in the Social Security Act 1980—
    - (i) in section 9(7), for the words "the Social Security Acts 1975 to 1985 " in both places where they occur ; and
    - (ii) in section 18(1), for the words " the Social Security Acts 1975 to 1982 " ; and
  - (c) for the words " the Social Security Acts 1975 to 1985 " in section 5 of the Social Security Act 1985.

### Social Security Act 1975 (c. 14)

104 In section 4(6) of the Social Security Act 1975 (incidence of Class 1 contributions) after the word " under " there shall be inserted the words "subsection (7) below or under ".

## Supplementary Benefits Act 1976 (c. 71)

- 105 In section 8 of the Supplementary Benefits Act 1976 (persons affected by trade disputes)—
  - (a) in subsection (1), the following words shall be substituted for the words from the beginning to "period", in the second place where it occurs—
  - "So long as this section applies to a person, his requirements"; and(b) the following subsections shall be substituted for subsection (2)—
    - "(2) This section applies to a person—
      - (a) who is disqualified under section 19 of the Social Security Act 1975 for receiving unemployment benefit; or
      - (b) who would be so disqualified if otherwise entitled to that benefit,

except during any period shown by the person to be a period of incapacity for work by reason of disease or bodily or mental disablement or to be within the maternity period.

(2A) In subsection (2) above " the maternity period " means the period commencing at the beginning of the sixth week before the expected week of confinement and ending at the end of the seventh week after the week in which confinement takes place.".

### Social Security Act 1980 (c. 30)

106 The following sub-paragraph shall be inserted after paragraph 13(1) of Schedule 3 to the Social Security Act 1980 (regulations not requiring prior submission to Social Security Advisory Committee)—

"(1A) Regulations under section 3(2)(a) of the Pensions Act (which provides for enabling women to continue to make contributions at reduced rate).".

107 The reference to section 9 of the Social Security and Housing Benefits Act 1982 in paragraph 15A of that Schedule shall include a reference to subsection (1A) of that section.

## Forfeiture Act 1982 (c. 34)

- 108 In section 4 of the Forfeiture Act 1982—
  - (a) in subsection (4), for " and (3) " there shall be substituted "to (3A) "; and
  - (b) in subsection (5), for the words from " the Family Income Supplements Act 1970 " to " the Social Security Act 1980 " there shall be substituted the words—

"the Child Benefit Act 1975,

the Social Security Acts 1975 to 1986,".