### STATUTORY INSTRUMENTS

# 2006 No. 1069

# SOCIAL SECURITY

The Social Security (PPF Payments and FAS Payments) (Consequential Amendments) Regulations 2006

Made - - - - 5th April 2006
Laid before Parliament 10th April 2006
Coming into force - - 5th May 2006

The Secretary of State for Work and Pensions makes the following Regulations in exercise of the powers conferred by sections 30DD(1)(c), 89(1), (1A) and (2), 122(1) and 175(1), (3) and (4) of the Social Security Contributions and Benefits Act 1992(1) and sections 4(1)(b), 35(1) and 36(1) to (4) of the Jobseekers Act 1995(2).

The Social Security Advisory Committee has agreed that the proposals in respect of these Regulations should not be referred to it(3).

### Citation, commencement and interpretation

- 1.—(1) These Regulations may be cited as the Social Security (PPF Payments and FAS Payments) (Consequential Amendments) Regulations 2006 and shall come into force on 5th May 2006.
  - (2) In these Regulations—

"the Dependency Regulations" means the Social Security Benefit (Dependency) Regulations 1977(4);

<sup>(1) 1992</sup> c. 4. Section 30DD was inserted by section 63 of the Welfare Reform and Pensions Act 1999 (c. 30) and subsection (1) was substituted by S.I. 2006/343. Section 89(1) was amended by paragraph 26 of Schedule 1 to the Social Security (Incapacity for Work) Act 1994 (c. 18) and Schedule 6 to the Tax Credits Act 2002 (c. 21) and subsection (1A) was inserted, and subsection (2) was amended, by S.I. 2006/343. Section 175(1) and (4) was amended by paragraph 29(2) and (4) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2). Section 122(1) is cited because of the meaning there given to the words "prescribe" and "regulations".

<sup>(2) 1995</sup> c. 18. Section 4(1)(b) was amended by S.I. 2006/343. Section 35(1) was amended by paragraph 62 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999. Section 36(1) was amended by paragraph 145 of Schedule 7 to the Social Security Act 1998 (c. 14) and paragraph 29(6) of Schedule 8 to the Welfare Reform and Pensions Act 1999, and subsection (4) was amended by paragraph 63 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999. Section 35(1) is cited because of the meaning there given to the words "prescribed" and "regulations".

<sup>(3)</sup> See sections 170, 172(1) and 173(1)(b) of the Social Security Administration Act 1992 (c. 5). Paragraph 67 of Schedule 2 to the Jobseekers Act 1995 added that Act to the list of "relevant enactments" in section 170(5) of the Social Security Administration Act 1992 in respect of which regulations must normally be referred to the Committee.

<sup>(4)</sup> S.I. 1977/343. The relevant amending instruments are S.I. 1987/355, 1989/523 and 1690, 1992/247 and 2002/2497.

"the Incapacity Benefit Dependency Regulations" means the Social Security (Incapacity Benefit - Increases for Dependants) Regulations 1994(5);

"the Incapacity Benefit Regulations" means the Social Security (Incapacity Benefit) Regulations 1994(6); and

"the Jobseeker's Regulations" means the Jobseeker's Allowance Regulations 1996(7).

## **Amendment of the Dependency Regulations**

- **2.**—(1) The Dependency Regulations are amended in accordance with this regulation.
- (2) In regulation 9A(8) (apportionment of payments by way of occupational pension made otherwise than weekly), for the words from "For the purposes" to "by way of occupational or personal pension" substitute—

"For the purposes of section 89(1) of, and paragraph 7(1) of Schedule 7 to, the Contributions and Benefits Act, where payment by way of occupational or personal pension, or for the purposes of section 89(1A) of that Act by way of PPF periodic payment(9),".

(3) In Schedule 2(10) (prescribed circumstances for increase of a carer's allowance) in paragraph 9(1)(11) after "occupational or personal pension" insert "or PPF periodic payment".

## Amendment of the Incapacity Benefit Dependency Regulations

**3.** In regulation 11 of the Incapacity Benefit Dependency Regulations (apportionment of payments by way of occupational or personal pension made otherwise than weekly), after "occupational or personal pension" in both places where those words appear insert "or PPF periodic payment".

### **Amendment of the Incapacity Benefit Regulations**

- **4.**—(1) The Incapacity Benefit Regulations are amended in accordance with this regulation.
- (2) In regulation 21(12) (disregard of certain pension payments)—
  - (a) after "reduction for pension payments" insert "and PPF periodic payments(13)"; and
  - (b) after paragraph (a) insert—
    - "(aa) any PPF periodic payment made to a person as a beneficiary on the death of a person entitled to such a payment;".
- (3) In regulation 22 (date from which pension payment is to be taken into account)—
  - (a) after "reduction for pension payments" insert "and PPF periodic payments"; and
  - (b) after "pension payment" insert "or PPF periodic payment".
- (4) In regulation 23 (date from which the change in the rate of pension takes effect)—
  - (a) after "Where pension payments" insert "or PPF periodic payments"; and
  - (b) after "pension payment" insert "or PPF periodic payment".

- (6) S.I. 1994/2946. The relevant amending instrument is S.I. 2000/3120.
- (7) S.I. 1996/207. The relevant amending instruments are S.I. 1996/1517 and 1997/454.
- (8) Regulation 9A was inserted by S.I. 1989/523 and amended by S.I. 1992/247.
- (9) The definition of "PPF periodic payments" was inserted into section 89(3) of the Social Security Contributions and Benefits Act 1992 by S.I. 2006/343.
- (10) The Schedule heading was amended by S.I. 2002/2497.
- (11) Paragraph 9 was inserted by S.I. 1987/355 and amended by S.I. 1989/1690 and 2002/2497.
- (12) Regulations 21 to 24 were inserted by S.I. 2000/3120.
- (13) The definition of "PPF periodic payments" was inserted into section 122(1) of the Social Security Contributions and Benefits Act 1992 by S.I. 2006/343.

<sup>(5)</sup> S.I. 1994/2945.

- (5) In regulation 24 (pension payment made other than weekly)—
  - (a) in paragraphs (1) and (2) after "pension payment" in each place where those words appear insert "or PPF periodic payment";
  - (b) in paragraph (1) after "weekly pension payments" insert "or weekly PPF periodic payments"; and
  - (c) in paragraph (3)—
    - (i) after "weekly pension payment" insert "or weekly PPF periodic payment";
    - (ii) after "pension payments" insert "or PPF periodic payments"; and
    - (iii) after "pension payment" insert " or PPF periodic payment".

### Amendment of the Jobseeker's Regulations

- 5. In regulation 81(14) of the Jobseeker's Regulations (payments by way of pensions)—
  - (a) in paragraphs (1), (1A), (1B) and (2) after "pension payments" in each place where those words appear insert ", PPF payments or FAS payments";
  - (b) in paragraph (2)(c) after "question" insert—
    - "; and
    - (d) any PPF payments or FAS payments(15) which are payable to him and which arose on the death of a person who had an entitlement to such payments"; and
  - (c) in paragraph (3)—
    - (i) after "pension payment" insert ", PPF payment or FAS payment"; and
    - (ii) after "weekly pension payments" insert ", weekly PPF payments or weekly FAS payments".

Signed by authority of the Secretary of State for Work and Pensions.

Stephen C. Timms
Minister of State,
Department for Work and Pensions

5th April 2006

<sup>(14)</sup> Regulation 81 was amended by S.I. 1996/1517 and 1997/454.

<sup>(15)</sup> Definitions of "PPF payments" and "FAS payments" were inserted into section 35(1) of the Jobseekers Act 1995 by S.I. 2006/343.

#### EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security Benefit (Dependency) Regulations 1977 (S.I.1977/343), the Social Security (Incapacity Benefit - Increases for Dependants) Regulations 1994 (S.I. 1994/2945) and the Social Security (Incapacity Benefit) Regulations 1994 (S.I. 1994/2946) (collectively known as "the Principal Regulations"). They also amend the Jobseeker's Allowance Regulations 1996 (S.I. 1996/207).

Regulations 2 to 4 amend the Principal Regulations to allow Pension Protection Fund ("PPF") periodic payments to be included in the calculation of entitlement to benefit in the same way as pension payments are included.

Regulation 5 amends the Jobseeker's Allowance Regulations 1996 to allow PPF payments or Financial Assistance Scheme ("FAS") payments to be included in the calculation of entitlement to contribution-based jobseeker's allowance in the same way as pension payments are included. It further provides for PPF payments or FAS payments to be disregarded where they are made to the survivor of a person entitled to such payments, in the same circumstances as pension payments would be

A full regulatory impact assessment has not been produced for this instrument as it has no impact on the costs of business, charities or the voluntary sector.