
STATUTORY INSTRUMENTS

1999 No. 3147

The Welfare Reform and Pensions
(Northern Ireland) Order 1999

PART VI

WELFARE

CHAPTER I

SOCIAL SECURITY BENEFITS

Incapacity benefits

Incapacity benefit: restriction to recent contributors

59.—(1) Paragraph 2 of Schedule 3 to the Contributions and Benefits Act (contribution conditions for short-term incapacity benefit) shall be amended as follows.

(2) In sub-paragraph (2) (the first condition), for paragraph (a) there shall be substituted—

“(a) the claimant must have actually paid contributions of a relevant class in respect of one of the last three complete years before the beginning of the relevant benefit year, and those contributions must have been paid before the relevant time; and”.

(3) In sub-paragraph (7) (claim by person who does not satisfy second contribution condition to be disregarded in relation to subsequent claim), after “does not satisfy” there shall be inserted

“the first contribution condition (specified in sub-paragraph (2) above) or, as the case may be,”.

(4) After sub-paragraph (7) there shall be added—

“(8) Regulations may—

(a) provide for the first contribution condition (specified in sub-paragraph (2) above) to be taken to be satisfied in the case of persons who have been entitled to any prescribed description of benefit during any prescribed period or at any prescribed time;

(b) with a view to securing any relaxation of the requirements of that condition (as so specified) in relation to persons who have been so entitled, provide for that condition to apply in relation to them subject to prescribed modifications.

(9) In sub-paragraph (8)—

“benefit” includes (in addition to any benefit under Parts II to V of this Act)—

(a) any benefit under Parts VII to XII of this Act, and

(b) credits under regulations under section 22(5) above;

“modifications” includes additions, omissions and amendments.”.

Incapacity benefit: reduction for pension payments

60. After section 30D of the Contributions and Benefits Act there shall be inserted—

“Incapacity benefit: reduction for pension payments.

30DD.—(1) Where—

- (a) a person is entitled to incapacity benefit in respect of any period of a week or part of a week,
- (b) a pension payment is payable to him in respect of that period (or a period which forms part of that period or includes that period or part of it), and
- (c) the amount of that payment (or, as the case may be, the amount which in accordance with regulations is to be taken as payable to him by way of pension payments in respect of that period) exceeds the threshold,

the amount of that benefit shall be reduced by an amount equal to 50 per cent. of that excess.

(2) In subsection (1) above “the threshold” means—

- (a) if the period in question is a week, £85 or such greater amount as may be prescribed; or
- (b) if that period is not a week, such proportion of the amount mentioned in paragraph (a) as falls to be calculated in accordance with regulations on such basis as may be prescribed.

(3) Regulations may secure that a person of any prescribed description does not suffer any reduction under subsection (1) above in any amount of incapacity benefit to which he is entitled.

(4) Regulations may provide—

- (a) for sums of any specified description to be disregarded for the purposes of this section;
- (b) for sums of any specified description to be treated for those purposes as payable to persons as pension payments (including, in particular sums in relation to which there is a deferred right of receipt);
- (c) for the aggregation of sums of any specified description which are payable as pension payments (or treated as being so payable) in respect of the same or different periods;
- (d) for such sums or aggregate sums to be apportioned between or otherwise allocated to periods in respect of which persons are entitled to incapacity benefit.

(5) In this section “pension payment” means—

- (a) a periodical payment made in relation to a person under a personal pension scheme or, in connection with the coming to an end of an employment of his, under an occupational pension scheme or a public service pension scheme;
- (b) a payment of any specified description, being a payment made under an insurance policy providing benefits in connection with physical or mental illness, disability, infirmity or defect; or
- (c) a payment of any other specified description;

and “specified” means prescribed by or determined in accordance with regulations under this section.

(6) For the purposes of subsection (5) above

“occupational pension scheme”, “personal pension scheme” and “public service pension scheme” each has the meaning given by section 1 of the Pension Schemes (Northern Ireland) Act 1993, except that

“personal pension scheme” includes a contract or trust scheme approved under Chapter III of Part XIV of the Income and Corporation Taxes Act 1988 (retirement annuities).”.

Incapacity benefit: persons incapacitated in youth

61.—(1) In subsection (1) of section 30A of the Contributions and Benefits Act (incapacity benefit: entitlement)—

(a) for “either of the following conditions” there shall be substituted—

“(a) either of the conditions mentioned in subsection (2) below; or

(b) if he satisfies neither of those conditions, each of the conditions mentioned in subsection (2A) below;”;

(b) after “any day of incapacity for work” there shall be inserted

“(“the relevant day”)”.

(2) In subsection (2) of that section—

(a) after “conditions” in the first place where that word occurs, there shall be inserted “mentioned in subsection (1)(a) above”; and

(b) in paragraph (a), for “the day in question” there shall be substituted “the relevant day”.

(3) After that subsection there shall be inserted—

“(2A) The conditions mentioned in subsection (1)(b) above are that—

(a) he is aged 16 or over on the relevant day;

(b) he is under the age of 20 or, in prescribed cases, 25 on a day which forms part of the period of incapacity for work;

(c) he was incapable of work throughout a period of 196 consecutive days immediately preceding the relevant day, or an earlier day in the period of incapacity for work on which he was aged 16 or over;

(d) on the relevant day he satisfies the prescribed conditions as to residence in Northern Ireland, or as to presence there; and

(e) he is not, on that day, a person who is receiving full-time education.”.

(4) In subsection (3) of that section, after “benefit” there shall be inserted “under subsection (1)(a) above”.

(5) After subsection (5) of that section there shall be added—

“(6) Regulations may provide that persons who have previously been entitled to incapacity benefit shall, in prescribed circumstances, be entitled to short-term incapacity benefit under subsection (1)(b) above notwithstanding that they do not satisfy the condition set out in paragraph (b) of subsection (2A) above.

(7) Regulations may prescribe the circumstances in which a person is or is not to be treated as receiving full-time education for the purposes of paragraph (e) of subsection (2A) above.”.

Abolition of severe disablement allowance

62. Sections 68 and 69 of the Contributions and Benefits Act (severe disablement allowance) shall cease to have effect.