

*These notes refer to the Welfare Reform and Pensions Act
1999 (c.30) which received Royal Assent on 11 November 1999*

WELFARE REFORM AND PENSIONS ACT 1999

EXPLANATORY NOTES

OVERVIEW

Background to the Act

The measures in the Act

Following consultation on the welfare reform Green Paper and the proposed reform of disability and bereavement benefits, the Government took forward those measures which required primary legislation in the Welfare Reform and Pensions Bill. The Bill also contained a number of changes to National Insurance contributions (NICs), which were announced in the March 1999 Budget.

The main elements of the Act are:

Part I: The framework for the new “stakeholder pension schemes”

Part II: Changes to the regulatory framework for occupational and personal pensions

Parts III and IV: Provisions for pension rights to be split as part of a divorce settlement, in the same way as other financial assets

Part V (section 53): Reforms to Maternity Allowance, to offer it to lower paid women

Part V (sections 54-56): A new scheme of bereavement benefits, available to both men and women, to replace the current widows’ benefits

Part V (sections 57-60): Provisions to implement the ONE service, joint claims for Jobseeker’s Allowance and Employment Zones

Part V (sections 61-65): Reforms to Incapacity Benefit and Severe Disablement Allowance

Part V (sections 66-67): Reforms to Attendance Allowance and Disability Living Allowance

Part V (sections 73-78) and Part VI (section 81): Changes to National Insurance contributions and their administration

Part V (sections 52, 68-72 and 79-80) and Part VI (sections 82-91): Miscellaneous and supplementary provisions