

## SCHEDULES

### SCHEDULE 2

#### MINOR AND CONSEQUENTIAL AMENDMENTS

#### PART 2

#### AMENDMENTS OF THE ADMINISTRATION ACT

##### *Introductory*

8 The Administration Act is amended as follows.

##### *Payment out of benefit of sums in respect of mortgage interest etc*

- 9 (1) Section 15A is amended as follows.
- (2) After subsection (1) (application of section to persons entitled to income support or income-based jobseeker's allowance) insert—
- “(1A) This section also applies in relation to cases where—
- (a) mortgage interest is payable to a qualifying lender by a person (also referred to as “the borrower”) who is, or whose partner, or former partner or qualifying associate is, entitled to state pension credit; and
  - (b) a sum in respect of that mortgage interest is or was brought into account in determining the appropriate minimum guarantee for the purposes of state pension credit in the case of the borrower or the partner, former partner or qualifying associate;
- and any reference in this section to “the relevant beneficiary” includes a reference to the person whose appropriate minimum guarantee for the purposes of state pension credit is or was determined as mentioned in paragraph (b) above.”
- (3) In subsection (2) (regulations about paying benefit directly to mortgagees) in paragraph (a), after “any relevant benefits” insert “(other than state pension credit)”.
- (4) In that subsection, after paragraph (a) insert—
- “(aa) authorising or requiring that, in prescribed circumstances, a prescribed part of any state pension credit to which the relevant beneficiary is entitled may (or, as the case may be, shall) be paid by the Secretary of State directly to the qualifying lender and shall be applied by that lender towards the discharge of the liability in respect of the mortgage interest;”.
- (5) In subsection (4)—
- (a) before the definition of “mortgage interest” insert—

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““appropriate minimum guarantee” has the meaning given by section 2(3) of the State Pension Credit Act 2002;”;

- (b) in the definition of “qualifying associate”—
  - (i) for “or an income-based jobseeker’s allowance,” substitute “, an income-based jobseeker’s allowance or state pension credit;”; and
  - (ii) after “under the Jobseekers Act 1995” insert “or the State Pension Credit Act 2002”; and
- (c) in the definition of “relevant benefits”, after paragraph (b) insert—
  - “(c) state pension credit;”.

*Overpayments of benefit: general*

- 10 In section 71(11) (benefits to which section applies) after paragraph (aa) insert—  
 “(ab) state pension credit;”.

*Adjustment of income support and other payments*

- 11 (1) Section 74 is amended as follows.
- (2) In subsection (1)(b) (recovery of income support etc paid because prescribed income not paid until after prescribed date) for “or an income-based jobseeker’s allowance” substitute “, an income-based jobseeker’s allowance or state pension credit”.
  - (3) In subsection (2)(b) (recovery of income support etc paid because prescribed payment from public funds not paid until after prescribed date) for “or an income-based jobseeker’s allowance” substitute “, an income-based jobseeker’s allowance or state pension credit”.

*Interpretation of Part 6: enforcement*

- 12 In section 121DA(1) (definition of “the relevant social security legislation”) after paragraph (h) insert—  
 “(hh) the State Pension Credit Act 2002;”.

*Provisions relating to age, death or marriage*

- 13 In section 124(1) (regulations as to furnishing of information from registers of births, marriages and deaths) after “Jobseekers Act 1995;” insert—  
 “(ab) of the provisions of the State Pension Credit Act 2002;”.

*Regulations as to notification of death*

- 14 In section 125(1) (regulations as to notification of death by Registrar General for England and Wales, etc) after “the Social Security Act 1998” insert “, the State Pension Credit Act 2002”.

*Provision of information by personal representatives as to estate of deceased person*

- 15 In section 126(1) (duty to furnish information as to assets and liabilities of a person in receipt of certain benefits) after “income-based jobseeker’s allowance” insert “, state pension credit”.

*Annual up-rating of benefits*

- 16 (1) Section 150 is amended as follows.
- (2) In subsection (1) (sums which are to be reviewed by the Secretary of State) after paragraph (k) insert—
- “(l) specified in regulations under section 2 or 3 of the State Pension Credit Act 2002;”.
- (3) In subsection (7) (provision which may be added to draft up-rating order) after “the Jobseekers Act 1995” insert “or the State Pension Credit Act 2002”.

*Effect of alterations affecting state pension credit*

- 17 After section 159A (effect of alteration of rates of a jobseeker’s allowance) insert—

**“159B Effect of alterations affecting state pension credit**

- (1) Subject to such exceptions and conditions as may be prescribed, subsection (2) or (3) below shall have effect where—
- (a) an award of state pension credit is in force in favour of any person (“the recipient”); and
- (b) an alteration—
- (i) in any component of state pension credit,
- (ii) in the recipient’s benefit income,
- (iii) in any component of a contribution-based jobseeker’s allowance, or
- (iv) in the recipient’s war disablement pension or war widow’s or widower’s pension,
- affects the computation of the amount of state pension credit to which he is entitled.
- (2) Where, as a result of the alteration, the amount of state pension credit to which the recipient is entitled is increased or reduced, then, as from the commencing date, the amount of state pension credit payable in the case of the recipient under the award shall be the increased or reduced amount, without any further decision of the Secretary of State; and the award shall have effect accordingly.
- (3) Where, notwithstanding the alteration, the recipient continues on and after the commencing date to be entitled to the same amount of state pension credit as before, the award shall continue in force accordingly.
- (4) Subsection (5) below applies where a statement is made in the House of Commons by or on behalf of the Secretary of State which specifies—
- (a) in relation to any of the items referred to in subsection (1)(b)(i) to (iv) above, the amount of the alteration which he proposes to make by an order under section 150 or 152 above or by or under any other enactment; and
- (b) the date on which he proposes to bring the alteration into force (“the proposed commencing date”).

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- (5) If, in a case where this subsection applies, an award of state pension credit is made in favour of a person before the proposed commencing date and after the date on which the statement is made, the award—
- (a) may provide for state pension credit to be paid as from the proposed commencing date at a rate determined by reference to the amounts of the items specified in subsection (1)(b)(i) to (iv) above which will be in force on that date; or
  - (b) may be expressed in terms of the amounts of those items in force at the date of the award.
- (6) In this section—
- “alteration” means—
- (a) in relation to any component of state pension credit, its alteration by or under any enactment;
  - (b) in relation to a person’s benefit income, the alteration of any of the sums referred to in section 150 above by any enactment or by an order under section 150 or 152 above to the extent that any such alteration affects the amount of his benefit income;
  - (c) in relation to any component of a contribution-based jobseeker’s allowance, its alteration by or under any enactment; and
  - (d) in relation to a person’s war disablement pension or war widow’s or widower’s pension, its alteration by or under any enactment;
- “benefit income”, in relation to a person, means so much of his income as consists of benefit under the Contributions and Benefits Act;
- “the commencing date”, in relation to an alteration, means the date on which the alteration comes into force in relation to the recipient;
- “component”—
- (a) in relation to contribution-based jobseeker’s allowance, means any of the sums specified in regulations under the Jobseekers Act 1995 (c. 18) which are relevant in calculating the amount payable by way of a jobseeker’s allowance;
  - (b) in relation to state pension credit, means any of the sums specified in regulations under section 2, 3 or 12 of the State Pension Credit Act 2002;
- “war disablement pension” means—
- (a) any retired pay, pension or allowance granted in respect of disablement under powers conferred by or under—
    - (i) the Air Force (Constitution) Act 1917 (c. 51);
    - (ii) the Personal Injuries (Emergency Provisions) Act 1939 (c. 82);
    - (iii) the Pensions (Navy, Army, Air Force and Mercantile Marine) Act 1939 (c. 83);
    - (iv) the Polish Resettlement Act 1947 (c. 19); or
    - (v) Part 7 or section 151 of the Reserve Forces Act 1980 (c. 9); or

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- (b) without prejudice to paragraph (a), any retired pay or pension to which subsection (1) of section 315 of the Income and Corporation Taxes Act 1988 (c. 1) applies;  
“war widow’s or widower’s pension” means—
- (a) any widow’s or widower’s pension or allowance granted in respect of a death due to service or war injury and payable by virtue of any enactment mentioned in paragraph (a) of the definition of “war disablement pension”; or
- (b) a pension or allowance for a widow or widower granted under any scheme mentioned in section 315(2)(e) of the Income and Corporation Taxes Act 1988.”

#### *Adjustments between National Insurance Fund and Consolidated Fund*

- 18 (1) Section 165 is amended as follows.
- (2) After subsection (5) (payments from National Insurance Fund into Consolidated Fund) insert—
- “(5A) There shall be excluded from the estimate under subsection (5)(a) above any expenses attributable to the carrying into effect of provisions of this Act so far as relating to state pension credit.”
- (3) In subsection (6) (expenses excluded from Secretary of State’s estimate under subsection (5)(b)) in paragraph (a), after “section 163(2) above” insert “or section 20 of the State Pension Credit Act 2002”.

#### *Adjustments between social fund and other sources of finance*

- 19 In section 169(1) (adjustments of social fund, Consolidated Fund and National Insurance Fund in relation to repayment or offsetting of benefit or other payment) at the end insert “or the State Pension Credit Act 2002”.

#### *The Social Security Advisory Committee*

- 20 In section 170(5) (interpretation)—
- (a) in the definition of “the relevant enactments”, after paragraph (ag) insert—  
“(ah) the provisions of the State Pension Credit Act 2002;”, and
  - (b) in the definition of “the relevant Northern Ireland enactments”, after paragraph (ag) insert—  
“(ah) any provisions in Northern Ireland which correspond to provisions of the State Pension Credit Act 2002; and”.

#### *Reciprocal agreements with countries outside the United Kingdom*

- 21 (1) Section 179 is amended as follows.
- (2) In subsection (3)(a) (modifications for securing that acts, omissions and events have corresponding effect for the purposes of United Kingdom legislation) after “Part III of the Social Security Contributions (Transfer of Functions, etc) (Northern Ireland) Order 1999” insert “, the State Pension Credit Act 2002”.

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(3) In subsection (4) (legislation to which the section applies) after paragraph (ad) insert—

“(ae) to the State Pension Credit Act 2002; and”.

(4) In subsection (5) (regulations which may be modified) after paragraph (aa) insert—

“(ab) state pension credit;”.

*Payment of travelling expenses by Secretary of State*

22 In section 180—

(a) in paragraph (a) (expense of attending interview) after “the Social Security Act 1998” insert “, the State Pension Credit Act 2002”, and

(b) in paragraph (b)(i) (expense of attending local office) after “the Social Security Act 1998” insert “, the State Pension Credit Act 2002”.

*Certain benefits to be inalienable*

23 In section 187(1), after paragraph (aa) insert—

“(ab) state pension credit;”.

*Interpretation: general*

24 (1) Section 191 is amended as follows.

(2) In the definition of “benefit”, at the end insert “and state pension credit”.

(3) Insert the following definition at the appropriate place—

““state pension credit” means state pension credit under the State Pension Credit Act 2002;”.