

1981 No. 73

SOCIAL SECURITY

The Social Security (Unemployment Benefit) (Abatement for Occupational Pension Payments) Regulations 1981

Made - - - - 16th January 1981

Laid before Parliament 30th January 1981

Coming into Operation 6th April 1981

The Secretary of State for Social Services, in exercise of the powers conferred upon him by section 5(1) and (2) of the Social Security (No. 2) Act 1980(a) and of all other powers enabling him in that behalf, hereby makes the following regulations which, being made within 6 months of the passing of that Act, are exempted by section 5(5) of that Act from the requirements of section 10 of the Social Security Act 1980(b) for prior reference to the Social Security Advisory Committee:—

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Social Security (Unemployment Benefit) (Abatement for Occupational Pension Payments) Regulations 1981 and shall come into operation on 6th April 1981.

(2) In these regulations, unless the context otherwise requires—

“the Act” means the Social Security (No. 2) Act 1980;

“the 1975 Act” means the Social Security Act 1975(c);

“pension payments” means payments by way of occupational pension as defined in section 5(3) of the Act;

and other expressions have the same meanings as in the Act.

Maximum sum prescribed for the purposes of section 5(1) of the Act

2. For the purposes of section 5(1) of the Act (abatement of unemployment benefit on account of pension payments in excess of the maximum sum) the sum of £35 is hereby prescribed as the maximum sum.

Disregard of pension payments on account of redundancy

3.—(1) For the purposes of section 5 of the Act there shall be disregarded such pension payments for any week to any person who has attained the age of 60 as are sums paid to him—

(a) solely by way of compensation for an employment of his coming to an end by reason of redundancy, and

(a) 1980 c. 39.

(b) 1980 c. 30; section 10 is applied, subject to this exemption, by section 5(5) of the Social Security (No. 2) Act 1980.

(c) 1975 c. 14.

- (b) otherwise than under the rules of an occupational pension scheme of which he is or was a member.

(2) In this regulation “occupational pension scheme” means any scheme or arrangement which is comprised in one or more instruments or agreements and which has effect in relation to one or more descriptions or categories of employments so as to provide benefits, in the form of pensions or otherwise, payable on termination of service to earners with qualifying service in an employment of any such description or category, where those benefits include benefits payable by reason of retirement which is at the normal age for retirement under the rules of such scheme or arrangement.

Disregard of pension payments for less than a whole week

4.—(1) For the purpose of calculating a pension payment or the aggregate of such payments as the case may be for any week under section 5 of the Act, the following provisions of this regulation shall apply.

(2) Where pension payments first begin to be made to any person for a period starting other than at the beginning of the first week for which they are made, any such payments for that week shall be disregarded.

(3) Where pension payments are already in payment to any person and any change in the rate of such payments takes effect in a week other than from the beginning of that week, the amount of any increase in the pension payments for that week arising from that change shall be disregarded.

Calculation of weekly amount of pension payments made other than weekly

5. Subject to the provisions of regulation 4 of these regulations, where a pension payment, or an aggregate of such payments as the case may be, is paid to a person who has attained the age of 60 for a period other than a week, the amount of any such payment for any week in that period shall be determined for the purposes of section 5 of the Act—

- (a) where payment is made for a year, by dividing the total by 52;
- (b) where payment is made for three months, by dividing the total by 13;
- (c) where payment is made for a month, by multiplying the total by 12 and dividing the result by 52;
- (d) where payment is made for two or more months, otherwise than for a year or for three months, by dividing the total by the number of months, multiplying the result by 12 and dividing the result of that multiplication by 52; or
- (e) in any other case, by dividing the amount of the payment by the number of days in the period for which it is made and multiplying the result by 7.

Modification of sections 14(7) and 18(1) of the 1975 Act

6.—(1) In a case where the rate at which any person would otherwise be entitled to unemployment benefit is reduced to nil for any period by virtue of section 5(1) of the Act—

- (a) section 14(7) of the 1975 Act (earnings-related supplement for persons entitled to unemployment benefit) shall have effect so that that person shall be entitled to earnings-related supplement of unemployment benefit for that period to such extent as the rate of the said supplement does not itself fall to be reduced by virtue of the said section 5(1); and

- (b) section 18(1) of the 1975 Act (duration of entitlement to unemployment benefit) shall have effect so that any day in that period for which that person would have been entitled to unemployment benefit but for the said section 5(1) shall count as a day for which he has been so entitled for the purpose of calculating whether he has been so entitled for 312 days in a period of interruption of employment.

(2) In a case where the rate at which any person would otherwise be entitled to earnings-related supplement of unemployment benefit is reduced to nil for any period by virtue of section 5(1) of the Act, section 14(7) of the 1975 Act shall have effect so that any day in that period for which that person would have been entitled to the said supplement but for the said section 5(1) shall count as a day for which he has been so entitled for the purpose of calculating whether he has been so entitled for an aggregate of 156 days in the same period of interruption of employment.

Further modification of section 14(7) of the 1975 Act

7.—(1) In any case where the conditions specified in paragraph (2) of this regulation apply to any period, section 14(7) of the 1975 Act shall have effect so that the weekly rate of earnings-related supplement of unemployment benefit for that period shall be ascertained in accordance with Schedule 6, Part I to that Act as if sub-paragraph (1) of paragraph 3 of that Part provided that the weekly rate of the said supplement should be an amount calculated in accordance with the provisions of sub-paragraph (a) only of the said sub-paragraph (1).

(2) The conditions referred to in paragraph (1) of this regulation are—

- (a) that unemployment benefit falls to be reduced by virtue of section 5(1) of the Act; and
- (b) that either—
 - (i) in so far as unemployment benefit is made up of personal or both personal and dependency benefit an adjustment falls to be made to that benefit under the provisions of the Social Security (Overlapping Benefits) Regulations 1979(a) as between such benefit and any other benefit payable for the same period; or
 - (ii) in so far as unemployment benefit is made up of dependency benefit an adjustment falls to be made to that benefit under the provisions of the Social Security (Hospital In-Patients) Regulations 1975(b).

16th January 1981.

Patrick Jenkin,
Secretary of State for Social Services.

(a) S.I. 1979/597, amended by S.I. 1980/1927.

(b) S.I. 1975/555; relevant amending instruments are S.I. 1977/1693, 1979/223.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations implement the provisions of section 5 of the Social Security (No. 2) Act 1980 relating to abatement of unemployment benefit (including increases for dependants and earnings-related supplement) for persons over 60 and also in receipt of payments by way of occupational pension (as defined in section 5(3)) for the same week.

Regulation 2 fixes the maximum weekly sum by reference to any excess over which unemployment benefit falls to be reduced. Regulations 3 and 4 make provision as to the disregard of such payments made on account of redundancy and for less than a week respectively. Regulation 5 provides for the calculation of the weekly amount of such payments made for periods other than a week. Regulation 6 modifies sections 14(7) (earnings-related supplement of unemployment benefit) and 18(1) (duration of unemployment benefit) of the Social Security Act 1975 in relation to cases of partial and total abatement. Regulation 7 additionally modifies section 14(7) in relation to the calculation of earnings-related supplement where the amount of unemployment benefit is affected by both abatement and other specified statutory adjustments.

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