

1987 No. 414

SOCIAL SECURITY

**The Social Security (Credits) Amendment Regulations
1987**

<i>Made</i> - - - -	<i>12th March 1987</i>
<i>Laid before Parliament</i>	<i>16th March 1987</i>
<i>Coming into force</i>	<i>6th April 1987</i>

The Secretary of State for Social Services in exercise of the powers conferred upon him by sections 13(4) and 168 of, and Schedule 20 to, the Social Security Act 1975(a) and sections 84(1) and 89(1) of the Social Security Act 1986(b) and of all other powers enabling him in that behalf, by this instrument, which contains only regulations made under the section of the Social Security Act 1986 specified above and regulations consequent on paragraph 2(3) of Schedule 8 to the Social Security Act 1986, and which is made before the end of a period of 12 months from their commencement, hereby makes the following Regulations:-

Citation, commencement and interpretation

1—(1) These Regulations, which amend the Social Security (Credits) Regulations 1975(c), may be cited as the Social Security (Credits) Amendment Regulations 1987 and shall come into force on 6th April 1987.

(2) In these Regulations “the principal Regulations” means the Social Security (Credits) Regulations 1975.

Amendment of regulation 2(1) of the principal Regulations

2. In regulation 2(1) of the principal Regulations (interpretation) for the definition of “relevant earnings factor” there shall be substituted the following definition—

“in relation to any benefit, means—

- (a) if the contributions relevant to that benefit under section 13 are Class 1 contributions, the earnings factor derived from earnings upon which primary Class 1 contributions have been paid or treated as paid, or credited earnings;
- (b) if the contributions relevant to that benefit under section 13 are Class 1 and Class 2 contributions, the earnings factor or the aggregate of the earnings factors derived from—
 - (i) earnings upon which primary Class 1 contributions have been paid or treated as paid, or credited earnings, and
 - (ii) Class 2 contributions;
- (c) if the contributions relevant to that benefit under section 13 are Class 1, Class 2 and Class 3 contributions, the earnings factor or the aggregate of the earnings factors derived from—

(a) 1975 c.14; section 13(4) was amended by the Social Security (No. 2) Act 1980 (c.39), section 7(6) and the Schedule, and by the Social Security Act 1986 (c.50), section 75 and Schedule 8 paragraph 2(3); see definitions of “prescribe” and “regulations” in Schedule 20.

(b) 1986 c.50; see definition of “regulations” in section 84(1).

(c) S.I. 1975/556; relevant amending instruments are S.I. 1976/409, 533, 1736, 1977/788, 1978/409, 1981/1501, 1982/96, 1983/197, 463, 1610 and 1985/1398.

- (i) earnings upon which primary contributions have been paid or treated as paid, or credited earnings,
- (ii) Class 2 contributions, and
- (iii) Class 3 contributions paid or credited”.

Amendment of regulation 3 of the principal Regulations

3. In regulation 3 of the principal Regulations (general provisions relating to the crediting of contributions)–

- (a) in the heading, after the word “contributions” there shall be added the words “and earnings”;
- (b) in paragraph (1) after the word “contributions” wherever it occurs there shall be inserted the words “or earnings”;
- (c) in paragraph (2)–
 - (i) in sub-paragraph (a) for the words “Class 1 credits” there shall be substituted the words “be credited with earnings”,
 - (ii) in sub-paragraph (a) for the words “Class 1 contributions” there shall be substituted the word “earnings”, and
 - (iii) sub-paragraph (b) shall be deleted;
- (d) in paragraph (3)–
 - (i) for the words “a credit” there shall be substituted the words “be credited with earnings or a contribution”, and
 - (ii) for the words “that credit” there shall be substituted the words “be credited with those earnings or that contribution”.

Amendment of regulation 5 of the principal Regulations

4. In regulation 5(1) of the principal Regulations (starting credits for the purposes of unemployment benefit, sickness benefit and maternity allowance) for the words “Class 1 credits for the relevant past year if it” there shall be substituted the words “be credited for any week in the relevant past year with earnings equal to the lower earnings limit then in force, if the relevant past year”.

Amendment of regulation 7 of the principal Regulations

5. In regulation 7 of the principal Regulations (credits for approved training)–
- (a) in paragraph (1) for the words “a Class 1 credit” there shall be substituted the words “be credited with earnings equal to the lower earnings limit then in force.”;
 - (b) in paragraph (2)(a) for the words from “derived from” to the words “in the aggregate” there shall be substituted the words “derived from Class 2 contributions paid or credited, and either–
 - (i) Class 1 contributions paid or credited, if that year was before 6th April 1987, or
 - (ii) earnings upon which primary Class 1 contributions have been paid or treated as paid, or earnings which have been credited under these Regulations, if that year was after 5th April 1987, amounted in the aggregate”.

Amendment of regulation 7A of the principal Regulations

6. In regulation 7A of the principal Regulations (credits for invalid care allowance)–
- (a) in paragraph (1) for the words “a Class 1 credit” there shall be substituted the words “be credited with earnings equal to the lower earnings limit then in force.”;
 - (b) in paragraph (2)(a) for the words “a Class 1 credit” there shall be substituted the words “be credited with earnings”.

Amendment of regulation 8 of the principal Regulations

7. In regulation 8(1) of the principal Regulations (credits on termination of full-time education, training or apprenticeship) for the words "Class 1 credits" there shall be substituted the words "be credited with earnings equal to the lower earnings limit then in force".

Amendment of regulation 9 of the principal Regulations

8. In regulation 9 of the principal Regulations (credits for unemployment or incapacity for work)–

- (a) in paragraph (1) for the words "a Class 1 credit" there shall be substituted the words "be credited with earnings equal to the lower earnings limit then in force,";
- (b) in paragraph (8) for the words "a credit" there shall be substituted the words "be credited with earnings";
- (c) in paragraph (9) for the words from "A Class 1 credit to which" to the words "shall be a credit" there shall be substituted the words "Earnings which a person is entitled to be credited with in respect of any week by virtue of the provisions of this regulation shall be credited";
- (d) in paragraph (9)(a) for the words from "for that year which" to the words "Class 2 contributions actually paid" there shall be substituted the words "for that year which–
 - (i) if that year is before 6th April 1987, for the purposes of entitlement to unemployment benefit, is derived from Class 1 contributions actually paid or, for any other purpose, is derived from Class 1 or Class 2 contributions actually paid; or
 - (ii) if that year is after 5th April 1987, for the purposes of entitlement to unemployment benefit, is derived from earnings upon which Class 1 contributions have actually been paid or, for any other purpose, is derived from such earnings or Class 2 contributions actually paid";
- (e) in paragraph (9)(cc) for the words "a credit" there shall be substituted the words "be credited with earnings";
- (f) in paragraph (9)(d)–
 - (i) for the words "a credit" where they first appear there shall be substituted the words "be credited with earnings", and
 - (ii) the words "or to a credit by virtue of the provisions of regulation 10(8)" shall be omitted;
- (g) in paragraph (9)(e) for the words "a Class 1 credit" there shall be substituted the words "be credited with earnings";
- (h) in paragraph (9)(f) for the words "a credit" there shall be substituted the words "be credited with earnings".

Amendment of regulation 9A of the principal Regulations

9. In regulation 9A of the principal Regulations (credits for persons approaching pensionable age)–

- (a) in paragraph (2)–
 - (i) for the words "number of Class 1 contributions" there shall be substituted the word "earnings", and
 - (ii) the words "so however that no such contribution shall be credited under this regulation in respect of a tax year commencing before 6th April 1983" shall be omitted;
- (b) in paragraph (3)–
 - (i) for the words "a Class 1 contribution" there shall be substituted the words "earnings equal to the lower earnings limit then in force";
 - (ii) for the words "no such contribution" there shall be substituted the words "no such earnings", and
 - (iii) after the words "regulations to have" there shall be inserted the words "earnings or";

- (c) in paragraph (4) after the words "credited with any" there shall be inserted the words "earnings or".

Revocation of regulation 10 of the principal Regulations

10. Regulation 10 of the principal Regulations shall be omitted.

Transitional provision

11. In respect of any period before 6th April 1987 the provisions of the principal Regulations shall apply as if these Regulations had not come into force notwithstanding that entitlement to be credited with contributions for that period falls to be determined after 5th April 1987.

Signed by authority of the Secretary of State for Social Services.

12th March 1987

John Major
Minister of State, Department of Health and Social Security

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make minor amendments to the Social Security (Credits) Regulations 1975 (S.I. 1975/556), and a transitional provision, in consequence of the amendment of section 13 of the Social Security Act 1975 (c.14) (contribution conditions and the earnings factor) by paragraph 2 of Schedule 8 to the Social Security Act 1986 (c.50).

As they are made before the end of a period of 12 months from the coming into force of the provisions of the Social Security Act 1986 in consequence of which they are made, they are exempted by section 61(5)(b) of that Act from the requirement under section 10(1) of the Social Security Act 1980 (c.30) to refer proposals to the Social Security Advisory Committee and are made without reference to that Committee.