SCHEDULE

Amendments of Acts

PART 1

Amendment of the Social Security Contributions and Benefits Act 1992 (c. 4)

- 1.—(1) In section 30DD(1) (incapacity benefit: reduction for pension payments)—
 - (a) in the heading to the section after "Incapacity benefit: reduction for pension payments" insert "and PPF periodic payments";
 - (b) for subsection (1) substitute—
 - "(1) Where—
 - (a) a person is entitled to incapacity benefit in respect of any period of a week or part of a week,
 - (b) there is—
 - (i) a pension payment;
 - (ii) a PPF periodic payment; or
 - (iii) any combination of the payments specified in sub-paragraphs (i) and (ii) above,

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 the payment or payments (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 or PPF periodic payments in respect of that period), when taken together exceeds the threshold,

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

- (c) in subsection (4), in paragraphs (b) and (c), in both places after "pension payments" insert "or PPF periodic payments".
- (2) In section 89(2) (earnings to include occupational and personal pensions for purposes of provisions relating to increases of benefits in respect of adult dependants)—
 - (a) in the heading to the section after "personal pensions" insert "etc.";
 - (b) after subsection (1) insert—
 - "(1A) Except as may be prescribed, in sections 82 to 86A above, and in regulations under section 86A above, any reference to earnings includes a reference to payments by way of PPF periodic payments.";
 - (c) in subsection (2)—
 - (i) for "subsection (1) above" substitute "subsections (1) and (1A) above"; and
 - (ii) after "occupational or personal pension" insert "or PPF periodic payments"; and
 - (d) after subsection (2) add—

⁽¹⁾ Section 30DD was inserted by section 63 of the Welfare Reform and Pensions Act 1999 (c. 30).

⁽²⁾ Section 89 was amended by paragraph 26 of Schedule 1 to the Social Security (Incapacity for Work) Act 1994 (c. 18) and Schedule 6 to the Tax Credits Act 2002 (c. 21).

- "(3) In this section "PPF periodic payments" means—
 - (a) any periodic compensation payments made in relation to a person, payable under the pension compensation provisions as specified in section 162(2) of the Pensions Act 2004 or Article 146(2) of the Pensions (Northern Ireland) Order 2005 (the pension compensation provisions); or
 - (b) any periodic payments made in relation to a person, payable under section 166 of the Pensions Act 2004 or Article 150 of the Pensions (Northern Ireland) Order 2005 (duty to pay scheme benefits unpaid at assessment date etc.),

other than payments made to a surviving dependant of a person entitled to such compensation.".

(3) In section 122(1) (interpretation of Parts I to VI and supplementary provisions), after the definition of "pensionable age" (3) insert—

""PPF periodic payments" means—

- (a) any periodic compensation payments made in relation to a person, payable under the pension compensation provisions as specified in section 162(2) of the Pensions Act 2004 or Article 146(2) of the Pensions (Northern Ireland) Order 2005 (the pension compensation provisions); or
- (b) any periodic payments made in relation to a person, payable under section 166 of the Pensions Act 2004 or Article 150 of the Pensions (Northern Ireland) Order 2005 (duty to pay scheme benefits unpaid at assessment date etc.);".

⁽³⁾ The definition of "pensionable age" was substituted by paragraph 13(a) of Schedule 4 to the Pensions Act 1995 (c. 26).