

2023 No. 823

SOCIAL SECURITY

**The Social Security (Contributions) (Amendment No. 6)
Regulations 2023**

<i>Made</i> - - - -	<i>18th July 2023</i>
<i>Laid before Parliament</i>	<i>19th July 2023</i>
<i>Coming into force</i> - -	<i>9th August 2023</i>

The Treasury make the following Regulations in exercise of the powers conferred by section 3(2) and (3) of the Social Security Contributions and Benefits Act 1992(a) and section 3(2) and (3) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(b) and now exercisable by them.

The Secretary of State and the Department for Communities concur in the making of these Regulations.

Citation and commencement

1. These Regulations may be cited as the Social Security (Contributions) (Amendment No. 6) Regulations 2023 and come into force on 9th August 2023.

Amendment of the Social Security (Contributions) Regulations 2001

2. In Part 6 of Schedule 3 to the Social Security (Contributions) Regulations 2001 (payments to be disregarded in the calculation of earnings for the purposes of earnings-related contributions)(c), after paragraph 13 insert—

“Compensation payments under Part 1 of the Public Service Pensions and Judicial Offices Act 2022

14. A compensation payment made under or by virtue of Part 1 (Public Service Pension Schemes) of the Public Service Pensions and Judicial Offices Act 2022(d).”

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- (a) 1992 c. 4. Section 3(2) was amended by paragraph 3 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2), so that the power to make regulations became exercisable by the Treasury with the concurrence of the Secretary of State.
- (b) 1992 c. 7 (“the 1992 NI Act”). Section 3(2) was amended by paragraph 4 of Schedule 3 to S.I. 1999/671 so that the power to make regulations became exercisable by the Treasury with the concurrence of the Department of Health and Social Services for Northern Ireland. The functions of the Department of Health and Social Services for Northern Ireland under the 1992 NI Act were transferred to the Department for Social Development by Article 8(b) of, and Part 2 of Schedule 6 to, the Departments (Transfer and Assignment of Functions) Order (Northern Ireland) 1999 (S.R. 1999 No. 481). The Department for Social Development was renamed the Department for Communities by section 1(7) of the Departments Act (Northern Ireland) 2016 (c. 5 (N.I.)).
- (c) S.I. 2001/1004, relevant amending instruments are S.I. 2006/576, 2013/622, 2015/543, 2017/307.
- (d) 2022 c. 7.

17th July 2023

Two of the Lords Commissioners of His Majesty's Treasury

*Andrew Stephenson
Stuart Anderson*

The Secretary of State concurs.
Signed by the authority of the Secretary of State for Work and Pensions.

18th July 2023

Guy Opperman
Minister of State for Employment
Department for Work and Pensions

The Department for Communities concurs.
Sealed with the Official Seal of the Department for Communities on 18th July 2023



David Tarr
A senior officer of the Department for Communities

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security (Contributions) Regulations 2001 (S.I. 2001/1004) to provide that compensation payments made under Part 1 of the Public Service Pensions and Judicial Offices Act 2022 (c. 7) (“PSPJOA 2022”) will be disregarded in the calculation of earnings for the purpose of establishing liability to Class 1 National Insurance contributions.

Part 1 of PSPJOA 2022 contains rectification of discrimination provisions arising out of the public service pension reforms implemented in 2015. Those provisions include payment of compensation in respect of affected members of public service pension schemes which may be made from 1st October 2023.

A Tax Information and Impact Note covering this instrument was published on 27th October 2021 and is available on the website at <https://www.gov.uk/government/publications/taxation-of-public-service-pension-reform-remedy/taxation-of-public-service-pension-reform-remedy>. It remains an accurate summary of the impacts that apply to this instrument.

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