



# Pensioners' Payments and National Insurance Act 1973

## 1973 CHAPTER 61

An Act to make provision for payments to pensioners; to increase the rate of certain contributions under the National Insurance Acts 1965 to 1973 and the National Insurance Acts (Northern Ireland) 1966 to 1973; to amend the provisions of the National Insurance (Industrial Injuries) Act 1965 and the National Insurance (Industrial Injuries) Act (Northern Ireland) 1966 relating to pneumoconiosis, and to make provision for facilitating the consolidation of certain enactments relating to social security; and for connected purposes. [25th October 1973]

BE IT ENACTED by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows:—

### **1 Lump sum payments to pensioners**

- (1) Subject to the provisions of this Act, any person who—
- (a) has attained pensionable age not later than the end of the relevant week;
  - (b) is present or ordinarily resident in the United Kingdom or any other member state of the Communities at any time during that week ; and
  - (c) is entitled to a payment of a qualifying benefit in respect of a period including a day in that week or is to be treated as entitled to a payment of a qualifying benefit, other than a supplementary pension, in respect of that period;
- shall be entitled to payment by the Secretary of State of a sum of £10.
- (2) Subject to the provisions of this Act, any person entitled to a payment under subsection (1) above shall, if his spouse satisfies the conditions mentioned in paragraphs (a) and (b) of that subsection and if—
- (a) he is entitled in respect of that spouse to an increase in the payment of qualifying benefit mentioned in paragraph (c) of that subsection ; or

- (b) he is to be treated as so entitled and the relevant qualifying benefit is not a supplementary pension; or
  - (c) his and his spouse's requirements and resources fall to be aggregated under paragraph 3(1) of Schedule 2 to either the Supplementary Benefit Act 1966 or the Supplementary Benefits &c. Act (Northern Ireland) 1966 ;
- be entitled to payment by the Secretary of State of a further sum of £10.
- (3) Only one sum shall be payable under this section in respect of any person.
  - (4) Sums payable under this section shall not be treated as benefit for the purposes of any Act or instrument under which the payment of qualifying benefit was made.
  - (5) The payment of a sum under this section and the right to receive it shall be disregarded for all purposes of income tax and for the purposes of any enactment or instrument under which regard is had to a person's means.

## 2 Interpretation of provisions as to lump sum payments

- (1) In this Act " qualifying benefit" means—
  - (a) any of the following benefits under the National Insurance Acts 1965 to 1973 or the National Insurance Acts (Northern Ireland) 1966 to 1973, namely—
    - (i) a retirement pension ;
    - (ii) an invalidity pension ;
    - (iii) a widow's allowance, widowed mother's allowance or widow's pension ;
  - (b) an attendance allowance ;
  - (c) an unemployability supplement or allowance ;
  - (d) a war disablement pension ;
  - (e) a war widow's pension ;
  - (f) a widow's pension under the National Insurance (Industrial Injuries) Acts 1965 to 1973 or the National Insurance (Industrial Injuries) Acts (Northern Ireland) 1966 to 1973 ;
  - (g) a widower's pension under those Acts ;
  - (h) a supplementary pension.

- (2) In this Act—
  - " attendance allowance " has the meaning assigned to it by any regulations in force on the passing of this Act under the Family Income Supplements Act 1970 or the Family Income Supplements Act (Northern Ireland) 1971;
  - " pensionable age " means—
    - (a) in the case of a man, the age of 65 ;
    - (b) in the case of a woman, the age of 60 ;
  - " relevant week " means the week beginning with the 26th November 1973 ;
  - " retirement pension " includes graduated retirement benefit, if paid periodically ;
  - " supplementary pension " means a supplementary pension under section 4(1)(a) of the Supplementary Benefit Act 1966 or section 3(1)(a) of the Supplementary Benefits &c. Act (Northern Ireland) 1966 ;
  - " unemployability supplement or allowance " has the meaning assigned to it by section 1(3) of the National Insurance Act 1972;

" war disablement pension " means—

- (a) any retired pay, pension or allowance granted in respect of disablement under powers conferred by or under the Ministry of Pensions Act 1916, the Air Force (Constitution) Act 1917, the Personal Injuries (Emergency Provisions) Act 1939, the Pensions (Navy, Army, Air Force and Mercantile Marine) Act 1939, the Polish Resettlement Act 1947, the Home Guard Act 1951 or the Ulster Defence Regiment Act 1969;
- (b) without prejudice to paragraph (a) of this definition, any retired pay or pension to which section 365(1) of the Income and Corporation Taxes Act 1970 applies;

" war widow's pension " means any widow'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 immediately preceding definition or a pension or allowance for a widow granted under any scheme mentioned in paragraph (e) of the said section 365(1);

and each of the following, that is to say, " attendance allowance ", " unemployability supplement or allowance", " war disablement pension " and " war widow's pension ", includes any payment which the Secretary of State accepts as being analogous to it.

- (3) For the purposes of section 1 above the Channel Islands, the Isle of Man and Gibraltar shall be treated as part of the United Kingdom.
- (4) A person shall be treated for the purposes of section 1(1)(c) above as entitled to a payment of qualifying benefit if he would be so entitled—
  - (a) but for the fact that he is entitled to receive some other payment payable out of public funds ;
  - (b) but for the operation of section 30(7) of the National Insurance Act 1965 or section 29(7) of the National Insurance Act (Northern Ireland) 1966 ; or
  - (c) but for the terms of any arrangement to which section 4 of the National Insurance and Supplementary Benefit Act 1973 applies and by which he is bound.
- (5) A person shall be treated for the purposes of section 1(2)(b) above as entitled in respect of his spouse to an increase in a payment of qualifying benefit if he would be so entitled—
  - (a) but for the fact that he or his spouse is entitled to receive some other payment payable out of public funds; or
  - (b) but for the operation of any provision of section 30(7) or 43A(1) or (2) of the said Act of 1965, or section 18(3A) of the National Insurance (Industrial Injuries) Act 1965 or any regulations made under section 18(3) of the latter Act, or of section 29(7) or 42A(1) or (2) of the National Insurance Act (Northern Ireland) 1966, or section 18(3A) of the National Insurance (Industrial Injuries) Act (Northern Ireland) 1966 or any regulations made under section 18(3) of the latter Act, whereby entitlement to benefit is affected by the amount of a person's earnings in a given period.
- (6) A person shall not be treated for the purposes of section 1 above as entitled to a payment of a war disablement pension unless not later than the end of the relevant week—
  - (a) he has attained the age of 70 in the case of a man or 65 in the case of a woman ;  
or

- (b) he is treated under section 30(2) of the National Insurance Act 1965 or section 29(2) of the National Insurance Act (Northern Ireland) 1966 as having retired from regular employment.
- (7) Two persons who are cohabiting as man and wife shall be treated as spouses for the purposes of section 1 above if—
- (a) the qualifying benefit to which the man is entitled is a supplementary pension; and
  - (b) their requirements and resources fall to be aggregated under paragraph 3(1) of Schedule 2 to either the Supplementary Benefit Act 1966 or the Supplementary Benefits &c. Act (Northern Ireland) 1966.

### **3 Administration of lump sum payments**

- (1) A determination by the competent authority that a person is entitled or not entitled to payment of a qualifying benefit in respect of a period including a day in the relevant week shall be conclusive for the purposes of section 1 above; and in this subsection "competent authority" means, in relation to a payment of any description of qualifying benefit, an authority who ordinarily determines whether a person is entitled to such a payment.
- (2) Any question arising under section 1 or 2 above, other than one mentioned in subsection (1) above, shall be determined by the Secretary of State, whose decision shall, except as provided by subsection (3) below, be final.
- (3) The Secretary of State may reverse a decision under subsection (2) above on new facts being brought to his notice, or if he is satisfied that the decision was given in ignorance of, or was based on a mistake as to, some material fact.
- (4) The Secretary of State may—
- (a) require any person to make a claim in writing for a payment under section 1 above ;
  - (b) require such information and evidence to be furnished by a person who has applied for a payment under that section as may in the opinion of the Secretary of State be necessary for the determination whether that person is or was entitled to such a payment.
- (5) The Secretary of State may make any payment under section 1 above at any time and in any manner that he thinks appropriate and, in particular, may make such a payment to someone other than the person entitled to it, but on that person's behalf, if in the circumstances of the case he considers it appropriate so to do.
- (6) The right of any person to payment of any sum under section 1 above shall be extinguished if payment is not obtained within twelve months, or such longer period as the Secretary of State may in any particular case allow, from the date which the Secretary of State determines to be the date on which that person was entitled to that payment.

### **4 Financial provisions in connection with lump sum payments**

- (1) The following provisions shall have effect with respect to the payment of sums under section 1 above, that is to say—

- (a) if a person is or is treated as entitled to payment of the relevant qualifying benefit out of the National Insurance Fund or the Industrial Injuries Fund, any sum paid to him under that section shall also be paid out of the National Insurance Fund or the Industrial Injuries Fund, as the case may be ;
  - (b) if a person is or is treated as entitled to payment of the relevant qualifying benefit out of moneys provided by Parliament, any sum paid to him under that section shall be paid out of moneys so provided ;
  - (c) if a person is or is treated as entitled to payment of the relevant qualifying benefit out of the Northern Ireland National Insurance Fund or the Northern Ireland Industrial Injuries Fund, any sum paid to him under that section shall also be paid out of the Northern Ireland National Insurance Fund or the Northern Ireland Industrial Injuries Fund, as the case may be;
  - (d) if a person is or is treated as entitled to payment of the relevant qualifying benefit out of moneys appropriated from the Northern Ireland Exchequer, any sum paid to him under that section shall be paid out of moneys so appropriated.
- (2) All administrative costs incurred in Great Britain by any Minister of the Crown or any Government department under the foregoing provisions of this Act shall be defrayed out of moneys provided by Parliament, but so much of any such costs as relates to sums payable out of the National Insurance Fund or the Industrial Injuries Fund shall be repaid into the Consolidated Fund out of the National Insurance Fund, or the Industrial Injuries Fund, as the case may be.
- (3) All administrative costs incurred in Northern Ireland by any Government department (including a department of the Government of Northern Ireland) under the foregoing provisions of this Act shall be paid out of moneys appropriated from the Northern Ireland Exchequer, but so much of any such costs as relates to sums payable out of the Northern Ireland National Insurance Fund or the Northern Ireland Industrial Injuries Fund shall be repaid into the Northern Ireland Exchequer out of the Northern Ireland National Insurance Fund or the Northern Ireland Industrial Injuries Fund, as the case may be.
- (4) Where in consequence of the operation of any of the foregoing provisions of this section any payments fall to be made by way of adjustments into or out of any funds mentioned in those provisions, those payments shall be taken to be such, and payments on account of them shall be made at such times and in such manner, as may be determined by the Secretary of State, subject to any directions given by the Treasury.

## **5 Increase in flat-rate contributions**

- (1) The National Insurance Act 1965 and the National Insurance Act (Northern Ireland) 1966 shall each have effect as if in Schedule 1 to that Act (which sets out the weekly rates of contributions under that Act) the amounts of weekly contributions set out in Parts II to IV thereof payable by the descriptions of persons set out in the first column of the following Table (in the case of employers, in respect of the descriptions of employed persons specified in that column) were increased by the amount shown in the second column of that Table.

## TABLE OF INCREASES IN CONTRIBUTIONS

<i>Contributors</i>	<i>Amount of increase</i>
Employers, in respect of employed persons of the following descriptions—	
Men over the age of 18	9p
Women over the age of 18	7p
Boys under the age of 18	6p
Girls under the age of 18	5p
Self-employed persons	6p
Non-employed persons	4p

- (2) There shall be paid out of moneys provided by Parliament any increase resulting from subsection (1) above in the sums so payable by way of Exchequer supplement under section 7 of the National Insurance Act 1965.
- (3) There shall be paid out of moneys appropriated from the Northern Ireland Exchequer any increase resulting from subsection (1) above in the sums so payable by way of Exchequer supplement under section 7 of the National Insurance Act (Northern Ireland) 1966.
- (4) Any expression used in the National Insurance Act 1965 or in the National Insurance Act (Northern Ireland) 1966 and in this section has the same meaning in this section as in that Act; and the references in this section to employed persons shall be construed in accordance with Part II of Schedule 1 to that Act.

## 6 Special provisions as to pneumoconiosis

- (1) In section 58 of the National Insurance (Industrial Injuries) Act 1965 (special provisions as to respiratory diseases) after subsection (2) there shall be inserted the following subsection:—
- “(2A) A person found to be suffering from pneumoconiosis shall be treated for the purposes of this Act as suffering from a loss of faculty such that the extent of the resulting disablement assessed in accordance with the provisions of Schedule 4 to this Act amounts to not less than one per cent.”.
- (2) In section 56 of the National Insurance (Industrial Injuries) Act (Northern Ireland) 1966 (special provisions as to respiratory diseases) after subsection (1) there shall be inserted the following subsection:—
- “(1A) A person found to be suffering from pneumoconiosis shall be treated for the purposes of this Act as suffering from a loss of faculty such that the extent of the resulting disablement assessed in accordance with the provisions of Schedule 4 amounts to not less than one per cent”.

## **7 Consolidation of social security legislation**

- (1) Her Majesty may by Order in Council make such modifications of the enactments listed in the Schedule to this Act as She considers appropriate in connection with the consolidation (whether or not in one Act) of all or any of those enactments.
- (2) In subsection (1) above, " modifications " includes additions, omissions and amendments.
- (3) An Order under this section may be varied or revoked by a subsequent Order thereunder.
- (4) A statutory instrument containing an Order under this section shall be subject to annulment in pursuance of a resolution of either House of Parliament.

## **8 Commencement and transitory provision**

- (1) Section 5 above shall come into operation on such day as the Secretary of State may appoint by order made by statutory instrument.
- (2) An order under subsection (1) above may be varied or revoked by a subsequent order thereunder.
- (3) Section 108 of the National Insurance Act 1965 (preliminary draft of regulations under that Act to be submitted to National Insurance Advisory Committee) shall not apply to any such regulations which are contained in a statutory instrument made within the period of three months beginning with the date of the passing of this Act if the instrument states that it is made in consequence of section 5 above.

## **9 Supplementary**

- (1) This Act may be cited as the Pensioners' Payments and National Insurance Act 1973.
- (2) So long as section 1 of the Northern Ireland (Temporary Provisions) Act 1972 has effect, so much of this Act and of any Order in Council under section 7 above as amends the law in force in Northern Ireland may be amended or repealed by an Order in Council under section 1 (3) of that Act.
- (3) In the application of this Act to Northern Ireland—
  - (a) for any reference to the Secretary of State there shall be substituted a reference to the Ministry of Health and Social Services for Northern Ireland ; and
  - (b) for any reference to the Treasury there shall be substituted a reference to the Ministry of Finance for Northern Ireland.
- (4) In this Act " enactment" includes an enactment of the Parliament of Northern Ireland.
- (5) In this Act, except where the context otherwise requires, references to any enactment shall be construed as a reference to that enactment as amended, extended or applied by or under any other enactment, including any enactment contained in this Act.

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*Status: This is the original version (as it was originally enacted).*

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## SCHEDULE

Section 7.

## ENACTMENTS RELATING TO SOCIAL SECURITY

*National Insurance, etc.*

The National Insurance Acts 1965 to 1973.

The National Insurance (Industrial Injuries) Acts 1965 to 1973.

The National Insurance Acts (Northern Ireland) 1966 to 1973.

The National Insurance (Industrial Injuries) Acts (Northern Ireland) 1966 to 1973.

The Industrial Injuries and Diseases (Old Cases) Acts 1967 to 1973.

The Workmen's Compensation (Supplementation) Acts (Northern Ireland) 1966 to 1973.

The Social Security Act 1973.

*Family Allowances*

The Family Allowances Acts 1965 to 1968.

The Family Allowances Acts (Northern Ireland) 1966 to 1968.

*Supplementary Benefit*

The Supplementary Benefit Acts 1966 to 1973.

The Supplementary Benefits Acts (Northern Ireland) 1966 to 1973.