

Social Security Act 1990

1990 CHAPTER 27

Benefits

3 Reduced earnings allowance and retirement allowance

(1) In subsection (1) of section 59A of the principal Act (conditions of entitlement to reduced earnings allowance) after paragraph (b) there shall be added the words—

"but a person shall not be entitled to reduced earnings allowance to the extent that the relevant loss of faculty results from an accident happening on or after the appointed day."

(2) After that subsection there shall be inserted—

"(1A) A person—

- (a) who immediately before the appointed day is entitled to reduced earnings allowance in consequence of the relevant accident, but
- (b) who subsequently ceases to be entitled to that allowance for one or more days,

shall not again be entitled to reduced earnings allowance in consequence of that accident; but this subsection does not prevent the making at any time of a claim for, or an award of, reduced earnings allowance in consequence of that accident for a period which commences not later than the day after that on which the claimant was last entitled to that allowance in consequence of that accident.

(1B) For the purposes of subsection (1A) above—

- (a) a person who, apart from section 57(4) above, would have been entitled to reduced earnings allowance immediately before the appointed day shall be treated as entitled to that allowance on any day (including a Sunday) on which he would have been entitled to it apart from that provision;
- (b) regulations may prescribe other circumstances in which a person is to be treated as entitled, or as having been entitled, to reduced earnings allowance on any prescribed day."

- (3) In paragraph (b) of subsection (6) of that section (further awards) after the words "for such further period" there shall be inserted the words ", commencing as mentioned in subsection (1A) above,".
- (4) After subsection (10A) of that section there shall be inserted—
 - "(10B) In this section "the appointed day" means the day on which section 3 of the Social Security Act 1990 comes into force."
- (5) In section 59B of that Act (retirement allowance) the following provisions shall cease to have effect—
 - (a) in subsection (1) (circumstances in which a beneficiary ceases to be entitled to reduced earnings allowance and in which he may become entitled to it again) the words from "and may become" onwards;
 - (b) in subsection (3) (retirement allowance payable for life, unless beneficiary returns to regular employment etc) the words "Unless he returns to regular employment"; and
 - (c) subsection (4) (entitlement to retirement allowance to cease on return to regular employment etc).
- (6) That section shall have effect, and be taken at all times on and after 1st January 1990 to have had effect, with the addition of the following subsection after subsection (8)—
 - "(9) "Day of interruption of employment" has the same meaning for the purposes of this section as it has for the purposes of provisions of this Act relating to unemployment benefit, sickness benefit or invalidity benefit."
- (7) In section 77(2)(a) of that Act (regulations modifying provisions relating to certain benefits in their application to prescribed diseases and injuries) after the words "disablement benefit" there shall be inserted the words "or reduced earnings allowance".
- (8) The following provisions shall cease to have effect—
 - (a) in section 2 of the Social Security Act 1988, the subsection (8) originally enacted (restriction on entitlement to reduced earnings allowance); and
 - (b) in Schedule 1 to the 1989 Act, paragraph 8(7) (which substitutes for that subsection a subsection (8) and a subsection (8A)).