

STATE PENSION CREDIT ACT 2002

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Aggregation

Section 9: Duration of assessed income period

110. The Secretary of State will not always specify an assessed income period and sometimes he may specify a period of less than five years. This happens if he considers, looking at the claimant's circumstances for the 12 months following the day on which the decision on entitlement takes effect, that the elements of the claimant's retirement provision and their amounts on that day are not likely to be typical (see *subsections (1) and (2)*). Foreseeable increases in retirement provision (of the sort dealt with in section 7(4)) would not be treated as making a claimant's retirement provision atypical (see *subsection (3)*).
111. An assessed income period may end prematurely. Under *subsection (4)* it will end if:
- the claimant marries or becomes a member of an unmarried couple;
 - the claimant ceases to be a member of a couple, by divorce, separation or death;
 - the claimant reaches 65 or, if the claimant is a member of a couple, the other member reaches 65.

The Secretary of State may by regulations create exceptions to the general rule in subsection (4). There is no present intention of using that regulation-making power, but the power gives future flexibility. *Subsection (5)* allows the Secretary of State to make regulations setting out other cases in which the assessed income period will be brought to an end. The power under subsection (5) may be used for cases where a person ceases to satisfy the conditions of entitlement to Pension Credit or where a person goes into residential care. It should be noted that bringing the assessed income period to an end does not necessarily entail bringing a person's entitlement to Pension Credit to an end.