



Pensions Act 2007

2007 CHAPTER 22

PART 1

STATE PENSION

Up-rating of basic state pension and other benefits

6 Preservation of link with prices in case of other benefits

- (1) Section 150 of the Administration Act (up-rating by reference to prices) is amended as follows.
- (2) In subsection (1) (annual reviews)—
 - (a) in paragraph (a), for sub-paragraphs (i) and (ii) substitute—
 - “(i) Schedule 4 (excluding the provisions of Parts 1, 3 and 5 of the Schedule that specify amounts mentioned in section 150A(1) below); and
 - (ii) section 44(4) so far as relating to the lower rate of short-term incapacity benefit;”
 - (b) before paragraph (b) insert—

“(ab) specified in regulations under section 39(2A) or section 39C(1A) of that Act;”

and
 - (c) in paragraph (1), at the end insert “(other than those prescribing the amounts mentioned in section 150A(1)(d) below)”.
- (3) In subsection (3) (sums to which requirement to up-rate applies)—
 - (a) in paragraph (a), for “1 to 6” substitute “1 to 5” and at the end insert “(excluding the provisions of Parts 1 and 5 of the Schedule that specify amounts mentioned in section 150A(1) below)”; and
 - (b) in paragraph (b), before “(b), (c),” insert “(ab),”.
- (4) In subsection (7) (sums that may be up-rated) at the end insert—

Status: This is the original version (as it was originally enacted).

“The reference to regulations under the State Pension Credit Act 2002 does not include those prescribing the amounts mentioned in section 150A(1)(d) below.”

- (5) In section 39 of the SSCBA (rate of widowed mother’s allowance and widow’s pension) after subsection (2) insert—

“(2A) In its application by virtue of subsection (1) above, section 44(4) below is to be read as if for the first amount specified in that provision there were substituted a reference to the amount prescribed for the purposes of this subsection.”

- (6) In section 39C of the SSCBA (rate of widowed parent’s allowance and bereavement allowance)—

- (a) for subsection (2) substitute—

“(1A) In its application by virtue of subsection (1) above, section 44(4) below is to be read as if for the first amount specified in that provision there were substituted a reference to the amount prescribed for the purposes of this subsection.

- (2) The weekly amount of a bereavement allowance is an amount equal to the amount prescribed for the purposes of subsection (1A) above.”; and

- (b) in subsection (3), for the words “or (as the case may be) section 44 below by virtue of subsection (1) or (2) above” substitute “by virtue of subsection (1) above”.

- (7) Subsections (2)(a) and (b), (3), (5) and (6) have effect in relation to the designated tax year (see section 5(4)) and subsequent tax years.

- (8) Subsections (2)(c) and (4) have effect in relation to the tax year in which this Act is passed and subsequent tax years.

- (9) The Secretary of State must exercise his power to prescribe amounts for the purposes of the new sections 39(2A) and 39C(1A) (inserted by subsections (5) and (6)) in such a way as to secure that, at any time before the coming into force of the first provision made under the new section 150A that alters the amount of the basic pension, the amounts prescribed are equal to the amount of the basic pension for the time being.

- (10) In subsection (9)—

“the amount of the basic pension” means the first amount specified in section 44(4) of the SSCBA (weekly rate of Category A retirement pension);

“the new section 150A” means the section 150A inserted by section 5(1).