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## 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.