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DRAFT STATUTORY INSTRUMENTS

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**2002 No.**

**The State Pension Credit Regulations 2002**

**PART IV**

*Loss of benefit*

**Loss of benefit**

**25.**—(1) The Social Security (Loss of Benefit) Regulations 2001<sup>(1)</sup> shall be amended in accordance with the following provisions of this regulation.

(2) In regulation 2 (disqualification period), in—

- (i) paragraph (1) (a)(iii) and paragraph (3) (c) after the words “jobseeker’s allowance”, insert “, state pension credit”; and
- (ii) paragraph (1) (b)(iii) for the words “or jobseeker’s allowance”, substitute “jobseeker’s allowance or state pension credit”.

(3) After regulation 3, insert—

**“Reduction in state pension credit**

**3A.**—(1) Subject to the following provisions of this regulation, state pension credit shall be payable in the case of an offender for any week comprised in the disqualification period or in the case of an offender’s family member for any week comprised in the relevant period, as if the rate of benefit were reduced—

- (a) where the offender or the offender’s family member is pregnant or seriously ill, by 20 per cent. of the relevant sum; or
- (b) where sub-paragraph (a) does not apply, by 40 per cent. of the relevant sum.

(2) In paragraph (1), the “relevant sum” is the amount applicable—

- (a) except where sub-paragraph (b) applies, in respect of a single claimant aged not less than 25 under paragraph 1(1) of Schedule 2 to the Income Support Regulations; or
- (b) if the claimant’s family member is the offender and the offender has not attained the age of 25, the amount applicable in respect of a person of the offender’s age under paragraph 1(1) of Part I of that Schedule,

on the first day of the disqualification period or, as the case may be, on the first day of the relevant period.

(3) Payment of state pension credit shall not be reduced under this regulation to less than 10 pence per week.

(4) A reduction under paragraph (1) shall, if it is not a multiple of 5 pence, be rounded to the nearest such multiple or, if it is a multiple of 2.5 pence but not of 5 pence, to the next lower multiple of 5 pence.

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<sup>(1)</sup> S.I.2001/4022; the relevant amending Instrument is S.I. 2002/486.

(5) Where the rate of state pension credit payable to an offender or an offender’s family member changes, the rules set out above for a reduction in the credit payable shall be applied to the new rate and any adjustment to the reduction shall take effect from the first day of the first benefit week to start after the date of change.

(6) In paragraph (5), “benefit week” has the same meaning as in regulation 1(2) of the State Pension Credit Regulations 2002.

(7) A person of a prescribed description for the purposes of the definition of “family” in section 137(1) of the Benefits Act as it applies for the purpose of this regulation is—

- (a) a person who is an additional spouse for the purposes of section 12(1) of the State Pension Credit Act 2002(2) (additional spouse in the case of polygamous marriages);
- (b) a person aged 16 or over who is treated as a child for the purposes of section 142 of the Benefits Act.”