



# Social Security Pensions Act 1975

## 1975 CHAPTER 60

### PART II

#### BENEFITS

##### *Category A and B retirement pensions*

#### **6 Rate of Category A retirement pension**

- (1) The weekly rate of a Category A retirement pension shall consist of—
  - (a) a basic component of £11.60 ; and
  - (b) an additional component payable where there are one or more surpluses in the pensioner's earnings factors for the relevant years.
- (2) The additional component shall be the weekly equivalent of 1 ¼ per cent, of the amount of the surpluses mentioned in subsection (1)(b) above or, if there are more than 20 such surpluses, of those 20 which are the largest.
- (3) For the purposes of subsection (2) above the weekly equivalent of the amount there mentioned shall be calculated by dividing that amount by 52 and rounding the result to the nearest whole penny, taking ½ as nearest to the next whole penny above.
- (4) For the purposes of this section—
  - (a) there is a surplus in the pensioner's earnings factor for a relevant year if that factor exceeds the qualifying earnings factor for the final relevant year; and
  - (b) the amount of the surplus is the amount of that excess;and for the purposes of paragraph (a) above the pensioner's earnings factor for any relevant year shall be taken to be that factor as increased by any order or orders that have come into force under section 21 below before the end of the final relevant year.
- (5) References in this section to the pensioner's earnings factor for any relevant year are references to the aggregate of his earnings factors derived from contributions actually paid by him in respect of that year.

- (6) In this section " relevant year " means any tax year (not being earlier than the first tax year for which lower and upper earnings limits are specified under section 1 above) in the period between (inclusive) the tax year in which the pensioner attained the age of 16 and (exclusive) the tax year in which he attained pensionable age and " final relevant year " means the last tax year which is a relevant year in relation to the pensioner.

## **7 Rate of widow's Category B retirement pension**

- (1) The weekly rate of a woman's Category B retirement pension payable—
- (a) by virtue of subsection (2) or (3) of section 29 of the principal Act during any period after the death of the husband; or
  - (b) by virtue of subsection (4) of that section where the husband was over pensionable age when he died,
- shall be determined in the manner specified in section 6 above for a Category A retirement pension, taking references in that section to the pensioner as references to the husband.
- (2) The weekly rate of a woman's Category B retirement pension payable by virtue of subsection (4) of section 29 of the principal Act where the husband was under pensionable age when he died shall be determined in the manner specified in section 6 above for a Category A retirement pension, taking references in that section to the pensioner and the tax year in which he attained pensionable age as references to the husband and the tax year in which he died.

## **8 Category B retirement pension for widower**

- (1) A man who has retired from regular employment shall be entitled to a Category B retirement pension if—
- (a) he has had a wife and she has died, and he was married to her when she died ; and
  - (b) they were both over pensionable age when she died; and
  - (c) she either was entitled to a Category A retirement pension or would have been so entitled if she had retired on the date of her death.
- (2) The weekly rate of a man's Category B retirement pension under this section shall be determined in the manner specified in section 6 above for a Category A retirement pension, taking references in that section to the pensioner as references to the wife.
- (3) Subject to the provisions of the principal Act, a man's Category B retirement pension under this section shall commence from the date on which he becomes entitled to it under subsection (1) above and shall be payable for his life.

## **9 Special provision for surviving spouses**

- (1) This section has effect where but for section 27(6) of the principal Act (prevention of double entitlement) a person would be entitled both—
- (a) to a Category A retirement pension; and
  - (b) to a Category B retirement pension under section 8 above or a Category B retirement pension under section 29 of the principal Act by virtue of the contributions of a husband who has died.

- (2) If by reason of a deficiency of contributions the basic component in the Category A retirement pension falls Short of the sum specified in section 6(1)(a) above, that component shall be increased by the amount of the shortfall or the amount of the basic component in the rate of the Category B retirement pension, whichever is the less.
- (3) If the additional component in the Category A retirement pension falls short of the prescribed maximum, that component shall be increased by the amount of the shortfall or the amount of the additional component in the rate of the Category B retirement pension, whichever is the less.

## **10 Special provision for married women**

- (1) This section has effect where but for section 27(6) of the principal Act a married woman would be entitled both—
  - (a) to a Category A retirement pension ; and
  - (b) to a Category B retirement pension by virtue of the contributions of her husband.
- (2) If by reason of a deficiency of contributions the basic component in the Category A retirement pension falls short of the weekly rate specified in paragraph 9 of Part I of Schedule 4 to the principal Act (married woman's Category B retirement pension),' that component shall be increased by the amount of the shortfall or the amount of the weekly rate of the Category B retirement pension, whichever is the less.

## **11 Application of earnings rule**

In section 30(1) of the principal Act (which provides for a reduction in the weekly rate of a Category A or Category B retirement pension where the pensioner has earnings over a specified amount) the reference to the weekly rate of pension shall be construed as a reference to that rate exclusive of the additional component and of any graduated retirement benefit.

## **12 Deferred retirement**

Schedule 1 to this Act shall have effect for increasing the rate of a Category A or Category B retirement pension in cases where a person defers his retirement after attaining pensionable age.