



Child Support, Pensions and Social Security Act 2000

2000 CHAPTER 19

PART II

PENSIONS

CHAPTER I

STATE PENSIONS

State second pension

30 Earnings from which pension derived.

- (1) In section 22 of the ^{M1}Social Security Contributions and Benefits Act 1992 (earnings from which earnings factors are derived), after subsection (2) there shall be inserted—

“(2A) For the purposes specified in subsection (2)(b) above, in the case of the first appointed year or any subsequent tax year a person’s earnings factor shall be treated as derived only from those of his earnings on which primary Class 1 contributions have been paid or treated as paid.”

- (2) In section 44 of that Act (Category A retirement pension), in subsection (6)—

(a) before paragraph (a) there shall be inserted—

“(za) where the relevant year is the first appointed year or any subsequent year, to the aggregate of his earnings factors derived from those of his earnings upon which primary Class 1 contributions have been paid or treated as paid in respect of that year;”;

and

Changes to legislation: Child Support, Pensions and Social Security Act 2000, Cross Heading: State second pension is up to date with all changes known to be in force on or before 06 July 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

(b) in paragraph (a), after “subsequent tax year” there shall be inserted “before the first appointed year”.

(3) After that section there shall be inserted—

“44A Deemed earnings factors.

(1) For the purposes of section 44(6)(za) above, if any of the conditions in subsection (2) below is satisfied for a relevant year, a pensioner is deemed to have an earnings factor for that year which—

- (a) is derived from earnings on which primary Class 1 contributions were paid; and
- (b) is equal to the amount which, when added to any other earnings factors taken into account under that provision, produces an aggregate of earnings factors equal to the low earnings threshold.

(2) The conditions referred to in subsection (1) above are that—

- (a) the pensioner would, apart from this section, have an earnings factor for the year—
 - (i) equal to or greater than the qualifying earnings factor for the year; but
 - (ii) less than the low earnings threshold for the year;
- (b) invalid care allowance—
 - (i) was payable to the pensioner throughout the year; or
 - (ii) would have been so payable but for the fact that under regulations the amount payable to him was reduced to nil because of his receipt of other benefits;
- (c) for the purposes of paragraph 5(7)(b) of Schedule 3, the pensioner is taken to be precluded from regular employment by responsibilities at home throughout the year by virtue of—
 - (i) the fact that child benefit was payable to him in respect of a child under the age of six; or
 - (ii) his satisfying such other condition as may be prescribed;
- (d) the pensioner is a person satisfying the requirement in subsection (3) below to whom long-term incapacity benefit was payable throughout the year, or would have been so payable but for the fact that—
 - (i) he did not satisfy the contribution conditions in paragraph 2 of Schedule 3; or
 - (ii) under regulations the amount payable to him was reduced to nil because of his receipt of other benefits or of payments from an occupational pension scheme or personal pension scheme.

(3) The requirement referred to in subsection (2)(d) above is that—

- (a) for one or more relevant years the pensioner has paid, or (apart from this section) is treated as having paid, primary Class 1 contributions on earnings equal to or greater than the qualifying earnings factor; and
- (b) the years for which he has such a factor constitute at least one tenth of his working life.

(4) For the purposes of subsection (3)(b) above—

Changes to legislation: Child Support, Pensions and Social Security Act 2000, Cross Heading: State second pension is up to date with all changes known to be in force on or before 06 July 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (a) a pensioner’s working life shall not include—
 - (i) any tax year before 1978-79; or
 - (ii) any year in which he is deemed under subsection (1) above to have an earnings factor by virtue of fulfilling the condition in subsection (2)(b) or (c) above; and
 - (b) the figure calculated by dividing his working life by ten shall be rounded to the nearest whole year (and any half year shall be rounded down).
- (5) The low earnings threshold for the first appointed year and subsequent tax years shall be £9,500 (but subject to section 148A of the Administration Act).
- (6) In subsection (2)(d)(ii) above, “occupational pension scheme” and “personal pension scheme” have the meanings given by subsection (6) of section 30DD above for the purposes of subsection (5) of that section.”
- (4) For the purposes of subsection (1) of section 44A of the ^{M2}Social Security Contributions and Benefits Act 1992, a pensioner is deemed to have an earnings factor in relation to any relevant year as specified in that subsection if—
- (a) severe disablement allowance was payable to him throughout the year; and
 - (b) he satisfies the requirement in subsection (3) of that section.

Commencement Information

II S. 30 wholly in force at 6.4.2002; s. 30 not in force at Royal Assent see s. 86(2); s. 30 in force for certain purposes at 8.1.2001 by S.I. 2000/2950, art. 6 (as amended by S.I. 2000/3166, art. 3); s. 30 in force for certain further purposes at 25.1.2001 and for all remaining purposes at 6.4.2002 by S.I. 2001/153, art. 2(a)

Marginal Citations

M1 1992 c. 4.

M2 1992 c. 4.

31 Calculation.

- (1) In section 45 of the ^{M3}Social Security Contributions and Benefits Act 1992 (calculation of additional pension in a Category A retirement pension), in subsection (2)—
- (a) after “shall be” there shall be inserted “the sum of the following”;
 - (b) in paragraph (b), after “after 1987-88” there shall be inserted “but before the first appointed year”; and
 - (c) after that paragraph there shall be inserted “; and
 - (c) in relation to any tax years falling within subsection (3A) below, the weekly equivalent of the amount calculated in accordance with Schedule 4A to this Act.”
- (2) In that section the following subsection shall be inserted after subsection (3)—
- “(3A) The following tax years fall within this subsection—
- (a) the first appointed year;
 - (b) subsequent tax years.”

Changes to legislation: Child Support, Pensions and Social Security Act 2000, Cross Heading: State second pension is up to date with all changes known to be in force on or before 06 July 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (3) After Schedule 4 to that Act there shall be inserted the Schedule set out in Schedule 4 to this Act.

Commencement Information

I2 S. 31 wholly in force at 6.4.2002; s. 31 not in force at Royal Assent see s. 86(2); s. 31 in force for certain purposes at 8.1.2001 by S.I. 2000/2950, art. 6 (as amended by S.I. 2000/3166, art. 3); s. 31 in force for certain further purposes at 25.1.2001 and for all remaining purposes at 6.4.2002 by S.I. 2001/153, art. 2(a)

Marginal Citations

M3 1992 c. 4.

32 Calculation of Category B retirement pension.

- (1) In section 46 of the ^{M4}Social Security Contributions and Benefits Act 1992 (modifications of section 45 for calculating the additional pension in certain benefits), after subsection (2) there shall be inserted—

“(3) For the purpose of determining the additional pension falling to be calculated under section 45 above by virtue of section 48BB below in a case where the deceased spouse died under pensionable age, the following definition shall be substituted for the definition of “N” in section 45(4)(b) above—

“ “N” =

- (a) the number of tax years which begin after 5th April 1978 and end before the date when the deceased spouse dies, or
- (b) the number of tax years in the period—
- (i) beginning with the tax year in which the deceased spouse (“S”) attained the age of 16 or, if later, 1978-79, and
- (ii) ending immediately before the tax year in which S would have attained pensionable age if S had not died earlier,
- whichever is the smaller number. ””

- (2) ^{F1}.....

- (3) In paragraph 5 of Schedule 8 to the ^{M5}Welfare Reform and Pensions Act 1999 (welfare benefits: minor and consequential amendments), sub-paragraph (b), and the word “and” immediately preceding it, shall be omitted.

Textual Amendments

F1 S. 32(2) repealed (26.9.2007) by Pensions Act 2007 (c. 22), ss. 27(2)(3)(c)(7), 30(3), Sch. 7 Pt. 5

Commencement Information

I3 S. 32 wholly in force at 9.4.2001; s. 32 not in force at Royal Assent see s. 86(2)(3)(a); s. 32 in force for certain purposes at 8.1.2001 by S.I. 2000/2950, art. 6 (as amended by S.I. 2000/3166, art. 3); s. 32 in force for all remaining purposes at 9.4.2001 by S.I. 2001/153, art. 2(b)

Marginal Citations

M4 1992 c. 4.

Changes to legislation: Child Support, Pensions and Social Security Act 2000, Cross Heading: State second pension is up to date with all changes known to be in force on or before 06 July 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

M5 1999 c. 30.

33 Revaluation.

- (1) After section 148 of the ^{M6}Social Security Administration Act 1992 there shall be inserted—

“148A Revaluation of low earnings threshold.

- (1) The Secretary of State shall in the tax year preceding the first appointed year and in each subsequent tax year review the general level of earnings obtaining in Great Britain and any changes in that level which have taken place during the review period.
- (2) In this section, “the review period” means—
 - (a) in the case of the first review under this section, the period beginning with 1st October 1998 and ending on 30th September in the tax year preceding the first appointed year; and
 - (b) in the case of each subsequent review under this section, the period since—
 - (i) the end of the last period taken into account in a review under this section; or
 - (ii) such other date (whether earlier or later) as the Secretary of State may determine.
- (3) If on such a review it appears to the Secretary of State that the general level of earnings has increased during the review period, he shall make an order under this section.
- (4) An order under this section shall be an order directing that, for the purposes of the Contributions and Benefits Act—
 - (a) there shall be a new low earnings threshold for the tax years after the tax year in which the review takes place; and
 - (b) the amount of that threshold shall be the amount specified in subsection (5) below—
 - (i) increased by the percentage by which the general level of earnings increased during the review period; and
 - (ii) rounded to the nearest £100 (taking any amount of £50 as nearest to the next whole £100).
- (5) The amount referred to in subsection (4)(b) above is—
 - (a) in the case of the first review under this section, £9,500; and
 - (b) in the case of each subsequent review, the low earnings threshold for the year in which the review takes place.
- (6) This section does not require the Secretary of State to direct any increase where it appears to him that the increase would be inconsiderable.
- (7) If on any review under subsection (1) above the Secretary of State determines that he is not required to make an order under this section, he shall instead lay before each House of Parliament a report explaining his reasons for arriving at that determination.

Changes to legislation: Child Support, Pensions and Social Security Act 2000, Cross Heading: State second pension is up to date with all changes known to be in force on or before 06 July 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (8) For the purposes of any review under subsection (1) above the Secretary of State shall estimate the general level of earnings in such manner as he thinks fit.”
- (2) Section 148 of the ^{M7}Social Security Administration Act 1992 (revaluation of earnings factors) shall have effect as if—
- (a) the amounts for the first appointed year and any subsequent tax year that are to be reviewed under that section,
 - (b) the amounts for those years to which any directions by an order under subsection (4) of that section are to be applied, and
 - (c) accordingly, the amounts for the purpose of maintaining the value of which that section has effect,
- included the parts of the surplus in an earnings factor referred to in paragraphs 2(2)(a), 5(2)(a) and 7(2)(a) of Schedule 4A to the ^{M8}Social Security Contributions and Benefits Act 1992.
- (3) Nothing in section 148 of the ^{M9}Social Security Administration Act 1992 shall require, or ever have required, the earnings factors used for computing a surplus in an earnings factor for any year under section 44(5A) of the ^{M10}Social Security Contributions and Benefits Act 1992 to be treated as increased in any case in which that surplus, or any part of it, is itself reviewed under section 148 of the ^{M11}Social Security Administration Act 1992.
- (4) In section 128(3) of the ^{M12}Pensions Act 1995 (revaluation of surpluses in earnings factors under section 44(5A) of the Social Security Contributions and Benefits Act 1992), after “1992” there shall be inserted “for the purposes of section 45(1) and (2) (a) and (b) of that Act”.

Commencement Information

I4 S. 33 wholly in force 6.4.2002; s. 33 not in force at Royal Assent see s. 86(2)(3)(a); s. 33 in force for certain purposes at 8.1.2001 by S.I. 2000/2950, art. 6 (as amended by S.I. 2000/3166, art. 3); s. 33(1)(2) in force for certain purposes at 25.1.2001 and 6.4.2002 for all remaining purposes and s. 33(3)(4) in force for all remaining purposes at 25.1.2001 by S.I. 2001/153, art. 2(c)(d)

Marginal Citations

M6 1992 c. 5.
M7 1992 c. 5.
M8 1992 c. 4.
M9 1992 c. 5.
M10 1992 c. 4.
M11 1992 c. 5.
M12 1995 c. 26.

34 Report of Government Actuary: rebates etc.

In each of sections 42(1)(a)(ii), 42B(1)(a) and 45A(1)(a) of the ^{M13}Pension Schemes Act 1993 (reports by Government Actuary on cost of providing benefits equivalent to benefits which are foregone) for “which, under section 48A,” there shall be substituted “(or parts of benefits) which, in accordance with section 48A below and Schedule 4A to the Social Security Contributions and Benefits Act 1992,”.

Changes to legislation: Child Support, Pensions and Social Security Act 2000, Cross Heading: State second pension is up to date with all changes known to be in force on or before 06 July 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

Commencement Information

- I5** S. 34 wholly in force at 6.4.2002; s. 34 not in force at Royal Assent see s. 86(2)(3)(a); s. 34 in force for certain purposes at 8.1.2001 by S.I. 2000/2950, art. 6 (as amended by S.I. 2000/3166, art. 3); s. 34 in force for certain further purposes at 25.1.2001 and at 6.4.2002 for all remaining purposes by S.I. 2001/153, art. 2(a)

Marginal Citations

- M13** 1993 c. 48.

35 Supplementary.

- (1) The ^{M14}Social Security Contributions and Benefits Act 1992 shall be amended as follows.
- (2) In section 21(5A)(b) (contribution conditions)—
 - (a) after “22(1)(a)” there shall be inserted “, (2A)”;
 - (b) for “44(6)(a)” there shall be substituted “44(6)(za) and (a)”.
- (3) ^{F2}
- (4) In section 39C (rate of widowed parent’s allowance and bereavement allowance), in subsections (1), (3) and (4), after “sections 44 to 45A” there shall be inserted “and Schedule 4A”.
- (5) In section 44 (Category A retirement pension), in subsection (5A), after “section 45” there shall be inserted “and Schedule 4A”.
- (6) In that subsection, for the words from “that year,” to “surplus” there shall be substituted “that year,
 - (b) the amount of the surplus is the amount of that excess, and
 - (c) for the purposes of section 45(1) and (2)(a) and (b) below, the adjusted amount of the surplus”.
- (7) In subsection (6) of that section, after “section 45” there shall be inserted “or Schedule 4A”.
- (8) In section 45 (the additional element in a Category A retirement pension)—
 - (a) in subsections (1) and (2)(a) and (b), before “amount” (in each place) there shall be inserted “adjusted”;
 - (b) in subsection (6), for “the amount of any surpluses” there shall be substituted “any amount”.
- (9) In section 48A(4) (Category B retirement pension for married person), after “sections 44 to 45B above” there shall be inserted “and Schedule 4A below”.
- (10) In section 48B (Category B retirement pension for widows and widowers), in subsections (2) and (3), after “sections 44 to 45B above” there shall be inserted “and Schedule 4A below”.
- (11) In section 48BB (Category B retirement pension: entitlement by reference to benefits under section 39A or 39B), in subsections (5) and (6), after “sections 44 to 45A above” there shall be inserted “and Schedule 4A below”.

Changes to legislation: Child Support, Pensions and Social Security Act 2000, Cross Heading: State second pension is up to date with all changes known to be in force on or before 06 July 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (12) In section 48C(4) (Category B retirement pension: general), after “sections 44 to 45B above” there shall be inserted “and Schedule 4A below”.
- (13) In section 51 (Category B retirement pension for widowers), in subsections (2) and (3), after “sections 44 to 45A above” there shall be inserted “and Schedule 4A below”.
- (14) In section 122(1) (interpretation of Parts I to VI), at the appropriate place in alphabetical order, there shall be inserted—
- ““first appointed year” means such tax year, no earlier than 2002-03, as may be appointed by order, and “second appointed year” means such subsequent tax year as may be so appointed.”.
- (15) In section 176 (Parliamentary control), after subsection (3) there shall be inserted—
- “(4) Subsection (3) above does not apply to a statutory instrument by reason only that it contains an order appointing the first or second appointed year (within the meanings given by section 122(1) above).”

Textual Amendments

F2 S. 35(3) repealed (26.9.2007) by [Pensions Act 2007 \(c. 22\)](#), ss. 27(2)(3)(c)(7), 30(1)(d), [Sch. 7 Pt. 5](#)

Commencement Information

I6 S. 35 wholly in force at 6.4.2002; s. 35 not in force at Royal Assent see s. 86(2)(3)(a); s. 35 in force for certain purposes at 8.1.2001 by [S.I. 2000/2950](#), [art. 6](#) (as amended by [S.I. 2000/3166](#), [art. 3](#)); s. 35 in force for certain further purposes at 25.1.2001 and at 6.4.2002 for all remaining purposes by [S.I. 2001/153](#), [art. 2\(a\)](#)

Marginal Citations

M14 1992 c. 4.

Changes to legislation:

Child Support, Pensions and Social Security Act 2000, Cross Heading: State second pension is up to date with all changes known to be in force on or before 06 July 2023. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations.

[View outstanding changes](#)

Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 70A inserted by [2012 c. 5 Sch. 3 para. 13](#)
- Sch. 7 para. 1(2)(c) inserted by [2007 c. 5 Sch. 5 para. 13](#)
- Sch. 7 para. 6(5A)(5B) inserted by [2012 c. 5 Sch. 11 para. 13\(3\)](#)
- Sch. 7 para. 6(8)(b) inserted by [2012 c. 5 Sch. 11 para. 13\(4\)\(b\)](#)
- Sch. 7 para. 6(8)(a) words in Sch. 7 para. 6(8) renumbered as Sch. 7 para. 6(8)(a) by [2012 c. 5 Sch. 11 para. 13\(4\)\(a\)](#)

Commencement Orders yet to be applied to the Child Support, Pensions and Social Security Act 2000

Commencement Orders bringing provisions within this Act into force:

- [S.I. 2003/346 art. 2](#) amendment to earlier commencing [SI 2003/192 art. 6](#)