

1980 No. 1975

SOCIAL SECURITY**The Social Security (Contributions) Amendment Regulations 1980***Made* - - - - 17th December 1980*Laid before Parliament* 18th December 1980*Coming into Operation* 8th January 1981

The Secretary of State for Social Services in conjunction with the Treasury in so far as relates to matters with regard to which the Treasury have so directed (a) and with the concurrence of the Inland Revenue in so far as their concurrence is required, in exercise of powers conferred upon him by sections 8(1), 128(3) and 131 of, and paragraphs 1(1), 5(1) and 6(1)(c) of Schedule 1 to, the Social Security Act 1975(b), section 123 of the Social Security (Northern Ireland) Act 1975(c) and section 1(3) of the Social Security (Miscellaneous Provisions) Act 1977(d) and of all other powers enabling him in that behalf, after reference to the National Insurance Advisory Committee (e), hereby makes the following regulations:—

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Social Security (Contributions) Amendment Regulations 1980 and shall come into operation on 8th January 1981.

(2) In these regulations “the principal regulations” means the Social Security (Contributions) Regulations 1979(f).

Insertion of regulation 5A in the principal regulations

2. After regulation 5 of the principal regulations there shall be inserted the following regulation—

“Earnings period for earnings to be aggregated where the earnings periods for those earnings otherwise would be of different lengths

5A.—(1) The following provisions of this regulation apply where—

- (a) earnings paid in respect of two or more employed earner’s employments fall to be aggregated; and
- (b) the earnings periods in respect of those earnings are, by virtue of regulation 3, 4 or 5 of these regulations, of different lengths.

(a) See section 166(5) of the Social Security Act 1975 (c. 14).

(b) 1975 c. 14; section 8(1) was amended by section 2(4) of the Education (School-leaving Dates) Act 1976 (c. 5) and Article 4 of the Social Security (Contributions, Re-rating) Order 1979 (S.I. 1979/1694).

(c) 1975 c. 15.

(d) 1977 c. 5.

(e) By virtue of regulation 2 of the Social Security (Advisory Committees) Transitional Regulations 1980 (S.I. 1980/1874), the reference to the Committee of a proposal to make regulations and their report are treated as a reference to, and report of, the Social Security Advisory Committee under section 10 of the Social Security Act 1980 (c. 30).

(f) S.I. 1979/591, to which there are amendments not relevant to these Regulations.

- (2) In this regulation “the designated earnings period” means—
- (a) where the earnings are derived from employments which include any contracted-out employment and any non-contracted-out employment, the earnings period in respect of earnings derived from the contracted-out employment or, if there is more than one such employment, the shorter, or as the case may be the shortest, of the earnings periods in respect of earnings derived from such employments; and
 - (b) in any other case, the shorter, or as the case may be the shortest, of the earnings periods in respect of the earnings derived from the employments.
- (3) In a case to which this regulation applies, where (but for the provisions of this regulation) the earnings period in respect of earnings derived from any of the employments is of a different length from the designated earnings period, the earnings period in respect of any payment of those earnings shall be the designated earnings period.”.

Amendment of regulation 27 of the principal regulations

3. In regulation 27 of the principal regulations (Class 3 contributions)—
- (a) at the beginning of paragraph (2) there shall be inserted the words “Subject to the provisions of paragraph (4) of this regulation,”;
 - (b) after paragraph (3) there shall be inserted the following paragraph—
“(4) Notwithstanding the provisions of sub-paragraph (b) of paragraph (2) of this regulation, where a temporary allowance under any scheme which was implemented on or after 1st May 1979 and made by virtue of the Job Release Act 1977(a) was payable to the person specified in paragraph (1) of this regulation that person may, before the end of the 6th year following the year in which the allowance ceased to be payable, pay Class 3 contributions in respect of any year during any part of which the allowance was payable.”.

Insertion of regulation 38A in the principal regulations

4. After regulation 38 of the principal regulations (treatment for purpose of contributory benefit of late paid contributions under the Act) there shall be inserted the following regulation—

“Treatment for purpose of contributory benefit of contributions paid by virtue of regulation 27(4)

38A. Notwithstanding the provisions of regulation 38, and subject to the provisions of regulation 29, of these regulations, for the purpose of entitlement to contributory benefit any contribution paid by virtue of regulation 27(4) of these regulations (Class 3 contributions paid in respect of a year during any part of which a temporary allowance under the Job Release Act 1977 was payable) shall be treated as paid before the end of the year in respect of which it was paid.”.

Amendment of regulation 26 in Part IV of Schedule 1 to the principal regulations

5. In regulation 26(3)(a) of Part IV of Schedule 1 to the principal regulations for the words “accounted to the Collector” there shall be substituted the words “reimbursed the employee”.

(a) 1977 c. 8.

Substitution of Part I of Schedule 3 to the principal regulations

6. For Part I of Schedule 3 to the principal regulations (prescribed establishments and organisations for purposes of section 128(3) of the Act) there shall be substituted the following—

“PART I

Prescribed establishments and organisations for purposes of section 128(3) of the Act

1. Any of the regular naval, military or air forces of the Crown.
2. Retired and Emergency Lists of Officers of the Royal Navy.
3. Royal Naval Reserves (including Women’s Royal Naval Reserve and Queen Alexandra’s Royal Naval Nursing Service Reserve).
4. Royal Marines Reserve.
5. Army Reserves (including Regular Army Reserve of Officers, Regular Reserves, Long Term Reserve and Army Pensioners).
6. Territorial and Army Volunteer Reserve.
7. Royal Air Force Reserves (including Royal Air Force Reserve of Officers, Women’s Royal Air Force Reserve of Officers, Royal Air Force Volunteer Reserve, Women’s Royal Air Force Volunteer Reserve, Class E Reserve of Airmen, Princess Mary’s Royal Air Force Nursing Service Reserve, Officers on the Retired List of the Royal Air Force and Royal Air Force Pensioners).
8. Royal Auxiliary Air Force (including Women’s Royal Auxiliary Air Force).
9. The Ulster Defence Regiment.”.

Minor and consequential amendments of the principal regulations

7. In the principal regulations—

- (a) in regulation 2 (earnings periods) for the words “regulation 3, 4 or 5” there shall be substituted the words “regulation 3, 4, 5 or 5A”;
- (b) in regulation 117(2)(b) (members of the forces—special provisions concerning earnings-related contributions) for the words “paragraphs 2 to 15” there shall be substituted the words “paragraphs 2 to 9”;
- (c) in regulation 122(a) (conditions of payment of Class 2 or Class 3 contributions for periods abroad) after the words “regulation 27(3)(b)(i)” there shall be inserted the words “or, as the case may be, (4)”.

Patrick Jenkin,

Secretary of State for Social Services.

15th December 1980.

David Waddington,

John MacGregor,

Two of the Lords Commissioners of
Her Majesty’s Treasury.

16th December 1980.

The Commissioners of Inland Revenue hereby concur.

By Order of the Commissioners of Inland Revenue.

J. D. Taylor Thompson,
Secretary.

17th December 1980.

EXPLANATORY NOTE

(This Note is not part of the Regulations.)

These Regulations further amend the Social Security (Contributions) Regulations 1979 ("the principal regulations").

The Regulations prescribe a common earnings period for earnings derived from two or more employed earner's employments where the earnings fall to be aggregated and the earnings periods would otherwise be of different lengths.

They extend the provisions of the principal regulations so as to enable persons to whom allowances are payable under the Job Release Act 1977 by virtue of a scheme implemented on or after 1st May 1979 to pay Class 3 contributions up to six years after the year in which the allowance ceased to be payable. They provide that for the purposes of entitlement to contributory benefit such contributions shall be treated as duly paid.

The Regulations amend the principal regulations so that an employer may offset against further payments to the Collector of Taxes overpayments of primary Class 1 contributions to the extent only that he has reimbursed the employee therefor.

They also prescribe a new list of establishments and organisations of which, for the purposes of the Social Security Act 1975, Her Majesty's Forces are taken to consist.

The other amendments are minor or consequential.

The report of the National Insurance Advisory Committee on the draft of these Regulations dated 3rd November 1980 is contained in Command Paper (Cmnd. 8117) published by Her Majesty's Stationery Office.

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