
STATUTORY INSTRUMENTS

1987 No. 45

SOCIAL SECURITY

The Social Security Benefits Up-rating Order 1987

Made - - - - *20th January 1987*

Coming into force

Articles 1(1), 8 and 10(2) *1st April 1987*

remainder *6th April 1987*

Whereas, the Secretary of State for Social Services having made a review under section 63(1) of the Social Security Act 1986(1), a draft of the following order was laid before Parliament in accordance with the provisions of section 63(2) and section 83(3)(d) of that Act and approved by resolution of each House of Parliament.

Now, therefore, the Secretary of State for Social Services, with the consent of the Treasury(2), in exercise of the powers conferred upon him by section 63 of the Social Security Act 1986, and of all other powers enabling him in that behalf, hereby makes the following order:—

Citation, commencement and interpretation

1.—(1) This order may be cited as the Social Security Benefits Up-rating Order 1987 and shall come into force in the case of Articles 1(1), 8 and 10(2) on 1st April 1987 and in the case of all other Articles on 6th April 1987.

(2) In this order, unless the context otherwise requires—

“the 1975 Act” means the Social Security Act 1975(3);

“the 1986 Act” means the Social Security Act 1986; and

“the Pensions Act” means the Social Security Pensions Act 1975(4).

Alterations in rates or amounts of certain benefits under the 1975 Act

2.—(1) In this Article, “Schedule 4” means Schedule 4 to the 1975 Act(5).

(1) 1986 c. 50

(2) See section 83(5) of the Social Security Act 1986.

(3) 1975 c. 14

(4) 1975 c. 60

(5) Schedule 4 was amended by section 21(1) and (2) of and Schedules 4 and 5 to, the Child Benefit Act 1975 (c. 61), section 22(2) of and paragraphs 62 and 63 of Schedule 4 to, the Social Security Pensions Act 1975, paragraph 13 of Schedule 1 to the Social Security Act 1979 (c. 18) and the Social Security Benefits Up-rating Order 1986 (S.I. 1986/1117).

(2) The sums specified in paragraph (3) below shall be altered from and including the respective dates specified in Article 4 below; and Schedule 4 shall accordingly have effect as set out in the Schedule to this order.

(3) The sums mentioned in paragraph (2) above are the sums specified in Parts I, III, IV and V of Schedule 4 (contributory periodical benefits, non-contributory periodical benefits, increase of benefits for dependants and rate or amounts of industrial injuries benefits, respectively), except—

- (a) in Part I the sum specified for child's special allowance;
- (b) in Part III the sums specified for guardian's allowance and age addition;
- (c) in column (2) of Part IV the sums specified by way of increase for a dependent child; and
- (d) in Part V sums specified in respect of a dependent child.

Increase of rates or amounts of certain benefits under the Pensions Act

3.—(1) The sums mentioned in paragraphs (2) to (5) below shall be increased from and including the respective dates specified in Article 4 below.

(2) In section 6(1)(a) of the Pensions Act (basic component of Category A retirement pension)—

- (a) so far as the sum is relevant for the purpose of calculating under section 14(6) of the 1975 Act the rate of sickness benefit, for the sum of £37.05 there shall be substituted the sum of £37.85;
- (b) except so far as mentioned in sub-paragraph (a) above, for the sum of £38.70 there shall be substituted the sum of £39.50.

(3) It is hereby directed that the sums which are the additional components in the rates of long-term benefits calculated by reference to any final relevant year earlier than the tax year 1986/1987 shall be increased by 2.1 per cent. of their amount apart from this order.

(4) It is hereby directed that the sums payable by way of increases of retirement pensions under Schedule I to the Pensions Act (increase of pension where pensioner defers retirement) shall be increased by 2.1 per cent.

(5) It is hereby declared that an amount equal to 2.1 per cent. of the aggregate amount of the sums —

- (a) payable by virtue of section 35(6) of the Pensions Act (which provides for Increases in a person's guaranteed minimum pension if payment of his occupational pension is postponed after he attains pensionable age) to a person who is also entitled to a Category A or Category B retirement pension (including sums payable by virtue of section 36(3)); and
- (b) payable to such a person as part of his Category A or Category B retirement pension by virtue of an order made under section 126A of the 1975 Act⁽⁶⁾ or section 63 of the 1986 Act,

shall be payable by way of an increase of such a person's Category A or Category B retirement pension.

Dates on which sums specified for rates or amounts of benefit under the 1975 Act or the Pensions Act are altered by this order

4.—(1) The alterations made by this order in the sums specified for rates or amounts of benefit under the 1975 Act or the Pensions Act shall take effect for each case on the date specified in relation to such case in the following provisions of this Article.

(6) Section 126A was inserted by section 12 of the Social Security Act 1979 and repealed by the Social Security Act 1986, section 86, Schedule 11.

(2) In relation to the case of a person over pensionable age who has not retired from regular employment and for whom the rate of unemployment benefit, sickness benefit or invalidity pension falls to be calculated in accordance with section 14(6) or 15(4) of the 1975 Act(7), the increases in the sums mentioned in Articles 2,3 and 6 for Category A and B retirement pension and graduated retirement benefit (together with, where appropriate, increases for dependants) shall take effect on 9th April 1987 and in relation to all other cases the increases in such sums shall take effect on 6th April 1987.

(3) The increase mentioned in Article 3(5) shall take effect on 6th April 1987.

(4) The alterations in the amounts of maternity allowance, widow's allowance, widowed mother's allowance, widow's pension, Category C and D retirement pension, attendance allowance, invalid care allowance (except in a case where the Secretary of State has made arrangements for it to be paid on a Wednesday), and industrial death benefit by way of widow's and widower's pension and allowance in respect of children (together with, where appropriate, increases for dependants) shall in all cases take effect on 6th April 1987.

(5) The sums specified for the rate of mobility allowance, invalid care allowance (in a case where the Secretary of State has made arrangements for it to be paid on a Wednesday), disablement benefit (together with increases of disablement pension), maximum disablement gratuity under section 57(5) of the 1975 Act, increase of unemployability supplement under section 59 of the 1975 Act and maximum, under section 91(1) of the 1975 Act, of the aggregate of weekly benefit payable for successive accidents, shall be increased in all cases with effect from 8th April 1987.

(6) In relation to the case of a person whose weekly rate of Category A or B retirement pension falls to be increased under the provisions of section 28(7) or 29(8) of the 1975 Act(8) by reference to the weekly rate of invalidity allowance to which he was previously entitled, the increase in the sum specified for the appropriate rate of invalidity allowance shall take effect on 6th April 1987 and in relation to all other cases the increase in such sum shall take effect on 9th April 1987.

(7) The alterations in the rates or amounts of unemployment and sickness benefit, invalidity pension and severe disablement allowance (together with, where appropriate, increase for dependants), shall take effect in all cases on 9th April 1987.

Increase in rates of certain benefits under the Industrial Injuries and Diseases (Old Cases) Act 1975

5. In the Industrial Injuries and Diseases (Old Cases) Act 1975(9) the sum of £23.25 referred to in section 2(6)(c) (maximum weekly rate of lesser incapacity allowance supplementing workmen's compensation) and section 7(2)(b) (industrial diseases benefit schemes: weekly rate of allowance payable where disablement is not total) shall be further increased; and from and including 8th April 1987 the reference to that sum in section 2(6)(c), and from and including 9th April 1987 the reference to that sum in section 7(2)(b), shall accordingly have effect as references to £23.75.

Increase in rate of graduated retirement benefit and increments thereof

6.—(1) In the National Insurance Act 1965(10) the sum of 5.06 pence referred to in section 36(1) (graduated retirement benefit) shall be increased by 2.1 per cent.; and from and including 6th April

(7) Section 14(6) is amended by the Social Security Pensions Act 1975 (c. 60), section 65(1), Schedule 4, paragraph 39(b), and the Social Security Act 1979, section 21(4), Schedule 3, paragraph 6; and section 15(4) is amended by the Social Security Pensions Act 1975, section 65(1), Schedule 4, paragraph 40(c) and the Social Security Act 1979, section 21(4), Schedule 3, paragraph 7.

(8) Section 28(7) is amended by the Social Security (No.2) Act 1980 (c. 39), section 3(3).

(9) 1975 c. 16. Sections 2(6)(c) and 7(2)(b) were amended by the Social Security Benefits Up-rating Order 1986 (S.I. 1986/1117).

(10) 1965 c. 51. Section 36 was repealed by the Social Security Act 1973 (c. 38) but subsection (1) is now continued in force by regulation 3 of the Social Security (Graduated Retirement Benefit) (No.2) Regulations 1978 (S.I. 1978/393) in the modified form set out in the Schedule to those regulations as amended by Article 6 of the Social Security Benefits Up-rating Order 1986 (S.I. 1986/1117).

1987 the reference in that provision to that sum shall accordingly have effect as a reference to 5.17 pence.

(2) It is hereby directed that the aggregate amount of any increases of graduated retirement benefit payable under Schedule 2 to the Social Security (Graduated Retirement Benefit) (No.2) Regulations 1978(11) (increases for deferred retirement) shall be increased by 2.1 per cent.

Increase in the rate of child benefit

7. In regulation 2 of the Child Benefit and Social Security (Fixing and Adjustment of Rates) Regulations 1976(12) (weekly rates of child benefit) —

- (a) in paragraph (1) for “£7. 10” there shall be substituted “£7.25”;
- (b) in paragraph (2) for “£4.60” there shall be substituted “£4.70”.

Statutory Sick Pay

8. The sums specified in section 7(1) of the Social Security and Housing Benefits Act 1982(13) are —

- (a) in paragraph (a), £46.75 and £74.50 respectively;
- (b) in paragraph (b), £39.20, £74.50 and £55.50 respectively;
- (c) in paragraph (c), £31.60.

Earnings Limits

9.—(1) The sum specified in subsection (1) of section 30 of the 1975 Act is £75 and the sums specified —

- (a) in paragraph (a) of that subsection, are £4, 5 pence and 10 pence respectively, and
- (b) in paragraph (b) of that subsection are £4, 5 pence, 10 pence, £4, 5 pence and 5 pence respectively.

(2) The sums specified in section 41(2B) of the 1975 Act(14) are £85, £10, and £85 respectively.

Revocations

10.—(1) The Social Security Benefits Up-rating Order 1986(15) is hereby revoked.

(2) Articles 2 and 3(b) of the Statutory Sick Pay Up-rating Order 1986(16) are hereby revoked.

Signed by authority of the Secretary of State for Social Services.

19th January 1987

John Major
Minister of State,
Department of Health and Social Security

(11) S.I. 1978/393

(12) S.I. 1976/1267; the relevant amending instruments are S.I. 1977/1328, 1980/110, 1985/1243 and 1986/1172

(13) 1982 c. 24; the sums specified in section 7(1) as enacted were increased by S.I. 1983/123, 1947, 1984/2037 and 1986/67

(14) Section 41(2B) was inserted by the Health and Social Security Act 1984 (c. 48), s.13, Schedule 5, paragraph 3(c).

(15) S.I. 1986/1117

(16) S.I. 1986/67

We consent.

20th January 1987

*Michael Neubert
Mark Lennox Boyd Two of the Lords
Commissioners of Her Majesty's Treasury*

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

SCHEDULE

Article 2(2)

Schedule 4 to the 1975 Act as amended by this Order

“SCHEDULE 4

Rates of benefits, grants and increases for dependants

Part I

Contributory Periodical Benefits (Sections 14–31)

	Description of benefit	Weekly rate
1.	Unemployment or sickness benefit (section 14).	(a) unemployment benefit£31.45 (b) sickness benefit£30.05
3.	Invalidity allowance (section 16).	(a) higher rate £8.30 (b) middle rate £5.30 (c) lower rate£2.65 (the appropriate rate being determined in accordance with section 16(2)(17))
4.	Maternity allowance (section 22).	£30.05
5.	Widow's allowance (section 24).	£55.35
9.	Category B retirement pension where section 29(7)(a)(i) applies.	£23.75
10.	Child's special allowance (section 31).	£8.05

Part III

Non-contributory Periodical Benefits (Sections 34–40)

Description of benefit	Weekly rate
1.	Attendance allowance (section 35). (a) higher rate £31.60 (b) lower rate £21.10

(17) Section 16(2) was amended by paragraph 10 of Schedule 1 to the Social Security Act 1979.

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Description of benefit	Weekly rate	
		(the appropriate rate being determined in accordance with section 35(3)(18))
2.	Severe disablement allowance (section 36).	£23.75
3.	Invalid care allowance (section 37).	£23.75
3A.	Mobility allowance (section 37A).	£22.10
4.	Guardian's allowance (section 38).	£8.05
5.	Category C retirement pension (section 39).	(a) lower rate £14.20 (b) higher rate £23.75
		(the appropriate rate being determined in accordance with section 39(2)).
5A.	Category D retirement pension (section 39)(19)	The higher rate for Category C retirement pensions under paragraph 5 above.
6.	Age addition (to a pension of any category, and otherwise under section 40).	£0.25

Part IV

Increases for Dependants (Sections 41–49)

Benefit to which increase applies	Increase for qualifying child	Increase for adult dependant
(1)	(2)	(3)
	£	£
1. Unemployment sickness benefit—	or —	19.40
(a) unemployment benefit, where the beneficiary is under pensionable age.		
(b) unemployment benefit, where the beneficiary is over pensionable age.	8.05	23.75

(18) Section 35(3) was amended by section 2(4) of the Social Security Act 1979.

(19) Paragraph 5A was inserted by section 12(2) of the Social Security Act 1985 (c. 53)

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Benefit to which increase applies (1)	Increase for qualifying child (2) £	Increase for adult dependant (3) £
(c) sickness benefit, where the beneficiary is under pensionable age.	—	18.60
(d) sickness benefit, where the beneficiary is over pensionable age.	8.05	22.70
2. Invalidity pension	8.05	23.75
3. Maternity allowance	—	18.60
4. Widow's allowance	8.05	—
5. Widowed mother's allowance	8.05	—
6. Category A or B retirement pension	8.05	23.75
7. Category C retirement pension	8.05	14.20
8. Child's special allowance	8.05	—
9. Severe disablement allowance	8.05	14.20
10. Invalid care allowance	8.05	14.20

Part V

Rate or amount of Industrial Injuries Benefit

Description of benefit, etc.	Rate or amount
2.	Maximum disablement gratuity under section 57(5). £4,290.00
3.	Disablement pension under section 57(6) (weekly rates). For the several degrees of disablement set out in column (1) of the following Table, the respective amounts in that Table using— (a) column (2) for any period during which the beneficiary is over the age of 18 or is entitled to an increase of benefit in respect of a child or adult dependant;

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Description of benefit, etc.	Rate or amount																								
	(b) column (3) for any period during which the beneficiary is not over the age of 18 and not so entitled;																								
	TABLE																								
	<table border="1"> <thead> <tr> <th style="text-align: center;"><i>Degree of disablement</i></th> <th style="text-align: center;"><i>Amount</i></th> </tr> <tr> <th style="text-align: center;"><i>(1)</i></th> <th style="text-align: center;"><i>(2)</i></th> </tr> <tr> <th style="text-align: center;"><i>Per cent.</i></th> <th style="text-align: center;"><i>£</i></th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">100</td> <td style="text-align: center;">64.50</td> </tr> <tr> <td style="text-align: center;">90</td> <td style="text-align: center;">58.05</td> </tr> <tr> <td style="text-align: center;">80</td> <td style="text-align: center;">51.60</td> </tr> <tr> <td style="text-align: center;">70</td> <td style="text-align: center;">45.15</td> </tr> <tr> <td style="text-align: center;">60</td> <td style="text-align: center;">38.70</td> </tr> <tr> <td style="text-align: center;">50</td> <td style="text-align: center;">32.25</td> </tr> <tr> <td style="text-align: center;">40</td> <td style="text-align: center;">25.80</td> </tr> <tr> <td style="text-align: center;">30</td> <td style="text-align: center;">19.35</td> </tr> <tr> <td style="text-align: center;">20</td> <td style="text-align: center;">12.90</td> </tr> </tbody> </table>	<i>Degree of disablement</i>	<i>Amount</i>	<i>(1)</i>	<i>(2)</i>	<i>Per cent.</i>	<i>£</i>	100	64.50	90	58.05	80	51.60	70	45.15	60	38.70	50	32.25	40	25.80	30	19.35	20	12.90
<i>Degree of disablement</i>	<i>Amount</i>																								
<i>(1)</i>	<i>(2)</i>																								
<i>Per cent.</i>	<i>£</i>																								
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50	32.25																								
40	25.80																								
30	19.35																								
20	12.90																								
4.	Unemployability supplement under section 58 (increase of weekly rate of disablement pension). £39.50																								
5.	<p>Increase under section 59 of weekly rate of unemployability supplement (early onset of incapacity for work).</p> <p>(a) if on the qualifying date the beneficiary was under the age of 35, or if that date fell before 5th July 1948 £8.30</p> <p>(aa) if head (a) above does not apply and on the qualifying date the beneficiary was under the age of 40 and he had not attained pensionable age before 6th April 1979 £ 8.30</p> <p>(b) if heads (a) and (aa) above do not apply</p>																								

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Description of benefit, etc.	Rate or amount	
		and on the qualifying date the beneficiary was under the age of 45 £5.30
		(bb) if heads (a), (aa) and (b) above do not apply and on the qualifying date the beneficiary was under the age of 50 and had not attained pensionable age before 6th April 1979 £5.30
		(c) in any other case £2.65
7.	Maximum increase under section 61 of weekly rate of disablement pension where constant attendance needed.	(a) except in cases of exceptionally severe disablement £25.80 (b) in any case £51.60
8.	Increase under section 63 of weekly rate of disablement pension (exceptionally severe disablement).	£25.80
10.	Increase under section 64 of weekly rate of disablement pension (dependent children).	£8.05
12.	Increase under section 66(2) of weekly rate of disablement pension (adult dependant).	£23.75
13.	Widow's pension under section 68 (weekly rates) —	
	(a) initial rate	£55.35
	(b) higher permanent rate	£40.05
	(c) lower permanent rate	30 per cent. of the sum specified in section 6(1)(a) of the Pensions Act.
14.	Widower's pension under section 69 (weekly rate).	£40.05
15.	Weekly rate of allowance under section 70 in respect of children.	In respect of each qualifying child £8.05
16.	Maximum under section 91(1) of aggregate of weekly	(a) for any period during which the

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Description of benefit, etc.	Rate or amount
	benefit payable for successive accidents.
	beneficiary is over the age of 18 or is entitled to an increase in benefit in respect of a child or adult dependant £64.50
	(b) for any period during which the beneficiary is not over the age of 18 and not so entitled £39.50”

EXPLANATORY NOTE

(This note is not part of the order)

This Order, a draft of which has been laid before and approved by resolution of each House of Parliament, is made as a consequence of a review under section 63(1) of the Social Security Act 1986. It alters, with effect from dates in the week beginning 6th April 1987 which are specified in Articles 4 to 6, the rates and amounts of certain benefits and other sums.

Article 2 alters the benefits and increases of benefit (except age addition and certain benefits in respect of children which are also subject to the provisions of section 17(1) of the Child Benefit Act 1975) specified in Parts I, III, IV and V of Schedule 4 to that Act; Article 3 increases the rates and amounts of certain benefits under Part II of the Social Security Pensions Act 1975 (including increases of Category A or B retirement pension payable by reference to the increases of increments in guaranteed minimum pensions payable by virtue of section 35(6) of that Act); Article 4 specifies the date from which the rates or amounts of benefits are altered; Article 5 increases the rates laid down in the Industrial Injuries and Diseases (Old Cases) Act 1975 for the maximum weekly rate of lesser incapacity allowance supplementing workmen’s compensation and the weekly rate of allowance under the Industrial Diseases Benefit Schemes where disablement is not total; Article 6 increases the rate of graduated retirement pension under the National Insurance Act 1965; Article 7 provides for the weekly rates of child benefit and one-parent benefit to be increased; Article 8 specifies the weekly rates of statutory sick pay payable as at 1st April 1987 under section 7(1) of the Social Security and Housing Benefits Act 1982; Article 9 specifies earnings limits for retirement pensions and child dependency increases.

In accordance with section 63(11) of the Social Security Act 1986, a copy of the report of the Government Actuary (Cmnd. 24) giving his opinion on the likely effect on the National Insurance Fund of the making of this Order was laid before Parliament with the draft Order.