



Statutory Document No. 134/07

THE SOCIAL SECURITY ACT 2000

**THE SOCIAL SECURITY LEGISLATION (APPLICATION)
(No. 5) ORDER 2007**

Approved by Tynwald

20th March 2007

Coming into operation in accordance with Article 1

In exercise of the powers conferred on the Department of Health and Social Security by section 1 of the Social Security Act 2000(a), and of all other enabling powers, the following Order is hereby made:-

Citation and commencement

1. (1) This Order may be cited as the Social Security Legislation (Application) (No. 5) Order 2007 and shall, subject to section 2(1) of the Social Security Act 2000, come into force as provided for in paragraph (2).

(2) This Article and Articles 2 and 3 shall come into force forthwith and each provision of the applied legislation, as modified, shall be deemed to have come into force on the same day as that provision came into force in Great Britain.

Interpretation

2. (1) In this Order “the applied legislation” means the Social Security (PPF Payments and FAS Payments) (Consequential Amendments) Regulations 2006(b).

(2) Unless the context otherwise requires -

- (a) any reference in any of the applied legislation to any provision in an instrument of a legislative character which is not itself a provision of any of the applied legislation shall be construed as if the provision so referred to had been in force in the Island from the date on which that instrument of a legislative character had effect in Great Britain;

(a) 2000 c.5; (b) S.I. 2006/1069.

Price: £1.20 Band: A

- (b) reference in any legislation applied by this Order to any provision of any such legislation or of any other legislation applied to the Island by an order under section 1 of the Social Security Act 2000 or section 1 of the Pension Schemes Act 1995(a) (Acts of Tynwald) shall be construed as a reference to that legislation as it has effect in the Island.

Application to the Island of the applied legislation

3. The applied legislation, as modified and shown in the Schedule to this Order, shall apply to the Island as part of the law of the Island.

(a) 1995 c.11.

SCHEDULE

This Schedule sets out the text of the Social Security (PPF Payments and FAS Payments) (Consequential Amendments) Regulations 2006 (S.I. 2006/1069) with such exceptions, adaptations and modifications made where necessary.

Note: Modifications subject to which the legislation is applied to the Island are in *bold italic* type

STATUTORY INSTRUMENTS

2006 No. 1069

SOCIAL SECURITY

The Social Security (PPF Payments and FAS Payments) (Consequential Amendments) Regulations 2006

Citation, commencement and interpretation

1. (1) These Regulations may be cited as the Social Security (PPF Payments and FAS Payments) (Consequential Amendments) Regulations 2006 and shall *be deemed to have* come into force on 5th May 2006.

(2) In these Regulations—

"the Dependency Regulations" means the Social Security Benefit (Dependency) Regulations 1977¹;

"the Incapacity Benefit Dependency Regulations" means the Social Security (Incapacity Benefit - Increases for Dependents) Regulations 1994²;

"the Incapacity Benefit Regulations" means the Social Security (Incapacity Benefit) Regulations 1994³; and

"the Jobseeker's Regulations" means the Jobseeker's Allowance Regulations 1996⁴.

Amendment of the Dependency Regulations

2. (1) The Dependency Regulations are amended in accordance with this regulation.

(2) In regulation 9A (apportionment of payments by way of occupational pension made otherwise than weekly), for the words from "For the purposes" to "by way of occupational or personal pension" substitute—

"For the purposes of section 89(1) of, and paragraph 7(1) of Schedule 7 to, the Contributions and Benefits Act, where payment by way of occupational or personal pension, or for the purposes of section 89(1A) of that Act by way of PPF periodic payment,".

¹ S.I. 1977/343 (see G.C. 187/77).

² S.I. 1994/2945 (see S.D. 123/95).

³ S.I. 1994/2946 (see S.D. 123/95).

⁴ S.I. 1996/207 (see S.D. 634/96).

(3) In Schedule 2 (prescribed circumstances for increase of a carer's allowance) in paragraph 9(1) after "occupational or personal pension" insert "or PPF periodic payment".

Amendment of the Incapacity Benefit Dependency Regulations

3. In regulation 11 of the Incapacity Benefit Dependency Regulations (apportionment of payments by way of occupational or personal pension made otherwise than weekly), after "occupational or personal pension" in both places where those words appear insert "or PPF periodic payment".

Amendment of the Incapacity Benefit Regulations

4. (1) The Incapacity Benefit Regulations are amended in accordance with this regulation.

(2) In regulation 21 (disregard of certain pension payments)—

- (a) after "reduction for pension payments" insert "and PPF periodic payments"; and
- (b) after paragraph (a) insert—

"(aa) any PPF periodic payment made to a person as a beneficiary on the death of a person entitled to such a payment;"

(3) In regulation 22 (date from which pension payment is to be taken into account)—

- (a) after "reduction for pension payments" insert "and PPF periodic payments"; and
- (b) after "pension payment" insert "or PPF periodic payment".

(4) In regulation 23 (date from which the change in the rate of pension takes effect)—

- (a) after "Where pension payments" insert "or PPF periodic payments"; and
- (b) after "pension payment" insert "or PPF periodic payment".

(5) In regulation 24 (pension payment made other than weekly)—

- (a) in paragraphs (1) and (2) after "pension payment" in each place where those words appear insert "or PPF periodic payment";
- (b) in paragraph (1) after "weekly pension payments" insert "or weekly PPF periodic payments"; and
- (c) in paragraph (3)—
 - (i) after "weekly pension payment" insert "or weekly PPF periodic payment";
 - (ii) after "pension payments" insert "or PPF periodic payments"; and
 - (iii) after "pension payment" insert " or PPF periodic payment".

Amendment of the Jobseeker's Regulations

5. In regulation 81 of the Jobseeker's Regulations (payments by way of pensions)—

- (a) in paragraphs (1), (1A), (1B) and (2) after "pension payments" in each place where those words appear insert ", PPF payments or FAS payments";
- (b) in paragraph (2)(c) after "question" insert—

"; and

- (d) any PPF payments or FAS payments[15] which are payable to him and which arose on the death of a person who had an entitlement to such payments"; and
- (c) in paragraph (3)—
- (i) after "pension payment" insert ", PPF payment or FAS payment"; and
- (ii) after "weekly pension payments" insert ", weekly PPF payments or weekly FAS payments".

Made 6th February 2007



Minister for Health and Social Security

EXPLANATORY NOTE

(This note is not part of the Order)

1. Section 1 of the Social Security Act 2000 enables the Department, by Order, to apply to the Island, as part of the law of the Island and incorporating such exceptions, adaptations and modifications as may be specified by the Order, any legislation to which that Act applies.
2. *Inter alia*, the Act applies to the Social Security Contributions and Benefits Act 1992 and the Jobseekers Act 1995 (both Acts of the United Kingdom Parliament which have effect in the Isle of Man) and to any statutory instrument made or having effect as if made under either of those Acts.
3. This Order applies to the Isle of Man the legislation referred to in article 2(1) of the Order, the provisions of which are summarised in the following paragraphs. The applied legislation is deemed to have come into force on the same date as it did so in Great Britain.

4. The Social Security (PPF Payments and FAS Payments) (Consequential Amendments) Regulations 2006 (S.I. 2006/1069)

- 4.1 The legislation applied to the Isle of Man by this Order amends Regulations made under the Social Security Contributions and Benefits Act 1992 (“the Contributions and Benefits Act”) and the Jobseekers Act 1995 (“the Jobseekers Act”) so as to allow incapacity benefit and adult benefit dependency increases to certain benefits to take into account periodic payments made by the United Kingdom Pension Protection Fund (“periodic PPF payments”), and for contribution-based jobseeker’s allowance to take into account PPF payments and payments under the United Kingdom Financial Assistance Scheme (“FAS payments”), in a similar way to that in which pensions and benefit payments are treated.
- 4.2 The Pension Protection Fund and the Financial Assistance Scheme were established in the United Kingdom to pay compensation to members of certain defined benefit pension schemes where the employer sponsoring the scheme became insolvent and where there were insufficient assets in the scheme to cover levels of compensation of the Fund and the Scheme.
- 4.3 No equivalent to the Pension Protection Fund or the Financial Assistance Scheme operates in the Isle of Man and although people cannot qualify for periodic PPF payments or FAS payments in respect of their membership of an Isle of Man occupational pension schemes, Isle of Man residents can qualify for payments from the United Kingdom Fund and payments under the United Kingdom Scheme in respect of their membership of a pension scheme established in the United Kingdom and which qualifies for assistance. Provision is therefore being inserted into social security legislation to take this scenario into account in accordance with the following.
- 4.4.1 These Regulations amend –
- the Social Security Benefit (Dependency) Regulations 1977;
 - the Social Security (Incapacity Benefit - Increases for Dependants) Regulations 1994; and
 - the Social Security (Incapacity Benefit) Regulations 1994,
- (collectively known as “the Principal Regulations”).
- 4.4.2 They also amend the Jobseeker’s Allowance Regulations 1996.
- 4.5.1 Article 1 provides for the citation, commencement and interpretation of the Regulations.
- 4.5.2 Regulations 2 to 4 amend the Principal Regulations to allow Pension Protection Fund (“PPF”) periodic payments to be included in the calculation of entitlement to benefit in the same way as pension payments are included.
- 4.5.3 Regulation 5 amends the Jobseeker’s Allowance Regulations 1996 to allow PPF payments and Financial Assistance Scheme (“FAS”) payments to be included in the calculation of entitlement to contribution-based jobseeker’s allowance in the same way as for pension payments. It further provides for PPF payments or FAS payments to be disregarded where they are made to the survivor of a person entitled to such payments, in the same circumstances as pension payments would be.