Draft Order laid before Parliament under sections 150A(2) and 190(1)(a) of the Social Security Administration Act 1992, for approval by resolution of each House of Parliament.

DRAFT STATUTORY INSTRUMENTS

2016 No.

SOCIAL SECURITY

The Social Security Benefits Up-rating Order 2016

Made - - - - 2016

Coming into force in accordance with Article 1

The Secretary of State for Work and Pensions has made a review as required by section 150A(1) of the Social Security Administration Act 1992(**1**) and it appeared to the Secretary of State that the general level of earnings was greater at the end of the period under review than it was at the beginning of the period.

A draft of this Order was laid before Parliament in accordance with sections 150A(2) and 190(1)(a)(**2**) of that Act, and approved by a resolution of each House.

The Treasury(**3**) has consented to the making of this Order.

Accordingly, the Secretary of State for Work and Pensions, in exercise of the powers conferred by sections 150A and 189(1), (4) and (5)(**4**) of the Social Security Administration Act 1992, makes the following Order.

Citation and commencement

1.—(1) This Order may be cited as the Social Security Benefits Up-rating Order 2016.

(2) This Order shall come into force for the purposes of—

(a) this article, articles 2 and 3(c) and the Schedule so far as it relates to Part V of Schedule 4 to the Contributions and Benefits Act, on 6th April 2016;

(b) articles 3(a) and (b), 4 and 5, and the remaining parts of the Schedule, on 11th April 2016;

(**1**) 1992 c. 5. Section 150A was inserted by section 5(1) of the Pensions Act 2007 (c.22) and amended by section 23 of, and paragraphs 8, 19 and 82 of Schedule 12 to, the Pensions Act 2014 (c.19) ("the 2014 Act") and regulation 7 of S.I. 2014/2888.

(**2**) Section 190(1)(a) was amended by section 86 of, and paragraph 110(1) of Schedule 7, and Schedule 8, to the Social Security Act 1998 (c.14) ("the 1998 Act"), section 88 of, and Part VI of Schedule 13 to, the Welfare Reform and Pensions Act 1999 (c.30), section 5(2) of, and paragraph 30 of Schedule 1 to, the Pensions Act 2007 and section 23 of, and paragraphs 8 and 27 of Schedule 12 to, the 2014 Act.

(**3**) *See* section 189(8) of the Social Security Administration Act 1992.

(**4**) Section 189(1) was amended by section 86 of, and paragraph 109(a) of Schedule 7, and Schedule 8, to the 1998 Act, section 2 of, and paragraph 57 of Schedule 3 to, the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c.2) and section 60 of, and Schedule 6 to, the Tax Credits Act 2002 (c.21). Section 189(4) was amended by section 86 of, paragraph 109(c) of Schedule 7, and Schedule 8, to the 1998 Act and by S.I. 2013/252. Section 109(5) was amended by section 86 of, paragraph 109(d) of Schedule 7, and Schedule 8, to the 1998 Act.

(c) article 6, in so far as it relates to a particular beneficiary, on the first day of the first benefit week to commence for that beneficiary on or after 11th April 2016, and for the purpose of this sub-paragraph "benefit week" has the same meaning as in the State Pension Credit Regulations 2002(**5**).

Interpretation

2. In this Order "the Contributions and Benefits Act" means the Social Security Contributions and Benefits Act 1992(**6**).

Amounts of certain benefits under the Contributions and Benefits Act

3. The following sums shall be increased to the amounts set out in the Schedule—

(a) the sum specified in Part I of Schedule 4 to the Contributions and Benefits Act for Category B retirement pension where section 48A(4) or 48AA(4) applies;

(b) the sum specified in Part III of that Schedule for Category D retirement pension; and

(c) the sums specified in Part V of that Schedule for widow's pension (apart from the amount of the initial rate) and widower's pension.

Increase in amount of basic pension in a Category A retirement pension under the Contributions and Benefits Act

4. In section 44(4) of the Contributions and Benefits Act(**7**) (basic pension in a Category A retirement pension) for "£115.95" substitute "£119.30".

Increase in amount of Category C retirement pension under the Social Security (Widow's Benefit and Retirement Pensions) Regulations 1979

5. In regulation 11(3) of the Social Security (Widow's Benefit and Retirement Pensions) Regulations 1979(**8**) (Category C retirement pension for widows of men over pensionable age on 5th July 1948) for "£69.50" substitute "£71.50".

State Pension Credit

6. In regulation 6 of the State Pension Credit Regulations 2002(**9**) (amount of the guarantee credit)—

(a) in paragraph (1)(a) for "£230.85" substitute "£237.55";

(b) in paragraph (1)(b) for "£151.20" substitute "£155.60".

(**5**) S.I. 2002/1792.
(**6**) 1992 c. 4 ("the Contributions and Benefits Act").
(**7**) Section 44(4) was substituted by section 68 of the 1998 Act and amended by section 67 of, and Schedule 8 to, the Welfare Reform Act 2007 (c.5) and S.I. 2015/457.
(**8**) S.I. 1979/642: relevant amending instruments are S.I. 1987/1854, 1989/1642 and 2015/1985.
(**9**) Relevant amending instrument is S.I. 2015/457.