

Social Security News

Issue 167 February 2019

This News Bulletin is intended to brief those with a special interest in social security matters of the changes in the law following each sitting of Tynwald at which the changes are approved.

Copies of the Order and Regulations referred to in this bulletin may be obtained from:

Tynwald Library, Legislative Buildings, Douglas, IM1 3PW.

Tel: 01624 685520

Email: library@tyrwald.org.im

Website: www.tynwald.org.im/links/tls

The relevant document number is shown against the item.

For more details on the Order and Regulations described in this newsletter

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In this issue:

S.D. 2019/0014 relates to the annual uprating of certain social security benefits, allowances and state pensions which come into effect (in most cases) from the week commencing 8th April 2019.

S.D. 2019/0015 provides that where a question has arisen about the effect of the Social Security Benefits Uprating Order 2019 (S.D. 2019/0014) on a benefit already in payment, the altered rates will not apply until that question is determined by an adjudication officer, the social security appeal tribunal or the Social Security Commissioner. It also restricts the application of the increases specified in the Social Security Benefits Uprating Order 2019 in cases where the beneficiary is not ordinarily resident in the IOM.

S.D. 2019/0019 makes two sets of changes to the Maternity and Funeral Expenses (General) (Isle of Man) Regulations 2007 to increase the amount of the Maternity Payment and to increase certain allowances for a Funeral Payment.

S.D. 2019/0017 amends the Pension (Top-up) Order 2016, so that persons entitled to a pension top-up immediately before 8th April 2019 will benefit from a 2.6% increase in the rate of their top-up (the same rate of increase as for basic state pension) from 8th April 2019.



Isle of Man
Government
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S.D. 2019/0016 amends the Pension Supplement Scheme 2001. The changes made reduce the percentages by which the rate of basic pension and other qualifying benefits are multiplied in calculating the rate of pension supplement payable from 8th April 2019, in order to avoid what would otherwise be automatic increases in the rates payable.

S.D. 2019/0018 increases the rate of the winter bonus from £300 to £350.

S.D. 2019/0020 sets the full rate of the new Manx state pension from 6th April 2019 as £184.15 per week.

Social Security Benefits Up-rating Order 2019

S.D. 2019/0014

This Order ("the 2019 Up-rating Order") relates to the annual up-rating of certain social security benefits, allowances and state pensions applying in the IOM which come into effect (in most cases) from the week commencing 8th April 2019.

Most benefit rates and allowances will increase in line with CPI, which was 2.4% (both in the Island and in the UK) at the customary reference point of September.

Exceptions include -

- Basic state pensions will increase by 2.6%;
- Child benefit rates will increase by 5.0%;
- Attendance Allowance (AA) & Disability Living Allowance (DLA) rates will increase by 3.4% (except for the higher rate mobility component, which will increase by 2.4% to keep it in line with the UK rate);
- Income support disability premiums and disabled child premiums will increase by 5.0%;
- Employed Person's Allowance (EPA) "basic" allowances for disabled workers will increase by 5.0%, whilst "basic" allowances for other workers will increase by 2.9%.

Social Security Benefits Up-rating Regulations 2019

S.D. 2019/0015

These Regulations provide that where a question has arisen about the effect of the Social Security Benefits Up-rating Order 2019 ("the Up-rating Order") on a benefit already in payment, the altered rates will not apply until that question is determined by an adjudication officer, the social security appeals tribunal or the Social Security Commissioner.

The Regulations also apply the provisions of regulation 5 of the Social Security Benefit (Persons Abroad) Regulations 1975 (as they have effect in the Island) so as to restrict the application of the increases specified in the Up-rating Order in cases where the beneficiary is not ordinarily resident in the Isle of Man. Beneficiaries living in certain countries do not receive annual increases in their state pensions.

Maternity and Funeral Expenses (General) (Isle of Man) (Amendment) Regulations 2019

S.D. 2019/0019

These Regulations make two sets of changes to the Maternity and Funeral Expenses (General) (Isle of Man) Regulations 2007 ("the Maternity and Funeral Expenses Regulations"), as follows.

Under the Maternity and Funeral Expenses Regulations a person on a low income benefit can qualify for limited help towards paying maternity and funeral costs ("maternity payments" and "funeral payments").

The amount of the maternity payment is increased from £500 to £600, for most cases. However, where a person has received a maternity payment in the 3 years immediately before making their latest claim for a maternity payment the amount payable is halved (so is increased from £250 to £300).

The maximum amounts allowable for a funeral payment are also increased, in line with inflation. This includes allowances towards a minister's fee, an organist's fee and any other funeral expenses not specifically mentioned in the Maternity and Funeral Expenses Regulations which qualify as relevant expenditure for a funeral payment.

Pension (Top-up) (Amendment) Order 2019

S.D. 2019/0017

This Order amends the Pension (Top-up) Order 2016.

The changes made mean that persons entitled to a pension top-up immediately before 8th April 2019 will benefit from a 2.6% increase in the rate of their top-up (the same rate of increase as for basic state pension) from 8th April 2019.

Pension Supplement (Amendment) Order 2019

S.D. 2019/0016

This Order amends the Pension Supplement Scheme 2001 ("the Scheme").

The changes made reduce the percentages by which the rate of basic pension and other qualifying benefits are multiplied in calculating the rate of pension supplement payable from 8th April 2019.

For people who get a Category A or Category B retirement pension, the percentage is reduced from 42.675% to 41.602%. For people who get widowed mother's allowance, widow's pension and widowed parent's allowance, the percentage is reduced from 45.132% to 44.078%.

As a result of these reductions, the rates of pension supplement payable in 2019/20 will be the same as in 2018/19 (for example, £53.75 per week with a 100% category A retirement pension).

Social Security (Winter Bonus) (Amendment) Order 2019

S.D. 2019/0018

This Order increases the rate of winter bonus payable to certain persons entitled to income support from £300 to £350.

Social Security Legislation (Benefits) (Application) Order 2019

S.D. 2019/0020

This Order applies one statutory instrument of the United Kingdom to the Island.

That instrument specifies that the full rate of the new Manx state pension payable from 6th April 2019 will be £184.15 per week.