STATUTORY INSTRUMENTS

2025 No. 865

SOCIAL SECURITY

The Social Security (Contributions) (Amendment No. 6) Regulations 2025

Made - - - -	*15th July 2025*
Laid before Parliament	*16th July 2025*
Coming into force - -	*7th August 2025*

The Treasury make these Regulations in exercise of the powers conferred by section 3(2) and (3) of the Social Security Contributions and Benefits Act 1992(**a**), and section 3(2) and (3) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(**b**) and now exercisable by them.

The Secretary of State and the Department for Communities concur in the making of these Regulations.

Citation and commencement

1. These Regulations may be cited as the Social Security (Contributions) (Amendment No. 6) Regulations 2025 and come into force on 7th August 2025.

Amendment of the Social Security (Contributions) Regulations 2001

2. In paragraph 31 of Part 10 of Schedule 3 to the Social Security (Contributions) Regulations 2001 (payments to be disregarded in the calculation of earnings for the purposes of earnings-related contributions)(**c**), for sub-paragraph (1) substitute—

> "(1) A payment of compensation made by the Department for Business and Trade to a person eligible under the Horizon Convictions Redress Scheme announced by His Majesty's Government on 13th March 2024 who—

(**a**) 1992 c. 4. Section 3(2) was amended by paragraph 3 of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999 (c. 2.), so that the power to make regulations became exercisable by the Treasury with the concurrence of the Secretary of State.

(**b**) 1992 c. 7. ("the 1992 NI Act"). Section 3(2) was amended by paragraph 4 of Schedule 3 to S.I. 1999/671 so that the power to make regulations became exercisable by the Treasury with the concurrence of the Department of Health and Social Services for Northern Ireland. The functions of the Department of Health and Social Services for Northern Ireland under the 1992 NI Act were transferred to the Department for Social Development by Article 8(b) of, and Part 2 of Schedule 6 to, the Departments (Transfer and Assignment of Functions) Order (Northern Ireland) 1999 (S.R. 1999 No 481). The Department for Social Development was renamed the Department for Communities by section 1(7) of the Departments Act (Northern Ireland) 2016 (c. 5. (N.I.)).

(**c**) S.I. 2001/1004, amended by S.I. 2024/822; there are other amending instruments but none is relevant.

(a) has a conviction involving the Horizon System(**a**) quashed by legislation or by a court,

(b) received a caution of any kind for an offence involving the Horizon system,

(c) in Scotland received an alternative to prosecution within the definition given in section 4(5) of the Post Office (Horizon System) Offences (Scotland) Act 2024(**b**), or received a purported alternative to prosecution from Post Office Limited(**c**), or

(d) was the subject of a criminal prosecution involving the Horizon system but was not convicted.".

Nicholas Dakin
Jeff Smith
15th July 2025 Two of the Lords Commissioners of His Majesty's Treasury

The Secretary of State concurs as indicated in the preamble.
Signed by authority of the Secretary of State for Work and Pensions.

Stephen Timms
Minister of State
14th July 2025 Department for Work and Pensions

The Department for Communities concurs as indicated in the preamble.
Sealed with the Official Seal of the Department for Communities on 11th July 2025.

L.S.

David Tarr
11th July 2025 A senior officer for the Department for Communities

(**a**) "The Horizon System" has the meaning given in paragraph 31(4) of Part 10 of Schedule 3 to S.I. 2001/1004.
(**b**) 2024 asp 6.
(**c**) "Post Office Limited" has the meaning given in paragraph 31(4) of Part 10 of Schedule 3 to S.I. 2001/1004.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security (Contributions) Regulations 2001 (S.I. 2001/1004) to clarify that payments of compensation made under the Horizon Convictions Redress Scheme will be disregarded in the calculation of earnings for the purpose of establishing liability to Class 1 National Insurance Contributions for an expanded group of people eligible under the Scheme. Payments will be made under the Scheme by the Department for Business and Trade to persons who have had a conviction involving the Horizon system quashed, whether by legislation or by the courts, received a caution of any kind, received an alternative to prosecution or a purported alternative to prosecution in Scotland and to persons who were the subject of a criminal prosecution involving the Horizon system but were not convicted.

A Tax Information and Impact Note has not been prepared for this instrument as it contains no substantive changes to NICs policy.

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