STATUTORY INSTRUMENTS

2025 No. 1132

SOCIAL SECURITY

The Social Security (Contributions) (Amendment No. 7) Regulations 2025

Made - - - -	*28th October 2025*
Laid before Parliament	*29th October 2025*
Coming into force - -	*20th November 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. 7) Regulations 2025 and come into force on 20th November 2025.

Amendment of the Social Security (Contributions) Regulations 2001

2. In 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**) after paragraph 32 insert—

(**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. 2011/225, 2023/186, 2024/187 and 2025/429. There are other amending instruments but none is relevant.

"Post Office Capture Redress Scheme payments

33.—(1) A payment of compensation made by the Department for Business and Trade to a person under the Post Office Capture Redress Scheme or to a nominated individual.

(2) A relevant onward payment of a payment defined in paragraph (1).

(3) In this paragraph—

"the Capture system" means any version of the computer system used by Post Office Limited known as Capture or the Capture Accounting System;

"nominated individual" means any person who was a shareholder or a director of a company or a partner in a partnership which ceased to exist and that would have been eligible for compensation under the Post Office Capture Redress Scheme;

"Post Office Capture Redress Scheme" means the scheme announced by His Majesty's Government on 19th June 2025 to compensate people adversely affected by the Capture system;

"Post Office Limited" has the same meaning as in paragraph 26(3);

"relevant onward payment" has the same meaning as in paragraph 28(5).".

Christian Wakeford
Stephen Morgan
28th October 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
22nd October 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 21st October 2025.

L.S.

David Tarr
21st October 2025 — A senior officer of the Department for Communities

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Social Security (Contributions) Regulations 2001 (S.I. 2001/1004) to provide that a payment made to persons under the Post Office Capture Redress Scheme or to nominated individuals is disregarded in the calculation of earnings for the purpose of establishing liability to Class 1 National Insurance Contributions.

The Department for Business and Trade makes payments under the Post Office Capture Redress Scheme and to nominated individuals to compensate those who have been adversely affected by the Capture system.

Relevant onward payments are payments made by a company who is a recipient of a payment under the Post Office Capture Redress Scheme to an individual who is or was a director or employee of that company for the purpose of passing on all or part of that compensation payment to that individual.

A Tax Information and Impact Note covering this instrument will be published on the website at: https://www.gov.uk/government/collections/tax-information-and-impact-notes-tiins.

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ISBN 978-0-34-827606-0

£6.40

http://www.legislation.gov.uk/id/uksi/2025/1132