STATUTORY INSTRUMENTS

2016 No. 158

SOCIAL SECURITY

The Social Security (Reciprocal Agreements) Order 2016

Made - - - - 10th February 2016
Coming into force - - 6th April 2016

At the Court at Buckingham Palace, the 10th day of February 2016
Present,
The Queen's Most Excellent Majesty in Council

The Orders in Council specified in Schedule 2 to this Order modified or adapted certain enactments so as to give effect to the agreements set out in the Schedules to those Orders.

Her Majesty's Government in consequence of changes in the law of Great Britain has proposed to each of the Governments with whom the United Kingdom has made such an agreement, alterations to the agreement.

Section 179(1)(b), (2), (4) and (5) of the Social Security Administration Act 1992(**1**) provides that for the purpose of giving effect to any such agreement as it would be if it were so altered in accordance with such proposals, Her Majesty may by Order in Council make provision for modifying or adapting the Social Security Administration Act 1992, the Social Security Contributions and Benefits Act 1992(**2**) and Part 1 of the Pensions Act 2014(**3**), and any regulations made under those Acts or that Part, in their application to cases affected by the proposed alterations.

Accordingly, Her Majesty is pleased by and with the advice of Her Privy Council, in exercise of the powers conferred by section 179(1)(b), (2) and (5) and section 189(4) and (5)(**4**) of the Social Security Administration Act 1992, to order as follows.

Citation and commencement

1. This Order may be cited as the Social Security (Reciprocal Agreements) Order 2016 and shall come into force on 6th April 2016.

(**1**) 1992 c.5. Section 179 is to be amended by paragraph 25 of Schedule 12 to the Pensions Act 2014 (c.19). Other amendments to section 179 are not relevant to this Order.
(**2**) 1992 c.4.
(**3**) 2014 c.19.
(**4**) Sub-sections (4) and (5) of section 189 were amended by paragraph 109 of Schedule 7 to the Social Security Act 1998 (c.14).

Modification of legislation

2. The Social Security Administration Act 1992, the Social Security Contributions and Benefits Act 1992, Part 1 of the Pensions Act 2014 and regulations made under those Acts or that Part, shall be modified to such extent as may be required to give effect to—

(a) the alterations set out in Schedule 1 which are proposed to the agreements set out in the Schedules to the Orders in Council specified in Schedule 2;

(b) the alterations set out in Schedule 3 which are proposed to the agreements set out in the Schedules to the Orders in Council referred to in Schedule 3.

Ceri King
Deputy Clerk of the Privy Council

SCHEDULE 1

Article 2

PROPOSED ALTERATIONS TO EXISTING AGREEMENTS

1. Subject to paragraphs 3 and 4 of this Schedule, where in the agreements set out in the Schedules to the Orders in Council specified in Schedule 2 there are references to a retirement pension, an old age pension, a pension for old age, a basic retirement pension or a basic old age pension (or any equivalent terms) under the legislation of the United Kingdom, such references shall be altered to include a reference to a state pension under Part 1 (state pension) of the Pensions Act 2014.

2. Where in the agreements set out in the Schedules to the Orders in Council specified in Schedule 2 to this Order, there are references to—

(a) the legislation to which the agreements apply, such references shall be altered to include a reference to Part 1 of the Pensions Act 2014;

(b) any increase in the rate of a United Kingdom pension payable while in the territory of the other party, such references shall be altered to include any increase in the rate of state pension under Part 1 of the Pensions Act 2014.

3. Where in the agreements set out in the Schedules to the Orders in Council specified in Schedule 2 to this Order, there are references to a person—

(a) who is entitled to an old age pension or basic retirement pension (or any equivalent terms) under the legislation of the United Kingdom otherwise than by virtue of the provisions of those agreements providing for the determination of entitlement to such pension, those references shall be altered to include a reference to a state pension under section 2 (entitlement to state pension at full or reduced rate) or 4 (entitlement to state pension at transitional rate) of the Pensions Act 2014;

(b) who is entitled to a category B retirement pension under the legislation of the United Kingdom being also entitled to have any category A retirement pension entitlement calculated in accordance with any provision in the agreements providing for the determination of such entitlement—

(i) those references to a category B retirement pension shall be altered to include a reference to a state pension under Part 1 of the Pensions Act 2014 other than a state pension under section 2 or 4 of the Pensions Act 2014; and

(ii) those references to a category A retirement pension shall be altered to include a reference to a state pension under section 2 or 4 of the Pensions Act 2014.

4. Where in the agreements set out in the Schedules to the Orders in Council specified in Schedule 2 to this Order, there are provisions for the determination of entitlement to an old age pension or basic retirement pension (or any equivalent terms), those provisions shall be altered so that they apply for the purposes of entitlement to a state pension under section 2 or 4 of the Pensions Act 2014 in the following way—

(a) the United Kingdom shall take account of contribution periods or equivalent periods completed by a person under the legislation of the other Party or Parties only for the purpose of determining whether that person has the minimum number of qualifying years for entitlement to a state pension under section 2 or 4 of the Pensions Act 2014;

(b) the United Kingdom shall pay to a person an amount of state pension under section 2 or 4 of the Pensions Act 2014 based only on the contributions paid, credited or treated as paid under its legislation.