STATUTORY RULES OF NORTHERN IRELAND

2009 No. 109

PENSIONS

Pensions Increase (Review) Order (Northern Ireland) 2009

Made - - - -	*13th March 2009*
Coming into operation	*6th April 2009*

In accordance with section 132 of the Social Security Administration (Northern Ireland) Act 1992(**1**) the Department for Social Development(**2**) has given a direction(**3**) that the sums which are the additional pensions in long-term benefits are to be increased by a specified percentage.

The Department of Finance and Personnel now makes the following Order in exercise of the powers conferred by Article 69(1), (2), (5) and (5ZA) of the Social Security Pensions (Northern Ireland) Order 1975(**4**) and now vested in it(**5**).

Citation and commencement

1. This Order may be cited as the Pensions Increase (Review) Order (Northern Ireland) 2009 and shall come into operation on 6th April 2009.

Interpretation

2.—(1) In this Order—

"the 1971 Act" means the Pensions (Increase) Act (Northern Ireland) 1971(**6**);

"the 1975 Order" means the Social Security Pensions (Northern Ireland) Order 1975;

(**1**) 1992 c. 8
(**2**) *See*S.R. 1999 No. 481 Art. 8(b) and Schedule 6 Part II
(**3**) Contained in S.R. 2009 No. 89. This direction corresponds to the direction given by the Secretary of State for Work and Pensions under section 150 of the Social Security Administration Act 1992 (c. 5)
(**4**) S.I. 1975/1503 (N.I. 15); Art. 69 was amended by S.I. 1979/396 (N.I. 5) Arts. 10(2), 16 and Sch. 3, S.I. 1985/1209 (N.I. 16) Art. 25(2) and Sch. 6, S.I. 1986/1888 (N.I. 18) Arts. 11(8), 19(1)(b), 83(1) and Sch. 9, para. 58, S.I. 1990/1509 (N.I. 13) Arts. 3(7) and 7, by section 4 and paragraph 14(19) of Schedule 2 to the Social Security (Consequential Provisions) (Northern Ireland) Act 1992 (1992 c. 9) and by section 184 of and paragraph 15(1) of Schedule 7 to the Pension Schemes (Northern Ireland) Act 1993 (1993 c. 49). Article 69 is modified by Article 69A, which was inserted by Article 10(3) of the Social Security (Northern Ireland) Order 1979 (S.I. 1979/396 (N.I. 5)), and amended by S.I. 1986/1888 (N.I. 18) Art. 11(9) and by section 184 of and paragraph 15(2) of Schedule 7 to the Pension Schemes (Northern Ireland) Act 1993. Art 69(5ZA) is amended by the Pensions (No. 2) Act (N.I.) 2008 (c. 13), section 110 and sch. 10 part 5, Arts 69(5ZB) and (5ZC) are added by 2008 c. 13 section 110; at the time this order was made the amendments were not in force.
(**5**) By S.R. 1976 No. 281 Art. 3 and Sch. 1 and S.I. 1982/338 (N.I. 6) Art. 4
(**6**) 1971 c. 35 (N.I.)

"basic rate" and "derivative pension" have the meanings given by section 15(1) of the 1971 Act(**7**);

"existing Orders" means the Orders referred to in the Schedule;

"official pension" has the meaning given by section 5(1) of the 1971 Act;

"pension authority" has the meaning given by section 7(1) of the 1971 Act;

"qualifying condition" means one of the conditions laid down in section 3 of the 1971 Act(**8**);

"relevant injury pension", "substituted pension" and "widow's pension" have the meanings given by section 15(1) of the 1971 Act.

(2) For the purpose of this Order the time when a pension "begins" is that stated in section 8(2) of the 1971 Act(**9**), and the "beginning date" shall be construed accordingly.

(3) Where, for the purposes of this Order, it is necessary to calculate the number of complete months in any period an incomplete month shall be treated as a complete month if it consists of at least 16 days.

Increases in certain pensions

3.—(1) The pension authority may, if any of the conditions in paragraph (2) are fulfilled, increase the annual rate of an official pension in respect of any period on or after 6th April 2009 as follows—

(a) a pension beginning before 7th April 2008 may be increased by 5.0 per cent of the basic rate (as increased by the amount of any increase under section 1 of the 1971 Act or the existing Orders);

(b) a pension beginning on or after 7th April 2008 and before 6th April 2009 may be increased by 5.0 per cent multiplied by—

where

(i) A is the number of complete months in the period between the beginning date of the pension and 6th April 2009; and

(ii) B is 12.

(2) Those conditions are—

(a) a qualifying condition is satisfied;

(b) the official pension is—

(i) a derivative pension;

(ii) a substituted pension; or

(iii) a relevant injury pension.

Increase in certain lump sums

4.—(1) This article applies to any lump sum or instalment of a lump sum which became payable on or after 7th April 2008 but before 6th April 2009.

(**7**) As amended by S.I. 1974/1267 (N.I. 2) Arts. 3(3) and 5(3)(b), S.I. 1990/1509 (N.I. 13) Art. 3(6) and S.I. 1999/3147 (N.I. 11) Art. 36(1) and (4)

(**8**) As amended by S.R. & O. (N.I.) 1972 No. 264, S.I. 1974/1267 (N.I. 2) Art. 5(2) and (3), S.I. 1987/2203 (N.I. 22) Art. 72(3) and Sch. 5 Part I, S.I. 1990/1509 (N.I. 13) Art. 3, S.I. 1995/3213 (N.I. 22) Arts. 163, 168 and Sch. 5 Part IV and S.I. 1999/3147 (N.I. 11) Art. 36(1) and (2)

(**9**) As amended by S.I. 1990/1509 (N.I. 13) Art. 3(5) and S.I. 1999/3147 (N.I. 11) Art.36 (1) and (3)

(2) The pension authority may increase a lump sum or instalment of a lump sum to which this article applies by 5.0 per cent of the amount of the lump sum or instalment (as increased by the amount of any increase under section 1 of the 1971 Act or under the existing Orders) multiplied by—

where

a A is the number of complete months in the period between the beginning date for the lump sum or, if later, 7th April 2008 and the date on which it became payable; and

b B is 12.

Reduction in respect of guaranteed minimum pensions

5. Where—

(a) a person is entitled to a guaranteed minimum pension on 6th April 2009; and

(b) entitlement to that guaranteed minimum arises from an employment from which (either directly or by virtue of the payment of a transfer credit) entitlement to the official pension also arises,

the amount by reference to which any increase in the rate of an official pension provided for by this Order is to be calculated shall be reduced by an amount equal to the rate of the guaranteed minimum pension unless the Department of Finance and Personnel(**10**) in accordance with the provisions of Article 69A(**11**) of the 1975 Order, otherwise directs.

6. The amount by reference to which any increase in the rate of a widow's or widower's pension provided for by this Order is to be calculated shall, where the pensioner becomes entitled on the death of the deceased spouse to a guaranteed minimum pension, be reduced in accordance with Article 69(5ZA)(**12**) of the 1975 Order.

Sealed with the Official Seal of the Department of Finance and Personnel on 13th March 2009

L.S.

John McKervill
A senior officer of the Department of Finance and Personnel

(**10**) *See*S.I. 1982/338 (N.I. 6) Art. 4

(**11**) Inserted by S.I. 1979/396 (N.I. 5) Art. 10 and amended by S.I. 1986/1888 (N.I. 18) Art. 11(9) and 1993 c. 49 section 184 and paragraph 15(2) of sch. 7

(**12**) Inserted by S.I. 1990/1509 (N.I. 13) Art. 7(1)