STATUTORY RULES OF NORTHERN IRELAND

2006 No. 37

PENSIONS

SOCIAL SECURITY

The Pensions (2004 Act and 2005 Order) (PPF Payments and FAS Payments) (Consequential Provisions) Order (Northern Ireland) 2006

Made - - - -	*13th February 2006*
Coming into operation	*14th February 2006*

The Department for Social Development makes the following Order in exercise of the powers conferred by Articles 287(3) and 290(2) of the Pensions (Northern Ireland) Order 2005(**1**).

Citation, commencement and interpretation

1.—(1) This Order may be cited as the Pensions (2004 Act and 2005 Order) (PPF Payments and FAS Payments) (Consequential Provisions) Order (Northern Ireland) 2006 and shall come into operation on 14th February 2006.

(2) In this Order—

"FAS payments" means payments made under the Financial Assistance Scheme Regulations 2005(**2**);

"PPF payments" means any payments made in relation to a person—

(a) under the pension compensation provisions as specified in Article 146(2) of the Pensions (Northern Ireland) Order 2005(**3**) or section 162(2) of the Pensions Act 2004(**4**) (the pension compensation provisions), or

(b) under Article 150 of the Pensions (Northern Ireland) Order 2005 or section 166 of the Pensions Act 2004 (duty to pay scheme benefits unpaid at assessment date etc.).

(**1**) S.I. 2005/255 (N.I. 1)
(**2**) S.I. 2005/1986, amended by S.I. 2005/3256
(**3**) Articles 146 and 150 are modified by S.R. 2005 Nos. 55 and 91 as amended by S.R. 2005 No. 357
(**4**) 2004 c. 35; sections 162 and 166 are modified by S.I. 2005/277 and 441 as amended by S.I. 2005/993 and 2113

Amendments of legislation

2. The Schedule, which contains amendments of provisions of certain legislation relating to pensions and benefit payments and extends those provisions to take into account PPF payments and FAS payments, shall have effect.

Sealed with the Official Seal of the Department for Social Development on 13th February 2006.

D. A. Baker
A senior officer of the
Department for Social Development

SCHEDULE Article 2

AMENDMENTS OF LEGISLATION

PART 1

AMENDMENT OF THE CONTRIBUTIONS AND BENEFITS ACT

1.—(1) The Contributions and Benefits Act shall be amended in accordance with sub-paragraphs (2) to (4).

(2) In section 30DD(**5**) (incapacity benefit: reduction for pension payments)—

(a) in the heading after "pension payments" there shall be inserted "and PPF periodic payments";

(b) for subsection (1) there shall be substituted the following subsection—

"(1) Where—

(a) a person is entitled to incapacity benefit in respect of any period of a week or part of a week;

(b) there is—

(i) a pension payment;

(ii) a PPF periodic payment; or

(iii) any combination of the payments specified in sub-paragraphs (i) and (ii) above,

payable to him in respect of that period (or a period which forms part of that period or includes that period or part of it); and

(c) the amount of the payment or payments (or, as the case may be, the amount which in accordance with regulations is to be taken as payable to him by way of pension payments or PPF periodic payments in respect of that period), when taken together exceeds the threshold,

the amount of that benefit shall be reduced by an amount equal to 50 per cent. of that excess.";

(c) in subsection (4)(b) and (c) after "pension payments" there shall be inserted "or PPF periodic payments".

(3) In section 89(**6**) (earnings to include occupational and personal pensions for purposes of provisions relating to increases of benefits in respect of adult dependants)—

(a) in the heading after "personal pensions" there shall be inserted "etc.";

(b) after subsection (1) there shall be inserted the following subsection—

"(1A) Except as may be prescribed, in sections 82 to 86A(**7**) above, and in regulations under section 86A above, any reference to earnings includes a reference to payments by way of PPF periodic payments.";

(**5**) Section 30DD was inserted by Article 60 of the Welfare Reform and Pensions (Northern Ireland) Order 1999 (S.I. 1999/3147 (N.I. 11))

(**6**) Section 89 was amended by paragraph 26 of Schedule 1 to the Social Security (Incapacity for Work) (Northern Ireland) Order 1994 (S.I. 1994/1898 (N.I. 12)) and Schedule 6 to the Tax Credits Act 2002 (c. 21)

(**7**) Section 82 was amended by paragraph 7 of Schedule 2, and Schedule 3, to the Jobseekers (Northern Ireland) Order 1995 (S.I. 1995/2705 (N.I. 15)) and paragraph 89 of Schedule 24 to the Civil Partnership Act 2004 (c. 33), and is amended by paragraph 31 of Schedule 1 to the Child Benefit Act 2005 (c. 6) with effect from 10th April 2006. Section 83 was amended by Schedule 2 to the Social Security (Incapacity for Work) (Northern Ireland) Order 1994. Section 84 was amended by paragraph