STATUTORY RULES OF NORTHERN IRELAND

2001 No. 440

SOCIAL SECURITY PENSIONS

The Additional Pension and Social Security Pensions (Home Responsibilities) (Amendment) Regulations (Northern Ireland) 2001

Made - - - - 31st December 2001

Coming into operation 6th April 2002

The Department for Social Development, in exercise of the powers conferred by sections 44A(2)(*c*)(ii), 121(5) and 171(1), (4) and (5) of, and paragraph 5(7)(*b*) and (7A) of Schedule 3 and paragraph 9 of Schedule 4A to, the Social Security Contributions and Benefits (Northern Ireland) Act 1992(**1**), and now vested in it(**2**), and of all other powers enabling it in that behalf, hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Additional Pension and Social Security Pensions (Home Responsibilities) (Amendment) Regulations (Northern Ireland) 2001 and shall come into operation on 6th April 2002.

(2) In these Regulations—

"the Administration Act" means the Social Security Administration (Northern Ireland) Act 1992(**3**);

"the Contributions and Benefits Act" means the Social Security Contributions and Benefits (Northern Ireland) Act 1992;

"the Pensions Act" means the Pension Schemes (Northern Ireland) Act 1993(**4**);

"the 1994 Regulations" means the Social Security Pensions (Home Responsibilities) Regulations (Northern Ireland) 1994(**5**);

(**1**) 1992 c. 7; section 44A was inserted by section 29(3) of the Child Support, Pensions and Social Security Act (Northern Ireland) 2000 (c. 4 (N.I.)); paragraph 5(7A) of Schedule 3 was inserted by section 36 of that Act; Schedule 4A was inserted by Schedule 4 to that Act

(**2**) *See* Article 8(*b*) of S.R. 1999 No. 481

(**3**) 1992 c. 8

(**4**) 1993 c. 49

(**5**) S.R. 1994 No. 89

"appropriate table" means—

(a) in the case of a person attaining pensionable age(**6**) after the end of the year 2002-03 but before 6th April 2009, Table 5 of paragraph 7(3) of Schedule 4A to the Contributions and Benefits Act (additional pension);

(b) in the case of a person attaining pensionable age on or after 6th April 2009, Table 6 of paragraph 7(4) of that Schedule;

"contracted-out employment" means employed earner's employment qualifying a person for a pension provided by a salary related contracted-out scheme or a money purchase contracted-out scheme or an appropriate personal pension scheme, as the case may be;

"contributions equivalent premium" means the premium referred to in section 51(2) of the Pensions Act(**7**);

"non-contracted-out employment" means employed earner's employment which is not contracted-out employment;

"year" means a tax year.

(3) In these Regulations "appropriate personal pension scheme", "money purchase contracted-out scheme" and "salary related contracted-out scheme" have the same meanings as in the Pensions Act.

(4) The Interpretation Act (Northern Ireland) 1954(**8**) shall apply to these Regulations as it applies to an Act of the Assembly.

Calculation of additional pension where contributions equivalent premium paid or treated as paid

2. Where a contributions equivalent premium—

(a) is paid in accordance with the provisions of sections 51 to 57(**9**) of the Pensions Act (which deal with the payment of a contributions equivalent premium in respect of specified periods of contracted-out employment) and regulations made thereunder, or

(b) is treated as having been paid in accordance with the provisions of paragraph 5(3) to (3E)(**10**) of Schedule 1 to the Pensions Act (which provide for a contributions equivalent premium to be treated as paid in respect of contracted-out employment in certain circumstances) and regulations made thereunder,

the amount referred to in section 45(2)(*c*)(**11**) of the Contributions and Benefits Act (which provides for the calculation of the amount of additional pension in a Category A retirement

(**6**) Definition of "pensionable age" in section 121(1) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 was substituted by paragraph 9 of Schedule 2 to the Pensions (Northern Ireland) Order 1995 (S.I.1995/3213 (N.I. 22))

(**7**) Section 51 was amended by Article 138(1) of, and paragraph 42 of Schedule 3 to, the Pensions (Northern Ireland) Order 1995 and paragraph 63 of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (S.I. 1999/671), and is amended by paragraph 7(2) of Schedule 2 to the Welfare Reform and Pensions Act 1999 (c. 30)

(**8**) 1954 c. 33 (N.I.)

(**9**) Section 52 was amended by paragraph 43 of Schedule 3 to the Pensions (Northern Ireland) Order 1995 and paragraph 64 of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999. Section 53 was amended by paragraph 14 of Schedule 3 to the Pensions (Northern Ireland) Order 1995 and paragraph 65 of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999. Section 54 was amended by paragraph 44 of Schedule 3 to the Pensions (Northern Ireland) Order 1995 and paragraph 6(1) of Schedule 5 to the Child Support, Pensions and Social Security Act 2000 (c. 19). Section 55 was repealed by paragraph 45 of Schedule 3 to the Pensions (Northern Ireland) Order 1995. Section 56 was amended by paragraph 46 of Schedule 3 to that Order. Section 57 was amended by paragraph 47 of Schedule 3 to that Order, paragraph 66 of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 and paragraph 6(2) of Schedule 5 to the Child Support, Pensions and Social Security Act 2000

(**10**) Paragraph 5(3) was amended, and sub-paragraphs (3A) to (3E) were inserted, by Article 138(2)(*a*) and (*b*) of the Pensions (Northern Ireland) Order 1995 and sub-paragraphs (3) to (3C) were amended by paragraph 77(5)(*b*) and (*c*) of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999

(**11**) Section 45(2)(*c*) was inserted by section 30(1)(*c*) of the Child Support, Pensions and Social Security Act (Northern Ireland) 2000

pension in relation to the year 2002-03 and subsequent years) is to be calculated in accordance with Parts I and II of Schedule 4A to the Contributions and Benefits Act (the amount and surplus earnings factor) as if the employment in respect of which a premium is paid, or treated as paid, had not been contracted-out employment.

Calculation of additional pension: earnings partly from employment with contracted-out scheme membership

3.—(1) This regulation applies in relation to any year where earnings are paid to or for the benefit of an earner—

(a) partly in respect of non-contracted-out employment, and

(b) partly in respect of employment qualifying him for a pension provided by a salary related contracted-out scheme or a money purchase contracted-out scheme, or both.

(2) For any year in relation to which this regulation applies, the amount referred to in paragraph 1(1)(*a*) of Schedule 4A to the Contributions and Benefits Act shall be amount C where—

(a) amount C is equal to amount A minus amount B, and

(b) amounts A and B are calculated in accordance with paragraphs (3) and (4).

(3) Amount A is to be calculated in accordance with paragraph 5 of Schedule 4A to the Contributions and Benefits Act.

(4) Amount B is to be calculated as follows—

(a) find the earnings factor derived from the aggregate of the amounts of weekly earnings paid in that year in respect of the employment referred to in paragraph (1)(*b*);

(b) deduct from that earnings factor an amount equal to the weekly lower earnings limit for the year multiplied by the number of tax weeks in which earnings were paid in respect of that employment;

(c) multiply the amount found under sub-paragraph (*b*) in accordance with the last order under section 130(**12**) of the Administration Act (revaluation of earnings factors) to come into operation before the end of the final relevant year;

(d) multiply the amount found under sub-paragraph (*c*) by the percentage specified in paragraph 6(3) of Schedule 4A to the Contributions and Benefits Act which is applicable in the case of the earner.

Calculation of additional pension: earnings partly from employment with scheme membership

4.—(1) This regulation applies in relation to any year where earnings are paid to or for the benefit of an earner—

(a) partly in respect of non-contracted-out employment, and

(b) partly in respect of employment qualifying him for a pension provided by an appropriate personal pension scheme.

(2) For any year in relation to which this regulation applies, the amount referred to in paragraph 1(1)(*a*) of Schedule 4A to the Contributions and Benefits Act shall be amount C where—

(a) amount C is equal to amount A minus amount B, and

(b) amounts A and B are calculated in accordance with paragraphs (3) and (4).

(**12**) Section 130 was amended by paragraph 40 of Schedule 7 to the Pension Schemes (Northern Ireland) Act 1993 and by Article 125(3) of the Pensions (Northern Ireland) Order 1995 subject to paragraphs (4) to (6) of that Article

(3) Amount A is to be calculated in accordance with paragraph 5 of Schedule 4A to the Contributions and Benefits Act.

(4) Amount B is to be calculated as follows—

(a) find the earnings factor derived from the aggregate of the amounts of weekly earnings paid in that year in respect of employment qualifying the earner for a pension provided by an appropriate personal pension scheme;

(b) deduct from that earnings factor an amount equal to the qualifying earnings factor for that year;

(c) calculate the part of the amount found under sub-paragraph (*b*) falling into each of the bands specified in the appropriate table;

(d) multiply the amount of each such part in accordance with the last order under section 130 of the Administration Act to come into operation before the end of the final relevant year;

(e) multiply each amount found under sub-paragraph (*d*) by such percentage specified in the appropriate table in relation to the appropriate band as is applicable in the case of the earner;

(f) add together the amounts calculated under sub-paragraph (*e*).

Calculation of additional pension: other cases of mixed forms of contracted-out employment

5.—(1) This regulation applies in relation to any year where earnings are paid to or for the benefit of an earner—

(a) partly in respect of—

(i) employment qualifying him for a pension provided by a salary related contracted-out scheme or a money purchase contracted-out scheme, or both, and

(ii) employment qualifying him for a pension provided by an appropriate personal pension scheme, or

(b) partly in respect of—

(i) non-contracted-out employment;

(ii) employment qualifying him for a pension provided by a salary related contracted-out scheme or a money purchase contracted-out scheme, or both, and

(iii) employment qualifying him for a pension provided by an appropriate personal pension scheme.

(2) For any year in relation to which this regulation applies, the amount referred to in paragraph 1(1)(*a*) of Schedule 4A to the Contributions and Benefits Act shall be amount C where—

(a) amount C is equal to amount A minus amount B, and

(b) amounts A and B are calculated in accordance with paragraphs (3) and (4).

(3) Amount A is to be calculated in accordance with paragraph 5 of Schedule 4A to the Contributions and Benefits Act.

(4) Amount B is the sum of amount D and amount E, and—

(a) amount D is to be calculated as follows—

(i) find the earnings factor derived from the aggregate of the amounts of weekly earnings paid in that year in respect of the employment referred to in paragraph (1)(*a*)(i) or, as the case may be, (*b*)(ii);

(ii) deduct from that earnings factor an amount equal to the weekly lower earnings limit for the year multiplied by the number of tax weeks in which earnings were paid in respect of that employment;