STATUTORY RULES OF NORTHERN IRELAND

2000 No. 360

PENSIONS

The Social Security (Contracting-out and Qualifying Earnings Factor and Revision of Relevant Pensions) Regulations (Northern Ireland) 2000

Made - - - -	*22nd November 2000*
Coming into operation	*29th December 2000*

The Department for Social Development, in exercise of the powers conferred by sections 44A(5) and 177(2) to (4) of the Pension Schemes (Northern Ireland) Act 1993(**1**) and now vested in it(**2**), and the powers conferred on it by section 34(5) of the Child Support, Pensions and Social Security Act (Northern Ireland) 2000(**3**) 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 Social Security (Contracting-out and Qualifying Earnings Factor and Revision of Relevant Pensions) Regulations (Northern Ireland) 2000 and shall come into operation on 29th December 2000.

(2) For the purpose of these Regulations—

"the 1992 Act" means the Social Security Contributions and Benefits (Northern Ireland) Act 1992(**4**);

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

"the 2000 Act" means the Child Support, Pensions and Social Security Act (Northern Ireland) 2000;

"relevant pension" has the meaning given to it in section 34(6) of the 2000 Act.

(3) The Interpretation Act (Northern Ireland) 1954(**5**) shall apply to these Regulations as it applies to an Act of the Assembly.

(**1**) 1993 c. 49; section 44A was inserted by Article 137(1) of the Pensions (Northern Ireland) Order 1995 (S.I.1995/3213 (N.I. 22)) and subsection (5) was amended by section 34 of the Child Support, Pensions and Social Security Act (Northern Ireland) 2000 c. 4 (N.I.)
(**2**) *See* Article 8(*b*) of S.R. 1999 No. 481
(**3**) 2000 c. 4 (N.I.)
(**4**) 1992 c. 7
(**5**) 1954 c. 33 (N.I.)

Modification of the application of section 44(5A) of the 1992 Act

2.—(1) Where, by virtue of section 44A(1) of the 1993 Act, section 44(6) of the 1992 Act(**6**) has effect for the tax year 2000-01 or any later tax year, in relation to some but not all of the earnings of an earner, the application of section 44(5A) of the 1992 Act(**7**) is modified for that year in accordance with this regulation.

(2) In a case where the year is one in which the amount of a Class 1 contribution in respect of the earnings paid to or for the benefit of an earner in a tax week is reduced under section 37 or 38A of the 1993 Act(**8**) (reduced rates of Class 1 contributions for earners in contracted-out employment and reduced rates of Class 1 contributions, and rebates, for members of money purchase contracted-out schemes) subsection (5A) of section 44 of the 1992 Act is modified so that the qualifying earnings factor for the purposes of paragraph (*a*) of that sub-section shall be calculated by applying the formula—

$$L \times (52-N)$$

where—

L is the weekly lower earnings limit for that year, and

N is the number of tax weeks in that year in which a Class 1 contribution for the earner is reduced in accordance with section 37 or 38A of the 1993 Act.

(3) In a case where the year is one in which an amount is paid in respect of an earner under section 41(1) of the 1993 Act(**9**) (minimum contributions towards appropriate personal pension schemes) subsection (5A) of section 44 of the 1992 Act is modified so that the qualifying earnings factor for the purposes of paragraph (*a*) of that subsection shall be zero.

Revision of relevant pensions

3.—(1) Where, by virtue of section 34(3) of the 2000 Act any relevant pension has been calculated by reference to section 44(5) of the 1992 Act(**10**) as modified by regulations under section 44A(5) of the 1993 Act, the calculation of that pension shall be revised by applying the formula set out in regulation 2(2).

(2) Any relevant pension revised in accordance with this regulation shall be paid at the revised amount.

(**6**) *See* paragraphs 1 to 3 of Schedule 4 to the Social Security (Consequential Provisions) (Northern Ireland) Act 1992 (c. 9) and Article 125(2) and (4) to (6) of the Pensions (Northern Ireland) Order 1995

(**7**) Section 44(5A) was substituted by Article 125(1) of the Pensions (Northern Ireland) Order 1995. *See also* paragraphs (4) to (6) of that Article

(**8**) Section 37 was amended by paragraph 95 of Schedule 6 to the Social Security (Northern Ireland) Order 1998 (S.I. 1998/1506 (N.I. 10)), paragraph 6 of Schedule 10 to the Welfare Reform and Pensions Act 1999 (c. 30) and paragraph 50 of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (S.I. 1999/671). Section 38A was inserted by Article 134(4) of the Pensions (Northern Ireland) Order 1995 and amended by paragraph 96 of Schedule 6 to the Social Security (Northern Ireland) Order 1998, paragraph 52 of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 and paragraph 7 of Schedule 10 to the Welfare Reform and Pensions Act 1999

(**9**) Section 41(1) was substituted by Article 135(2) of the Pensions (Northern Ireland) Order 1995 and amended by paragraph 56 of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999

(**10**) *See* Article 125(1) and (4) to (6) of the Pensions (Northern Ireland) Order 1995