STATUTORY RULES OF NORTHERN IRELAND

2015 No. 180

PENSIONS

The Pensions Increase (Review) Order (Northern Ireland) 2015

Made - - - -	*25th March 2015*
Coming into operation	*6th April 2015*

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(**4**) 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(**5**) and now vested in it(**6**).

Citation and commencement

1. This Order may be cited as the Pensions Increase (Review) Order (Northern Ireland) 2015 and shall come into operation on 6th April 2015.

Interpretation

2.—(1) In this Order, "the 1975 Order" means the Social Security Pensions (Northern Ireland) Order 1975.

(2) In this Order, any reference to a pension is a reference to a pension which began before 6th April 2015(**7**).

(**1**) 1992 c. 8
(**2**) *See* S.R. 1999 No. 481 Art. 8(b) and Schedule 6 Part II
(**3**) Contained in S.R. 2015 No. 124. 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**) *See*S.I. 1982 No. 338 (N.I. 6) Art. 4
(**5**) S.I. 1975/1503 (N.I. 15); Art. 69 was amended by S.I. 1976/396 (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 Pensions Schemes (Northern Ireland) Act 1993. Art. 69(5ZA) is amended by the Pensions (No.2) Act (NI) 2008 (c.13), section110 and sch. 10 part 5, Arts 69(5ZC) are added by 2008 c. 13 section 110; at the time this order was made the amendments were not in force.
(**6**) By S.R. 1976 No. 281 Art. 3 and Sch. 1 and S.I. 1982/338 (N.I. 6) Art 4
(**7**) By virtue of article 69(7) of the Social Security Pensions (Northern Ireland) Order 1975, sections 69 and 69A of that Order have effect as if they were contained in Part 1 of the Pensions (Increase) Act (Northern Ireland) 1971 (c.35(NI)). Consequently,

Pensions increases: annual rate and lump sums

3.—(1) This article applies to an official pension if—

(a) a qualifying condition is satisfied; or

(b) the pension is—

(i) a derivative pension,

(ii) a substituted pension or,

(iii) a relevant injury pension.

(2) In relation to any period on or after 6th April 2015, the pension authority may increase the annual rate(**8**) of the pension—

(a) for a pension which began before 7th April 2014, by 1.2 per cent;

(b) for a pension which began on or after 7th April 2014, by 1.2 per cent multiplied by—

$$\frac{A}{12}$$

where A is the number of complete months in the period between the beginning date of the pension and 6th April 2015.

(3) In relation to a lump sum which is payable on or after 7th April 2014 but before 6th April 2015, the pension authority may increase the lump sum by 1.2 per cent multiplied by—

$$\frac{A}{12}$$

where A is the number of complete months in the period between the beginning date for the lump sum (or, if later, 7th April 2014) and the date on which it became payable.

Reductions in respect of guaranteed minimum pensions

4.—(1) Where—

(a) a person is entitled to a guaranteed minimum pension increase on 6th April 2015, and

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

the amount by which any increase is calculated for the purposes of article 3(2) must be reduced by an amount equal to the rate of the guaranteed minimum pension unless the Department of Finance and Personnel otherwise directs in accordance with the provisions of Article 69A(**9**) of the 1975 Order(**10**).

(2) Where on the death of a deceased spouse or civil partner a person becomes entitled to a guaranteed minimum pension in relation to a surviving spouse's pension or a surviving civil partner's

for the purposes of section 33 of the Interpretation Act (Northern Ireland) 1954 (c. 33)(NI) the following expressions used in this Order have the meaning which they bear in section 69 of the Social Security Pensions (Northern Ireland) Order1975 and the Pensions (Increase) Act (Northern Ireland) 1971: beginning date, complete months, derivative pension, lump sum, official pension, pension authority, qualifying condition, relevant injury pension and substituted pension. Section 8(2) of the Pensions (Increase) Act (Northern Ireland) 1971 also makes provision about when a pension begins for the purposes of that Act.

(**8**) Section 69(5) of the Social Security Pensions (Northern Ireland) Order 1975 provides that the increases in the rate of a pension are to be calculated by reference to the basic rate of the pension as authorised to be increased by section 1 of the Pensions (Increase) Act (Northern Ireland) 1971 or by any order under section 2 of that Act or section 69 of the Social Security Pensions (Northern Ireland) Order 1975.

(**9**) 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

(**10**) The power of direction is vested in the Department of Finance and Personnel by S.R. 1982/338