1991 No. 84

PENSIONS

Pensions Increase (Review) Order (Northern Ireland) 1991

Made	*8th March 1991*
Coming into operation . .	*8th April 1991*

Whereas by virtue of Article 64 of the Social Security (Northern Ireland) Order 1986(**a**) a direction(**b**) has been given by the Department of Health and Social Services that the sums which are the additional pensions in the rate of long-term benefits are to be increased by a specified percentage;

Now, therefore the Department of Finance and Personnel, in exercise of the powers conferred by Article 69(1), (2), (5) and (5ZA) of the Social Security Pensions (Northern Ireland) 1975(**c**) (which has effect as if it were contained in Part I of the Pensions (Increase) Act (Northern Ireland) 1971(**d**)) and now vested in it(**e**) and of every other power enabling it in that behalf, hereby makes the following Order:

Citation and commencement

1. This Order may be cited as the Pensions Increase (Review) Order (Northern Ireland) 1991 and shall come into operation on 8th April 1991.

Interpretation

2.—(1) In this Order—

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

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

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

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

(**a**) S.I. 1986/1888 (N.I. 18)
(**b**) Contained in S.R. 1991 No. 77 Art. 4(3)
(**c**) S.I. 1975/1503 (N.I. 15); Art. 69 of S.I. 1975/1503 (N.I. 15) amended the Pensions (Increase) Act (Northern Ireland) 1971 (1971 c. 35 (N.I.)). Art. 69(5) was modified in its effect by Art. 69A (inserted by Art. 10(3) of the Social Security (Northern Ireland) Order 1979 (S.I. 1979/396 (N.I. 5)). Art. 69 was further 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 and S.I. 1990/1509 (N.I. 13) Arts. 3(7) and 7. Article 69A was amended by S.I. 1986/1888 (N.I. 18) Art. 11(9)
(**d**) 1971 c. 35 (N.I.)
(**e**) By S.R. 1976 No. 281 Art. 3 and Sch. 1 and S.I. 1982/338 (N.I. 6) Art. 4
(**f**) As amended by S.I. 1974/1267 (N.I. 2) Arts. 3(3) and 5(3), (6) and S.I. 1990/1509 (N.I. 13)

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

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

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

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

(2) For the purpose of this Order the time when a pension "begins" is that stated in section 8(2) of the Act of 1971.

(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 annual rate of an official pension may, if a qualifying condition is satisfied or the pension is a derivative or substituted pension or a relevant injury pension, be increased as set out in paragraphs (2) and (3) by the pension authority in respect of any period beginning on or after 8th April 1991.

(2) A pension beginning before 9th April 1990 may be increased by 10·9 per cent of the basic rate as increased by the amount of any increase under section 1 of the Act of 1971 or the existing Orders.

(3) A pension beginning on or after 9th April 1990 and before 8th April 1991 may be increased by 10·9 per cent multiplied by $\frac{A}{B}$

where A is the number of complete months in the period between the beginning of the pension and 7th April 1991 and B is 12.

Increases in certain lump sums

4. In respect of any lump sum which became payable before 8th April 1991 but after 8th April 1990 there may be paid an increase of 10·9 per cent of the amount of the lump sum (as increased by the amount of any increase under section 1 of the Act of 1971 or under the existing Orders) multiplied by $\frac{A}{B}$ where:

(*a*) A is the number of complete months in the period between the beginning date for the lump sum (or, if later, 9th April 1990) and the date on which it became payable; and

(*b*) B is 12.

(**a**) 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 and S.I. 1990/1509 (N.I. 13) Art. 3

Reductions in respect of guaranteed minimum pensions

5. Where—

(i) a person is entitled to a guaranteed minimum pension on 8th April 1991; and

(ii) entitlement to that guaranteed minimum pension 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 shall, in accordance with the provisions of Article 69A(**a**) of the Order of 1975, otherwise direct.

6. The amount by reference to which any increase in the rate of a widow's or widower's pension provided 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) of the Order of 1975.

Sealed with the Official Seal of the Department of Finance and Personnel on 8th March 1991.

(L.S.) *F. P. Smyth*
Assistant Secretary

(a) Inserted by S.I. 1979/396 (N.I. 5) Art. 10(3)