# 1989 No. 72

## PENSIONS

## Pensions Increase (Review) Order (Northern Ireland) 1989

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| *Made* . . . . . | *9th March 1989* |
| *Coming into operation* . . | *10th April 1989* |

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) and (5) of the Social Security Pensions (Northern Ireland) Order 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) 1989 and shall come into operation on 10th April 1989.

*Interpretation*

**2.**—(1) In this Order—

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

"basic rate" has the meaning 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;

"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;

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(a) S.I. 1986/1888 (N.I. 18)
(b) Contained in S.R. 1989 No. 18 Art. 4(3)
(c) 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 and S.I. 1986/1888 (N.I. 18) Arts. 19(1)(*b*), 83(1) and Sch. 9, para. 58
(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) Art. 3(3)

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

"widow's pension" has the meaning given by section 15(1)(**b**) 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 widow's pension, be increased as set out in paragraphs (2) and (3) by the pension authority in respect of any period beginning on or after 10th April 1989.

(2) A pension beginning before 11th April 1988 may be increased by 5·9 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 11th April 1988 and before 10th April 1989 may be increased by 5·9 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 9th April 1989 and B is 12.

*Increases in certain lump sums*

**4.** In respect of any lump sum which became payable before 10th April 1989 but after 10th April 1988 there may be paid an increase of 5·9 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, 11th April 1988) and the date on which it became payable; and

(*b*) B is 12.

*Reductions in respect of guaranteed minimum pensions*

**5.** Where—

(i) a person is entitled to a guaranteed minimum pension on 10th April 1989; and

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(**a**) As amended by S.R. & O. (N.I.) 1972 No. 264 and S.I. 1974/1267 (N.I. 2) Art. 5(2) and (3)
(**b**) As amended by S.I. 1974/1267 (N.I. 2) Art. 5(3)(*b*)

(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.

Sealed with the Official Seal of the Department of Finance and Personnel on 9th March 1989.

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

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