STATUTORY RULES OF NORTHERN IRELAND

2017 No. 228

SOCIAL SECURITY

The State Pension Revaluation for Transitional Pensions Order (Northern Ireland) 2017

> Made - - - - 28th November 2017 Coming into operation in accordance with Article 1(1)

This Order is made in exercise of the powers conferred by sections 130AC and 165(1) and (4) of the Social Security Administration (Northern Ireland) Act 1992(1) and now vested in the Department for Communities(2).

The Secretary of State for Work and Pensions has made an Order(3) under sections 148AC(3) and 189(1) and (4) of the Social Security Administration Act 1992(4).

Accordingly the Department for Communities makes the following Order.

Citation, commencement and interpretation

1.—(1) This Order may be cited as the State Pension Revaluation for Transitional Pensions Order (Northern Ireland) 2017 and shall come into operation on—

- (a) 19th December 2017 for the purpose of making an award on a claim for a state pension under regulation 15(1) of the Social Security (Claims and Payments) Regulations (Northern Ireland) 1987(5) (advance notice of retirement and claim for and award of pension) to a person who reaches pensionable age(6) on or after 10th April 2018; and
- (b) 9th April 2018 for all other purposes.

(2) In this Article "a state pension" means a state pension under Part 1 of the Pensions Act (Northern Ireland) 2015.

 ¹⁹⁹² c. 8; section 130AC was inserted by paragraph 16 of Schedule 12 to the Pensions Act (Northern Ireland) 2015 (c. 5 (N.I.)) and section 165(1) was amended by paragraph 49(2) of Schedule 3 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (S.I. 1999/671) and section 18(5) of the National Insurance Contributions Act 2014 (c. 7)
(2) See Article 8(b) of S.R. 1999 No. 481 and section 1(7) of the Departments Act (Northern Ireland) 2016 (c. 5 (N.I.))

⁽²⁾ See Article $\delta(0)$ of S.K. 1999 No. 461 and section 1(7) of the Departments Act (Normern Heland) 2010 (C. 5 (1) (3) S.I. 2017/1151

^{(4) 1992} c. 5

⁽⁵⁾ S.R. 1987 No. 465; regulation 15(1) was amended by regulation 2(6) of S.R. 2005 No. 299 and Article 9(7)(a) of S.R. 2015 No. 411

⁽⁶⁾ For the definition of "pensionable age" see section 165(1) of the Social Security Administration (Northern Ireland) Act 1992 which refers to paragraph 1 of Schedule 2 to the Pensions (Northern Ireland) Order 1995 (S.I. 1995/3213 (N.I. 22))

Revaluing percentage for transitional pensions

2. For the purposes of section 130AC(2) of the Social Security Administration (Northern Ireland) Act 1992 (revaluation for transitional pensions under Pensions Act (Northern Ireland) 2015), the percentage specified is 4 per cent.

Sealed with the Official Seal of the Department for Communities on 28th November 2017

(L.S.)

Anne McCleary A senior officer of the Department for Communities

EXPLANATORY NOTE

(This note is not part of the Order)

This Order, which corresponds to an Order (S.I. 2017/1151) made by the Secretary of State for Work and Pensions under sections 148AC and 189 of the Social Security Administration Act 1992 (c. 5) ("the 1992 Act"), specifies the "revaluing percentage" as 4 per cent.

The Pensions Act (Northern Ireland) 2015 (c. 5 (N.I.)) ("the 2015 Act") created a new state pension for people reaching pensionable age on or after 6th April 2016 (see Part 1 of that Act). Pensionable age has the meaning given by the rules in paragraph 1 of Schedule 2 to the Pensions (Northern Ireland) Order 1995 (S.I. 1995/3213 (N.I. 22)). The part of a person's new state pension based on their pre-April 2016 contribution record that exceeds the full rate of the new state pension as at 6th April 2016 is commonly referred to as a "protected payment". Paragraph 6(5) of Schedule 1 to the 2015 Act provides for the revaluing of protected payments by increasing these payments by the "revaluing percentage" specified in the last Order under section 130AC of the 2015 Act to come into operation before the person reached pensionable age.

Article 1(1) ensures that the revaluing percentage applies to protected payments applicable to all persons reaching pensionable age on or after 10th April 2018 whether or not they make an advance claim for a state pension. Article 1(1)(a) brings this Order into operation on 19th December 2017 for the purpose of making an advance award of a state pension under regulation 15(1) of the Social Security (Claims and Payments) Regulations (Northern Ireland) 1987, in respect of claimants who reach pensionable age on or after 10th April 2018. Article 1(1)(b) brings the Order into operation for all other purposes on 9th April 2018.

Article 2 of this Order specifies the revaluing percentage as 4 per cent.