

1979 No. 338

PENSIONS

The Pensions Increase (Review) Order (Northern Ireland) 1979

Made 26th September 1979

Coming into operation 12th November 1979

Whereas by virtue of Article 25 of the Social Security Pensions (Northern Ireland) Order 1975(a) a direction has been given(b) under Section 120 of the Social Security (Northern Ireland) Act 1975(c) by the Department of Health and Social Services that the sums which are the additional components in the rates of long-term benefits are to be increased:

Now therefore the Department of the Civil Service in exercise of the powers conferred by Article 69(1)(2)(3)(4) and (5) of the Social Security Pensions (Northern Ireland) Order and now vested in it(d) 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) 1979 and shall come into operation on 12th November 1979.

2.—(1) In this Order—

“the Act of 1971” means the Pensions (Increase) Act (Northern Ireland) 1971(e);

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

“basic rate” has the meaning given by section 15(1) of the Act of 1971;

“the existing Orders” means the Pensions Increase (Annual Review) Order (Northern Ireland) 1972(f), the Pensions Increase (Annual Review) Order (Northern Ireland) 1973(g), the Pensions Increase (Annual Review) Order (Northern Ireland) 1974(h), the Pensions Increase (Annual Review) Order (Northern Ireland) 1975(i), the Pensions Increase (Annual Review) Order (Northern Ireland) 1976(j), the Pensions Increase (Annual Review) Order (Northern Ireland) 1977(k) and the Pensions Increase (Annual Review) Order (Northern Ireland) 1978(l);

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

(a) S.I. 1975/1503 (N.I. 15); Article 69 was amended by Article 10 of The Social Security (Northern Ireland) Order 1979 (S.I. 1979/396 (N.I. 5))

(b) The direction is contained in S.R. 1979 No. 273

(c) 1975 c. 15

(d) By S.R. 1976 No. 281 Art. 3 and Sch. 1 (II, p. 1339)

(e) 1971 c. 35 (N.I.)

(f) S.R. & O. (N.I.) 1972 No. 263 (p. 1400)

(g) S.R. & O. (N.I.) 1973 No. 364 (II, p. 2063)

(h) S.R. 1974 No. 296 (II, p. 1396)

(i) S.R. 1975 No. 269 (II, p. 1272)

(j) S.R. 1976 No. 276 (II, p. 1332)

(k) S.R. 1977 No. 277 (II, p. 1523)

(l) S.R. 1978 No. 269 (II, p. 932)

“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 of the Act of 1971;

“widow’s pension” has the meaning given by section 15(1) of the Act of 1971.

(2) For the purposes 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.

Pension Increases

3. The annual rate of an official pension may, if a qualifying condition is satisfied or the pension is a widow’s pension, be increased by the pension authority in respect of any period beginning on or after 12th November 1979 as follows:—

(1) a pension beginning on or before 1st July 1978 may be increased by 16 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;

(2) a pension beginning on or after 2nd July 1978 may be increased by 17.5 per cent, multiplied by A/B where

(a) A is the number of complete months in the period between the beginning of the pension and 12th November 1979 and

(b) B is 12.

Increases in certain lump sums

4. In respect of any lump sum or instalment of a lump sum which became payable before 12th November 1979 but after 1st December 1978 there may be paid an increase of 17.5 per cent, multiplied by 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, 1st December 1978 and the date on which it became payable; and

(b) B is 12.

Reductions in respect of guaranteed minimum pensions

5. 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, in the case of a person who

(i) is entitled to a guaranteed minimum pension on 12th November 1979; and

(ii) whose entitlement to that guaranteed minimum pension arises from an employment from which (either directly or by virtue of the payment of a transfer credit under Article 40 of the Order of 1975) entitlement to the official pension also arises.

be reduced by an amount equal to the rate of the guaranteed minimum pension unless the Department of the Civil Service shall, in accordance with the provisions of Article 69A of the Order of 1975, otherwise direct.

Sealed with the Official Seal of the Department of the Civil Service for Northern Ireland on 26th September 1979.

(L.S.)

W. G. Robinson
Deputy Secretary

EXPLANATORY NOTE

(This Note is not part of the Order but is intended to indicate its general purport.)

This Order is the first made under Article 69 of the Social Security Pensions (Northern Ireland) Order 1975, as modified by Article 69A of that Order. In previous years the orders were made under section 2 and 9(4) of the Pensions (Increase) Act (Northern Ireland) 1971 but these provisions have now been repealed. Under the new procedure the Department of the Civil Service is required to make an order providing for the increase in the rates of public service pensions. The increase is related to the percentage (17½%) by which the Department of Health and Social Services has, by virtue of the provisions of Article 25 of the Social Security Pensions (Northern Ireland) Order 1975, increased the sums which are the additional components in the rates of long-term benefits, namely the additional pension entitlements accruing to employees in respect of their earnings after 6th April 1978.

For pensions which began on or before 1st July 1978 the increase is 16 per cent. These pensions were last increased on 1st December 1978 and under the formula in Article 69(3)(a) the increase is 11/12ths of 17½%, the increase in additional components. For pensions which began after 1st July 1978, the increases are as follows:

Pension beginning	Percentage Increase	Pensions beginning	Percentage Increase
2nd July to 27th July 1978	23.3%	28th February to 27th March 1979	11.7%
28th July to 27th August 1978	21.9%	28th March to 27th April 1979	10.2%
28th August to 27th September 1978	20.4%	28th April to 27th May 1979	8.8%
28th September to 27th October 1978	19.0%	28th May to 27th June 1979	7.3%
28th October to 27th November 1978	17.5%	28th June to 27th July 1979	5.8%
28th November to 27th December 1978	16.0%	28th July to 27th August 1979	4.4%
28th December 1978 to 27th January 1979	14.6%	28th August to 27th September 1979	2.9%
28th January to 27th February 1979	13.1%	28th September to 27th October 1979	1.5%

Deferred lump sums beginning on or before 27th October 1979 and which have not become payable by 12th November 1979 receive the same percentage increase as pensions which began on the same date, and Article 4 of the Order provides for further increases on certain deferred lump sums which have become payable since 1st December 1978.

The Order also makes provision for the amount by reference to which any increase in the rate of an official pension is to be calculated to be reduced by the amount equal to the rate of the guaranteed minimum pension entitlement deriving from the employment which gives rise to the official pension. This is required by Article 69(5) of the Social Security Pensions (Northern Ireland)

Order 1975 but the new Article 69A of that Order empowers the Department of the Civil Service to direct that in respect of specified cases or classes of case either no such reduction be made or the reduction shall be less than the rate of the guaranteed minimum pension.