

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.

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

Existing Orders

- The Pensions Increase (Annual Review) Order (Northern Ireland) 1972(a).
The Pensions Increase (Annual Review) Order (Northern Ireland) 1973(b).
The Pensions Increase (Annual Review) Order (Northern Ireland) 1974(c).
The Pensions Increase (Annual Review) Order (Northern Ireland) 1975(d).
The Pensions Increase (Annual Review) Order (Northern Ireland) 1976(e).
The Pensions Increase (Annual Review) Order (Northern Ireland) 1977(f).
The Pensions Increase (Annual Review) Order (Northern Ireland) 1978(g).
The Pensions Increase (Review) Order (Northern Ireland) 1979(h).
The Pensions Increase (Review) Order (Northern Ireland) 1980(i).
The Pensions Increase (Review) Order (Northern Ireland) 1981(j).
The Pensions Increase (Review) Order (Northern Ireland) 1982(k).
The Pensions Increase (Review) Order (Northern Ireland) 1983(l).
The Pensions Increase (Review) Order (Northern Ireland) 1984(m).
The Pensions Increase (Review) Order (Northern Ireland) 1985(n).
The Pensions Increase (Review) Order (Northern Ireland) 1986(o).
The Pensions Increase (Review) Order (Northern Ireland) 1987(p).
The Pensions Increase (Review) Order (Northern Ireland) 1988(q).
The Pensions Increase (Review) Order (Northern Ireland) 1989(r).
The Pensions Increase (Review) Order (Northern Ireland) 1990(s).

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- (a) S.R. & O. (N.I.) 1972 No. 263
(b) S.R. & O. (N.I.) 1973 No. 364
(c) S.R. 1974 No. 296
(d) S.R. 1975 No. 269
(e) S.R. 1976 No. 276
(f) S.R. 1977 No. 277
(g) S.R. 1978 No. 269
(h) S.R. 1979 No. 338
(i) S.R. 1980 No. 364
(j) S.R. 1981 No. 307
(k) S.R. 1982 No. 303
(l) S.R. 1983 No. 289
(m) S.R. 1984 No. 340
(n) S.R. 1985 No. 268
(o) S.R. 1986 No. 213
(p) S.R. 1987 No. 70
(q) S.R. 1988 No. 61
(r) S.R. 1989 No. 72
(s) S.R. 1990 No. 86

EXPLANATORY NOTE

(This note is not part of the Order.)

Under Article 69 of the Social Security Pensions (Northern Ireland) Order 1975 as amended, and as modified by Article 69A of the Order of 1975, the Department of Finance and Personnel is required to provide by Order for increases in the rates of public service pensions.

The increase to be made in the rates of such pensions is the percentage (or in some circumstances a fraction of the percentage) by which the Department of Health and Social Services has, by virtue of the provisions of Article 64 of the Social Security (Northern Ireland) Order 1986, increased the sums which are the additional pensions in long term benefits, namely the additional pension entitlements accruing to employees in respect of their earnings after 5th April 1978.

For pensions which began before 9th April 1990 the increase is 10.9%.

For pensions which began on or after 9th April 1990 the increases are computed under the formula set out in Article 69(1)(b) of the Order of 1975 and are as follows:

<i>Pensions Beginning</i>	<i>Percentage Increase</i>	<i>Pensions Beginning</i>	<i>Percentage Increase</i>
9th April 1990 to 23rd April 1990	10.9%	24th October 1990 to 23rd November 1990	4.54%
24th April 1990 to 23rd May 1990	9.99%	24th November 1990 to 23rd December 1990	3.63%
24th May 1990 to 23rd June 1990	9.08%	24th December 1990 to 23rd January 1991	2.73%
24th June 1990 to 23rd July 1990	8.18%	24th January 1991 to 23rd February 1991	1.82%
24th July 1990 to 23rd August 1990	7.27%	24th February 1991 to 23rd March 1991	0.91%
24th August 1990 to 23rd September 1990	6.36%	24th March 1991 onwards	Nil
24th September 1990 to 23rd October 1990	5.45%		

A deferred lump sum which begins on or before 23rd March 1991 and which becomes payable after 7th April 1991 receives the same percentage increase as a pension which begins on the same date.

Article 4 of the Order provides for increases on certain deferred lump sums which became payable after 8th April 1990 and before 8th April 1991.

This Order also provides that the amount by reference to which any increase in the rate of an official pension is to be calculated shall be reduced by an 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 Article 69A of that Order empowers the Department of Finance and Personnel to direct that in respect of specified cases or classes of case either no such reduction shall be made or the reduction shall be less than the rate of the guaranteed minimum pension. Article 69(5ZA) was inserted into Article 69 by Article 7 of the Pensions (Miscellaneous Provisions) (Northern Ireland) Order 1990. This applies to Article 69(5) to a widow's or widower's pension.

1991 No. 85

This Order has been exempted from printing by the Statutory Rules (Northern Ireland) Order 1979. A summary is given in the List of Statutory Rules of a Local Character under the heading ROADS.