
STATUTORY RULES OF NORTHERN IRELAND

2018 No. 63

The Pensions Increase (Review) Order (Northern Ireland) 2018

Citation and commencement

1. This Order may be cited as the Pensions Increase (Review) Order (Northern Ireland) 2018 and shall come into operation on 9th April 2018.

Interpretation

2.—(1) In this Order, “the 1975 Order” means the Social Security Pensions (Northern Ireland) Order 1975.

(2) In this Order, any reference to a pension is a reference to a pension which began before 9th April 2018(1).

Pension increases: annual rate and lump sums

3.—(1) This article applies to an official pension if—

- (a) a qualifying condition is satisfied; or
- (b) the pension is—
 - (i) a derivative pension,
 - (ii) a substituted pension or,
 - (iii) a relevant injury pension.

(2) In relation to any period on or after 9th April 2018, the pension authority may increase the annual rate(2) of the pension—

- (a) for a pension which began before 10th April 2017, by 3 per cent;
- (b) for a pension which began on or after 10th April 2017, by 3 per cent multiplied by—

$$\frac{A}{12}$$

where A is the number of complete months in the period between the beginning date of the pension and 9th April 2018.

(3) In relation to a lump sum which is payable on or after 10th April 2017 but before 9th April 2018, the pension authority may increase the lump sum by 3 per cent multiplied by—

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- (1) By virtue of article 69(7) of the Social Security Pensions (Northern Ireland) Order 1975, sections 69 and 69A of that Order have effect as if they were contained in Part 1 of the Pensions (Increase) Act (Northern Ireland) 1971 (c.35(NI)). Consequently, for the purposes of section 33 of the Interpretation Act (Northern Ireland) 1954 (c. 33)(NI) the following expressions used in this Order have the meaning which they bear in section 69 of the Social Security Pensions (Northern Ireland) Order 1975 and the Pensions (Increase) Act (Northern Ireland) 1971: beginning date, complete months, derivative pension, lump sum, official pension, pension authority, qualifying condition, relevant injury pension and substituted pension. Section 8(2) of the Pensions (Increase) Act (Northern Ireland) 1971 also makes provision about when a pension begins for the purposes of that Act.
- (2) Section 69(5) of the Social Security Pensions (Northern Ireland) Order 1975 provides that the increases in the rate of a pension are to be calculated by reference to the basic rate of the pension as authorised to be increased by section 1 of the Pensions (Increase) Act (Northern Ireland) 1971 or by any order under section 2 of that Act or section 69 of the Social Security Pensions (Northern Ireland) Order 1975.

$$\frac{A}{12}$$

where A is the number of complete months in the period between the beginning date for the lump sum (or, if later, 10th April 2017) and the date on which it became payable.

Reductions in respect of guaranteed minimum pensions

4.—(1) Where—

- (a) a person is entitled to a guaranteed minimum pension increase on 9th April 2018, and
- (b) entitlement to that guaranteed minimum pension arises from an employment from which (either directly, or indirectly by virtue of the payment of a transfer credit) entitlement to the official pension also arises,

the amount by reference to which any increase is calculated for the purposes of article 3(2) must be reduced by an amount equal to the rate of the guaranteed minimum pension unless the Department of Finance otherwise directs in accordance with the provisions of Article 69A(3) of the 1975 Order(4).

(2) Where on the death of a deceased spouse or civil partner a person becomes entitled to a guaranteed minimum pension in relation to a surviving spouse's pension or a surviving civil partner's pension, the amount by reference to which any increase is calculated for the purposes of article 3(2) must be reduced in accordance with Article 69 (5ZA)(5) of the 1975 Order.

Sealed with the Official Seal of the Department of Finance on 22nd March 2018

(L.S.)

Grace Nesbitt
A senior officer of the
Department of Finance

(3) Inserted by S.I. 1979/396 (N.I. 5) Art. 10 and amended by S.I. 1986/1888 (N.I. 18) Art. 11(9) and 1993 c. 49 section 184 and paragraph 15(2) of sch. 7

(4) By S.R. 1976 No. 281 Art. 3 and Sch. 1, S.I. 1982/338 (N.I. 6) Art 3 and 4, and 2016 c.5 (N.I.)

(5) Inserted S.I. 1990/1509 (N.I. 13) Art. 7(1)