
DRAFT STATUTORY INSTRUMENTS

2005 No.

The Pensions (Northern Ireland) Order 2005

PART VIII

STATE PENSIONS

Deferral of state pension

Deferral of retirement pensions and shared additional pensions

273.—(1) For section 55 of the Contributions and Benefits Act (increase of retirement pension where entitlement is deferred) substitute—

“55 Pension increase or lump sum where entitlement to retirement pension is deferred

(1) Where a person’s entitlement to a Category A or Category B retirement pension is deferred, Schedule 5 to this Act has effect.

(2) In that Schedule—

paragraph A1 makes provision enabling an election to be made where the pensioner’s entitlement is deferred

paragraphs 1 to 3 make provision about increasing pension where the pensioner’s entitlement is deferred

paragraphs 3A and 3B make provision about lump sum payments where the pensioner’s entitlement is deferred

paragraph 3C makes provision enabling an election to be made where the pensioner’s deceased spouse has deferred entitlement

paragraphs 4 to 7 make provision about increasing pension where the pensioner’s deceased spouse has deferred entitlement

paragraphs 7A and 7B make provision about lump sum payments where the pensioner’s deceased spouse has deferred entitlement

paragraphs 7C to 9 make supplementary provision.

(3) For the purposes of this Act a person’s entitlement to a Category A or Category B retirement pension is deferred if and so long as that person—

(a) does not become entitled to that pension by reason only—

(i) of not satisfying the conditions of section 1 of the Administration Act (entitlement to benefit dependent on claim), or

(ii) in the case of a Category B retirement pension payable by virtue of a spouse’s contributions, of the spouse not satisfying those conditions with respect to his Category A retirement pension, or

(b) in consequence of an election under section 54(1) above, falls to be treated as not having become entitled to that pension,

and, in relation to any such pension, “period of deferment” shall be construed accordingly.”.

(2) For section 55C of that Act (increase of shared additional pension where entitlement is deferred) substitute—

“55C Pension increase or lump sum where entitlement to shared additional pension is deferred

(1) Where a person’s entitlement to a shared additional pension is deferred, Schedule 5A to this Act has effect.

(2) In that Schedule—

paragraph 1 makes provision enabling an election to be made where the person’s entitlement is deferred

paragraphs 2 and 3 make provision about increasing pension where the person’s entitlement is deferred

paragraphs 4 and 5 make provision about lump sum payments where the person’s entitlement is deferred.

(3) For the purposes of this Act, a person’s entitlement to a shared additional pension is deferred—

(a) where he would be entitled to a Category A or Category B retirement pension but for the fact that his entitlement is deferred, if and so long as his entitlement to such a pension is deferred, and

(b) otherwise, if and so long as he does not become entitled to the shared additional pension by reason only of not satisfying the conditions of section 1 of the Administration Act (entitlement to benefit dependent on claim),

and, in relation to a shared additional pension, “period of deferment” shall be construed accordingly.”.

(3) In paragraph 6 of Schedule 2 to the 1995 Order (which, with effect from 6th April 2010, amends the existing law regarding the deferment of pensions), for sub-paragraph (5) (commencement) substitute—

“(5) The preceding sub-paragraphs shall come into operation as follows—

(a) sub-paragraphs (1) and (4) shall come into operation on 6th April 2005;

(b) sub-paragraphs (2) and (3) shall have effect in relation to incremental periods (within the meaning of Schedule 5 to the Contributions and Benefits Act) beginning on or after that date.”.

(4) Schedule 9 (which contains further amendments relating to the deferral of retirement pensions and shared additional pensions) has effect.