

*These notes refer to the Pensions Act (Northern Ireland)
2008 (c.1) which received Royal Assent on 11 February 2008*

Pensions Act (Northern Ireland) 2008

EXPLANATORY NOTES

SCHEDULES

Schedule 1 - State Pension: Consequential and Related Amendments

Part 1 - Category A and B retirement pensions: single contribution condition

Paragraphs 1 to 3 amend sections 44, 48A and 48B of the Contributions and Benefits Act to ensure that:

- people reaching state pension age before 6th April 2010 would continue to be entitled to the benefits identified in paragraph 5 of Schedule 3 to that Act on satisfaction by the contributor concerned of the two contribution conditions set out in that paragraph; and
- people who reach state pension age on or after 6th April 2010 would be entitled to a Category A pension on satisfaction of the single contribution condition in paragraph 5A of Schedule 3 to that Act (see *section 1(3)*); and
- in the case of Category B pensions, entitlement would be calculated by reference to paragraph 5A of Schedule 3 to that Act for people who are:
 - married to or in a civil partnership with someone who reaches pensionable age on or after 6th April 2010; or
 - the surviving spouse or civil partner of someone who died on or after 6th April 2010 and did not reach state pension age before that date.

Paragraph 4 amends section 60 of that Act to exclude cases where the single condition applies from the scope of that section because of the insertion of new section 60A.

Paragraph 5 inserts a new section 60A into that Act which applies to those cases where only the single contribution condition needs to be satisfied as set out in paragraph 5A of Schedule 3 to that Act.

New section 60A(1) provides that the section applies where a person does not satisfy the single contribution condition in order to be entitled to a Category A or B pension.

Subsection (2) provides a regulation-making power to allow a person who would have been entitled to benefit by virtue of paragraph 5A of Schedule 3 to that Act but for the fact that the contributor has not acquired the full 30 qualifying years nevertheless to be entitled to a prescribed proportion of a full basic state pension for each qualifying year the contributor has built up. The calculation for determining the pro-rata amount of basic state pension entitlement in these cases will be set out in regulations. This means that the 25% de minimis rule (see regulation 6(1) of the [Social Security \(Widow's Benefit and Retirement Pensions\) Regulations \(Northern Ireland\) 1979 \(S.R.1979 No. 243\)](#)), which applies to benefits calculated under paragraph 5 of Schedule 3 to that Act will not apply to the benefits to which this section applies.

Subsection (5) would allow the widow, widower or surviving civil partner of an employed earner who dies on or after 6th April 2010 as a result of an industrial injury or a prescribed disease or injury to inherit a Category B pension, even if the contribution condition set out at paragraph 5A of Schedule 3 to that Act is not satisfied by the deceased employed earner.

Subsection (6) provides that the reference to the single contribution condition in subsections (1) to (3) includes a reference to that condition as modified by regulations under paragraph 5A(4) of Schedule 3 to that Act (i.e. regulations modifying the condition for the purposes of persons who were insured under the National Insurance Act (Northern Ireland) 1948 or the National Insurance Act (Northern Ireland) 1966).