

*These notes refer to the Pensions (No. 2) Act (Northern Ireland) 2008 (c.13) which received Royal Assent on 15 December 2008*

# Pensions (No. 2) Act (Northern Ireland) 2008

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### ***Schedule 2: Additional Pension Consolidation***

*Schedule 2* inserts a new Schedule 4C into the Social Security Contributions and Benefits (Northern Ireland) Act 1992.

Paragraph 1 of the inserted Schedule 4C specifies that the consolidation date will be a fixed date, the first day of the Flat Rate Introduction Year, regardless of the date when the person reaches state pension age.

Paragraphs 2 and 3 of the inserted Schedule 4C stipulate that a person's consolidated amount must be calculated before they reach state pension age.

Paragraph 4 of the inserted Schedule 4C ensures that the existing appeals process under Chapter 2 of Part 2 of the Social Security (Northern Ireland) Order 1998 is applied to the consolidated amount.

Paragraph 5 of the inserted Schedule 4C defines the consolidated amount as the sum of the person's Graduated Retirement Benefit and Additional Pension accruals.

Paragraphs 6 to 8 of the inserted Schedule 4C specify that Graduated Retirement Benefit and Additional Pension will be calculated using legislation in force at the time consolidation takes place.

Paragraph 9 of the inserted Schedule 4C provides that the consolidated amount, including Graduated Retirement Benefit, will be revalued annually by earnings.