

SCHEDULES

SCHEDULE 2

Section 5.

TRANSITIONAL RATE OF STATE PENSION: UP-RATING

1. This Schedule sets out how to up-rate the transitional rate of a person's state pension.
2. In this Schedule a reference to the transitional rate of a person's state pension is to the rate—
 - (a) taking into account any reduction under section 14, but
 - (b) ignoring any increase under section 17.
- 3.—(1) The transitional rate of a person's state pension is to be increased under this paragraph if it is equal to or less than the full rate.
 - (2) If at any time the full rate of the state pension is increased, the person's transitional rate is increased (at that time) by the same percentage as the increase in the full rate.
- 4.—(1) The transitional rate of a person's state pension is to be increased under this paragraph if it exceeds the full rate.
 - (2) If at any time the full rate of the state pension is increased, the person's transitional rate is increased (at that time) by the same amount as the amount by which the full rate is increased.
 - (3) If at any time an order under section 132B of the Administration Act comes into operation, the person's transitional rate is increased (at that time) by an amount equal to the appropriate percentage of the excess.
 - (4) In sub-paragraph (3)—
 - “the appropriate percentage” means the percentage specified in the order, and
 - “the excess” means the amount by which the transitional rate exceeded the full rate immediately before the order came into operation.