#### STATUTORY INSTRUMENTS

## 1976 No. 426 (N.I. 8)

## NORTHERN IRELAND

# The Members' Pensions (Northern Ireland) Order 1976

Laid before Parliament in draft

Made

17th March 1976

Coming into Operation

24th March 1976

#### ARRANGEMENT OF ORDER

#### Article

- 1. Title and commencement.
- 2. Interpretation.
- 3. Consolidated Fund contributions.
- 4. Reduction of qualifying period under the Members' Contributory Pension Scheme.
- 5. Right to take actuarially reduced pension at age sixty.
- 6. Suspension of pension.
- 7. Refund of contributions on request.

At the Court at Buckingham Palace, the 17th day of March 1976

#### Present.

The Queen's Most Excellent Majesty in Council

Whereas a draft of this Order has been approved by a resolution of each House of Parliament:

Now, therefore, Her Majesty, in exercise of the powers conferred by paragraph 1 of Schedule 1 to the Northern Ireland Act 1974 (a), and of all other powers enabling Her in that behalf, is pleased, by and with the advice of Her Privy Council, to order, and it is hereby ordered, as follows:—

#### Title and commencement

1. This Order may be cited as the Members' Pensions (Northern Ireland) Order 1976 and shall come into operation on the seventh day after the day on which it is made.

#### Interpretation

- 2.—(1) The Interpretation Act (Northern Ireland) 1954 (a) shall apply to Article 1 and the following provisions of this Order as it applies to a Measure of the Northern Ireland Assembly.
- (2) In this Order "the Act of 1965" means the Ministerial Salaries and Members' Pensions Act (Northern Ireland) 1965 (b) and expressions used in this Order and in the Act of 1965 have the same meaning in this Order as in that Act.

#### Consolidated Fund contributions

- 3.—(1) For section 5 of the Act of 1965 there shall be substituted the following section:—
- "Consolidated Fund contributions.
- 5.—(1) In respect of the year beginning on 31st March 1975 and in respect of each year beginning on an anniversary of that date, a Consolidated Fund contribution of an amount recommended by an actuary in accordance with the following provisions of this section shall be paid into the Fund out of moneys appropriated by Measure.
- (2) The Department shall arrange for an actuary to make a report to the Trustees and the Department on the general financial position of the Fund as at—
  - (a) 31st March 1975:
  - (b) the end of the period of three years beginning on that date;
  - (c) the end of each succeeding period of three years.
- (3) Each report by an actuary under this section on the general financial position of the Fund as at a particular date shall include his recommendation as to the Consolidated Fund contributions which should be paid under this section in respect of each of the three years immediately following that date.
- (4) A copy of every report made by an actuary under this section shall be laid before the Assembly.".
- (2) The following provisions of the Act of 1965 are hereby repealed, namely—
  - (a) section 14;
  - (b) in paragraph 12 of Schedule 2, the words from "including separate accounts" to "as certified by an actuary";
  - (c) paragraphs 14 and 15 of Schedule 2.

Reduction of qualifying period under the Members' Contributory Pension Scheme

- 4.—(1) A person who on or after 1st January 1972 has ceased to be a Member of the House of Commons shall, if he has completed four years reckonable service when he so ceased, be entitled to receive a pension under section 6 of the Act of 1965 as from the date on which the condition set out in paragraph (a) or (b) of subsection (1) of that section was or is satisfied in his case.
- (2) Accordingly, in respect of a person who on or after 1st January 1972 has ceased to be a Member of the House of Commons sections 6 (1) (pensions of Members) and 7 (1) (pensions for widows) of the Act of 1965 shall have effect as if for the words "ten years reckonable service" there were substituted the words "four years reckonable service".

Right to take actuarially reduced pension at age sixty

- 5. In section 6 of the Act of 1965 after subsection (2) there shall be inserted the following subsection:—
  - "(2A) Where on or after 1st January 1972 a person—
  - (a) has ceased to be a Member of the House of Commons;
  - (b) has completed four years reckonable service when he so ceased; and
  - (c) has attained the age of sixty years but has not attained the age of sixty-five years,

he shall be entitled, on application to the Trustees, to receive a pension under this section as if he had attained the age of sixty-five years on the date on which he ceased to be a Member of the House of Commons or, if later, the date on which he attained the age of sixty years; but the annual amount of the pension to which he is so entitled, both before and after he attains the age of sixty-five years, shall be an amount calculated in accordance with subsection (2), reduced by such amount as an actuary appointed by the Trustees determines to be appropriate, having regard to the length of the period beginning with the date from which the pension is payable by virtue of this subsection and ending with the date on which he would attain the age of sixty-five years.".

## Suspension of pension

- 6. In section 6 of the Act of 1965 for subsection (3) (pension not payable in respect of period during which a person is again a member of the House of Commons) there shall be substituted the following subsection:—
  - "(3) A pension under this section shall continue for the life of the person to whom it is payable but shall not be payable in respect of any period during which he—
    - (a) is a member of the Assembly or a candidate for election thereto;
    - (b) is a member of the Convention elected under section 2 of the Northern Ireland Act 1974 or a candidate for election thereto; or
    - (c) continues, by virtue of paragraph 14 (2) of Schedule 2 to the Northern Ireland Act 1974 (or that paragraph as applied by paragraph 15 (7) of that Schedule), to receive remuneration after the dissolution of Convention;

and for the purposes of this subsection a person who ceases to be a member of the Assembly in consequence of the dissolution of the Assembly (other than the dissolution under the Northern Ireland Assembly (Dissolution) Order 1975 (a)) shall be treated as a candidate for election unless and until he gives notice in writing to the Trustees that he is not seeking re-election.".

## Refund of contributions on request

- 7. For section 10 of the Act of 1965 there shall be substituted the following section:—
- "Refund of contributions.
- 10.—(1) Any contributions paid under section 4 by a person who—
  - (a) ceased to be a Member of the House of Commons before 1st January 1972 and has not been a Member of that House at any time on or after that date; and
  - (b) did not complete ten years' reckonable service,

shall at his request (if they have not previously been refunded) be refunded to him by the Trustees, with interest at the rate pre-

scribed by subsection (6) from the dates on which the contributions were paid respectively.

- (2) Any contributions paid under section 4 by a person who—
- (a) has ceased to be a Member of the House of Commons on or after 1st January 1972; and
- (b) did not complete four years reckonable service, shall at his request (if they have not previously been refunded) be refunded to him by the Trustees, with interest at the rate prescribed by subsection (6) from the dates on which the contributions were paid respectively.
- (3) Subject to subsection (4), any contributions paid under section 4 by a person—
  - (a) who dies after ceasing to be a Member of the House of Commons; and
- (b) in respect of whom no widow's pension, widower's pension or children's pension is or may be payable under this Part, shall (if they have not previously been refunded) be refunded to his personal representatives by the Trustees, with interest at the rate prescribed by subsection (6) from the dates on which the contributions were paid respectively.
- (4) Where a person has become entitled to a pension under section 6 there shall be deducted from any sum payable to his personal representatives under subsection (3) the amount paid or accrued on account of that pension.
- (5) For the purpose of calculating reckonable service under section 6 (4), contributions refunded under this section shall be treated as not having been paid.
- (6) Any interest payable under this section shall be compound interest at the rate of three per cent. per annum, calculated with annual rests.
- (7) On making any repayment of contributions (including interest on contributions) under this section, the Trustees shall be entitled to deduct from the repayment any tax to which they may become chargeable under paragraph 2 of Part II of Schedule 5 to the Finance Act 1970 (a) (charge to tax on repayment of employees' contributions)."

N. E. Leigh

#### **EXPLANATORY NOTE**

(This Note is not part of the Order.)

This Order amends the provisions of the Ministerial Salaries and Members' Pensions Act (Northern Ireland) 1965 under which Consolidated Fund contributions are paid nto the Pension Fund and authorises such annual payment as may be recommended by an actuary in periodical reports on the general financial position of the Fund.

The Order also reduces from ten to four years the qualifying period for a pension under the Act of 1965 in relation to a person who ceased to be a Member of the House of Commons on or after 1st January 1972, gives such ex-Members who would be entitled to a pension at age 65 the right to elect to receive an actuarially reduced pension at any age over 60 and also enables ex-Members who are not entitled to a Member's pension to request an immediate refund of any contributions they have paid to the Pension Fund.