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STATUTORY INSTRUMENTS

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**1999 No. 3147**

**The Welfare Reform and Pensions  
(Northern Ireland) Order 1999**

**PART VI**

**WELFARE**

**CHAPTER I**

**SOCIAL SECURITY BENEFITS**

*Incapacity benefits*

**Incapacity benefit: reduction for pension payments**

**60.** After section 30D of the Contributions and Benefits Act there shall be inserted—

**“Incapacity benefit: reduction for pension payments.**

**30DD.—**(1) Where—

- (a) a person is entitled to incapacity benefit in respect of any period of a week or part of a week,
- (b) a pension payment is payable to him in respect of that period (or a period which forms part of that period or includes that period or part of it), and
- (c) the amount of that payment (or, as the case may be, the amount which in accordance with regulations is to be taken as payable to him by way of pension payments in respect of that period) exceeds the threshold,

the amount of that benefit shall be reduced by an amount equal to 50 per cent. of that excess.

(2) In subsection (1) above “the threshold” means—

- (a) if the period in question is a week, £85 or such greater amount as may be prescribed; or
- (b) if that period is not a week, such proportion of the amount mentioned in paragraph (a) as falls to be calculated in accordance with regulations on such basis as may be prescribed.

(3) Regulations may secure that a person of any prescribed description does not suffer any reduction under subsection (1) above in any amount of incapacity benefit to which he is entitled.

(4) Regulations may provide—

- (a) for sums of any specified description to be disregarded for the purposes of this section;

- (b) for sums of any specified description to be treated for those purposes as payable to persons as pension payments (including, in particular sums in relation to which there is a deferred right of receipt);
  - (c) for the aggregation of sums of any specified description which are payable as pension payments (or treated as being so payable) in respect of the same or different periods;
  - (d) for such sums or aggregate sums to be apportioned between or otherwise allocated to periods in respect of which persons are entitled to incapacity benefit.
- (5) In this section “pension payment” means—
- (a) a periodical payment made in relation to a person under a personal pension scheme or, in connection with the coming to an end of an employment of his, under an occupational pension scheme or a public service pension scheme;
  - (b) a payment of any specified description, being a payment made under an insurance policy providing benefits in connection with physical or mental illness, disability, infirmity or defect; or
  - (c) a payment of any other specified description;
- and “specified” means prescribed by or determined in accordance with regulations under this section.
- (6) For the purposes of subsection (5) above
- “occupational pension scheme”, “personal pension scheme” and “public service pension scheme” each has the meaning given by section 1 of the Pension Schemes (Northern Ireland) Act 1993, except that
- “personal pension scheme” includes a contract or trust scheme approved under Chapter III of Part XIV of the Income and Corporation Taxes Act 1988 (retirement annuities).”.