

1980 No. 364

PENSIONS

Pensions Increase (Review) Order (Northern Ireland) 1980

Made 22nd October 1980

Coming into operation 24th November 1980

Whereas by virtue of Article 25 of the Social Security Pensions (Northern Ireland) Order 1975(a) a direction(b) has been given under section 120 of the Social Security (Northern Ireland) Act 1975(c) by the Department of Health and Social Services acting in conjunction with the Department of Finance that the sums which are the additional components in the rates of long-term benefits are to be increased by a specified percentage:

Now, therefore, the Department of the Civil Service, in exercise of the powers conferred by Article 69(1)(2) and (5) of the Social Security Pensions (Northern Ireland) Order 1975(d) and now vested in it(e) and of every other power enabling it in that behalf, hereby makes the following Order:

Citation and commencement

1. This Order may be cited as the Pensions Increase (Review) Order (Northern Ireland) 1980 and shall come into operation on 24th November 1980.

Interpretation

2.—(1) In this Order—

“the Act of 1971” means the Pensions (Increase) Act (Northern Ireland) 1971(f);

“basic rate” has the meaning given by section 15(1) of the Act of 1971;

“existing Orders” means — the Pensions Increase (Annual Review) Order (Northern Ireland) 1972(g), the Pensions Increase (Annual Review) Order (Northern Ireland) 1973(h), the Pensions Increase (Annual Review) Order (Northern Ireland) 1974(i), the Pensions Increase (Annual Review) Order (Northern Ireland) 1975(j), the Pensions Increase (Annual Review) Order (Northern Ireland) 1976(k), the Pensions Increase (Annual Review) Order (Northern Ireland) 1977(l), the Pensions Increase (Annual Review) Order (Northern Ireland) 1978(m), and the Pensions Increase (Review) Order (Northern Ireland) 1979(n);

(a) S.I. 1975/1503 (N.I. 15)

(b) Contained in S.R. 1980 No. 294 Art. 3(3)

(c) 1975 c. 15

(d) Art. 69 of S.I. 1975/1503 (N.I. 15) amended the Pensions (Increase) Act (Northern Ireland) 1971 (1971 c. 35 (N.I.)). Art. 69(5) was modified in its effect by Art. 69A (inserted by Art. 10(3) of the Social Security (Northern Ireland) Order 1979 (S.I. 1979/396 (N.I. 5))). Art. 69 was further amended by S.I. 1979/396 (N.I. 5) Art. 10(2)

(e) By S.R. 1976 No. 281 (II, p. 1339) Art. 3 and Sch. 1

(f) 1971 c. 35 (N.I.)

(g) S.R. & O. (N.I.) 1972 No. 263 (p. 1400)

(h) S.R. & O. (N.I.) 1973 No. 364 (II, p. 2063)

(i) S.R. 1974 No. 296 (II, p. 1396)

(j) S.R. 1975 No. 269 (II, p. 1272)

(k) S.R. 1976 No. 276 (II, p. 1332)

(l) S.R. 1977 No. 277 (II, p. 1523)

(m) S.R. 1978 No. 269 (II, p. 932)

(n) S.R. 1979 No. 338 (II, p. 1481)

“official pension” has the meaning given by section 5(1) of the Act of 1971; “the Order of 1975” means the Social Security Pensions (Northern Ireland) Order 1975;

“pension authority” has the meaning given by section 7(1) of the Act of 1971; “qualifying condition” means one of the conditions laid down in section 3 of the Act of 1971;

“widow’s pension” has the meaning given by section 15(1)(o) of the Act of 1971.

(2) For the purpose of this Order the time when a pension “begins” is that stated in section 8(2) of the Act of 1971.

(3) Where, for the purposes of this Order, it is necessary to calculate the number of complete months in any period an incomplete month shall be treated as a complete month if it consists of at least 16 days.

Increases in certain pensions

3.—(1) The annual rate of an official pension may, if a qualifying condition is satisfied or the pension is a widow’s pension, be increased as set out in paragraphs (2) and (3) by the pension authority in respect of any period beginning on or after 24th November 1980.

(2) A pension beginning before 12th November 1979 may be increased by 16.5 per cent of the basic rate as increased by the amount of any increase under section 1 of the Act of 1971 or the existing Orders.

(3) A pension beginning on or after 12th November 1979 and before 24th November 1980 may be increased by 16.5 per cent multiplied by $\frac{A}{B}$ where A is the number of complete months in the period between the beginning of the pension and 24th November 1980 and B is 12.

Increases in certain lump sums

4. In respect of any lump sum which became payable before 24th November 1980 but after 11th November 1979 there may be paid an increase of 16.5 per cent. of the amount of the lump sum (as increased by the amount of any increase under section 1 of the Act of 1971 or under the existing Orders) multiplied by $\frac{A}{B}$ where:

- (a) A is the number of complete months in the period between the beginning date for the lump sum (or, if later, 12th November 1979) and the date on which it became payable; and
- (b) B is 12.

Reductions in respect of guaranteed minimum pensions

5. Where—

- (i) a person is entitled to a guaranteed minimum pension on 24th November 1980; and
- (ii) entitlement to that guaranteed minimum pension arises from an employment from which (either directly or by virtue of the payment of a transfer credit under Article 40 of the Order of 1975) entitlement to the official pension also arises;

the amount by reference to which any increase in the rate of an official pension provided for by this Order is to be calculated shall be reduced by an amount equal to the rate of the guaranteed minimum pension unless the Department of the Civil Service shall, in accordance with the provisions of Article 69A(p) of the Order of 1975, otherwise direct.

(o) As amended by S.I. 1974/1267 (N.I. 2) Art. 5(3)(b)

(p) Inserted by S.I. 1979/396 (N.I. 5) Art. 10(3)

Sealed with the Official Seal of the Department of the Civil Service for Northern Ireland on 22nd October 1980.

(L.S.)

J. S. H. Gaw

Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Order, but is intended to indicate its general purport.)

The Department of the Civil Service is required to provide by Order for increases in the rates of public service pensions.

This obligation arises under Article 69 of the Social Security Pensions Order (Northern Ireland) 1975 (as amended by Article 10 of the Social Security (Northern Ireland) Order 1979 and as modified in effect by Article 69A of the Order of 1975 (introduced by Article 10(3) of the Order of 1979)).

The increase to be made in the rates of such pensions is the percentage (or in some circumstances a fraction of the percentage) by which the Department of Health and Social Services acting in conjunction with the Department of Finance has, by virtue of the provisions of Article 25 of the Social Security Pensions (Northern Ireland) Order 1975, increased the sums which are the additional components in the rates of long term benefits, namely the additional pension entitlements accruing to employees in respect of their earnings after 5th April 1978.

For pension which began before 12th November 1979 the increase is 16.5%.

For pensions which began on or after 12th November 1979, the increases are computed under the formula set out in Article 69(3)(a) of the Order of 1975 and are as follows:

<i>Pensions beginning</i>	<i>Percentage increase</i>	<i>Pensions beginning</i>	<i>Percentage increase</i>
12th November 1979 to 8th December 1979	16.5%	9th May 1980 to 8th June 1980	8.3%
9th December 1979 to 8th January 1980	15.1%	9th June 1980 to 8th July 1980	6.9%
9th January 1980 to 8th February 1980	13.8%	9th July 1980 to 8th August 1980	5.5%
9th February 1980 to 8th March 1980	12.4%	9th August 1980 to 8th September 1980	4.1%
9th March 1980 to 8th April 1980	11.0%	9th September 1980 to 8th October 1980	2.8%
9th April 1980 to 8th May 1980	9.6%	9th October 1980 to 8th November 1980	1.4%

A deferred lump sum which begins on or before 8th November 1980 and which becomes payable after 23rd November 1980 receives the same percentage increase as a pension which begins on the same date.

Article 4 of the Order also provides for increases on certain deferred lump sums which became payable after 11th November 1979 and before 24th November 1980.

The Order also provides that the amount by reference to which any increase in the rate of an official pension is to be calculated shall be reduced by an amount equal to the rate of the guaranteed minimum pension entitlement deriving from the employment which gives rise to the official pension. This is required by Article 69(5) of the Social Security Pensions (Northern Ireland) Order 1975 but Article 69A of that Order empowers the Department of the Civil Service to direct that in respect of specified cases or classes of case either no such reduction shall be made or the reduction shall be less than the rate of the guaranteed minimum pension.