
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations introduce further detailed rules relating to the new state pension. The Pensions Act (Northern Ireland) 2015 (“the Act”) creates the new state pension for people reaching pensionable age on or after 6th April 2016 (see Part 1 of that Act). It replaces the existing state pension for those people.

Regulation 2 of these Regulations amends the State Pension Regulations (Northern Ireland) 2015 (“the State Pension Regulations”).

Regulation 2(2) of these Regulations substitutes definitions in regulation 1(2) of the State Pension Regulations.

Regulation 2(3) of these Regulations inserts regulation 12A into the State Pension Regulations to make further provision about deferral. A person may defer their state pension by choosing not to claim it when they are first entitled to it or by suspending receipt of it after they first claim it. If they defer, they may receive more state pension when they later choose to claim it. Regulation 12A sets out how any extra state pension they receive is calculated in certain circumstances. These are where the weekly rate of the state pension the person would have received if they had not deferred would have changed otherwise than as a result of an annual up-rating increase. For example, it might have changed as a result of becoming entitled to an inherited amount upon the death of the person’s spouse or civil partner.

Regulation 2(4) of these Regulations adds Parts 6 and 7 into the State Pension Regulations. Part 6 (Regulations 15 to 20) contains provisions about inheritance of graduated retirement benefit. A person can be entitled to graduated retirement benefit if they made certain National Insurance contributions between 1961 and 1975. Where such a person dies, the provisions in Part 6 provide that the person’s surviving spouse or civil partner can be entitled to a state pension based on the inheritable graduated retirement benefit. This is a state pension under Part 1 of the Act.

Regulations 15 and 16(1) to (3) set out the circumstances in which a person is entitled to a state pension based on the inheritable graduated retirement benefit. Regulation 16(4) to (6) determines the amount of such a state pension. Regulation 17 provides for annual up-rating increases of that state pension. Regulation 18 applies where a person has died while deferring their entitlement to a graduated retirement benefit. It allows their surviving spouse or civil partner to make a choice between taking the inheritable payment as a one-off lump sum or as a weekly pension and it includes provisions about making that choice. Regulation 19 sets out how to calculate the lump sum. Regulation 20 sets out who is eligible for the weekly pension, how to calculate it and when annual up-rating increases apply to it.

Part 7 (Regulations 21 to 23) contains provisions about state pensions for persons who are overseas residents. Regulation 21 sets out when overseas residents are not entitled to up-rating increases of their state pension. This includes at regulation 21(3) and (4) rules for persons who have deferred and are an overseas resident. Regulation 21(6) makes provision about whether a person in part of the Channel Islands is an overseas resident. Regulation 22 makes similar provision to regulation 12A for overseas residents who have deferred. Regulation 23 sets out how to calculate the extra state pension when both regulations 12A and 22 apply.

Regulation 3 of these Regulations makes consequential amendments to provisions of the Act relating to up-rating so that they include state pension based on inheritance of graduated retirement benefit.

Status: *This is the original version (as it was originally made). This item of legislation is currently only available in its original format.*

Sections 10, 18(2) to (4) and 20 of the Act, some of the enabling powers under which these Regulations are made, were brought into operation on 25th February 2016 for the purpose only of making regulations by virtue of the Pensions (2015 Act) (Commencement No. 3) Order (Northern Ireland) 2016 ([S.R. 2016 No 68 \(C. 4\)](#)).