
EXPLANATORY NOTE

(This note is not part of the Order)

Under section 69 of the Social Security Pensions (Increase) Act (Northern Ireland) 1975 (c.15), the Department of Finance has to provide, by Order, for the increase in the rates of public service pensions. The Pensions (Increase) Act (Northern Ireland) 1971 (c.35) defines certain terms and sets out when the pension “begins” (the day after the last day of service in respect of which the pension is payable) and how the increase applies to lump sums.

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 for Communities has, by direction under section 132 of the Social Security Administration (Northern Ireland) Act 1992 (c.8), increased the sums which are the additional pensions in long-term benefits, namely the additional pension entitlements accruing to employees in respect of their earnings after 5th April 1978.

For pensions which began before 11th April 2016 the increase is 1 per cent.

For pensions which began on or after 11th April 2016 the increases (following the calculation set out in article 3) are as follows:—

<i>Pensions Beginning</i>	<i>Percentage Increase</i>
11th April 2016 to 25th April 2016	1.0%
26th April 2016 to 25th May 2016	0.92%
26th May 2016 to 25th June 2016	0.83%
26nd June 2016 to 25th July 2016	0.75%
26th July 2016 to 25th August 2016	0.67%
26th August 2016 to 25th September 2016	0.58%
26th September 2016 to 25th October 2016	0.5%
26th October 2016 to 25th November 2016	0.42%
26th November 2016 to 25th December 2016	0.33%
26th December 2016 to 25th January 2017	0.25%
26th January 2017 to 25th February 2017	0.17%
26th February 2017 to 25th March 2017	0.08%

Article 3 of the Order provides for increases on certain deferred lump sums which became payable on or after 11th April 2016 and before 10th April 2017.

The Order also makes provision for the amount by reference to which any increase in the rate of an official pension is to be calculated to 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.