STATUTORY INSTRUMENTS

# 1975 No. 1384

# PENSIONS

## The Pensions Increase (Annual Review) Order 1975

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| *Made* - - - - | 18*th August* 1975 |
| *Laid before Parliament* | 8*th September* 1975 |
| *Coming into Operation* | 1*st December* 1975 |

Whereas the Minister for the Civil Service has, in accordance with the provisions of section 2 of the Pensions (Increase) Act 1971**(a)**, as amended by section 25(1) of the Superannuation Act 1972**(b)**, reviewed the rates of official pensions against the rise in the cost of living during the review period, that is to say, the period of twelve months ending with 30th June 1975, and it has been found that in that period the cost of living has risen by 26.1 per cent:

Now, therefore, the Minister for the Civil Service, in exercise of the powers conferred on him by section 2 of the Pensions (Increase) Act 1971 (as amended by section 25(1) of the Superannuation Act 1972 and section 3(3)(*a*) of the Pensions (Increase) Act 1974**(c)**) and section 9(4) of the said Act of 1971, and of all other powers enabling him in that behalf, hereby makes the following Order:—

*Citation and commencement*

**1.** This Order may be cited as the Pensions Increase (Annual Review) Order 1975, and shall come into operation on 1st December 1975.

*Interpretation*

**2.**—(1) In this Order—

"the 1971 Act" means the Pensions (Increase) Act 1971;

"the 1974 Act" means the Pensions (Increase) Act 1974;

"basic rate" has the meaning given by section 17(1) of the 1971 Act, as amended by section 1(3) of the 1974 Act;

"the existing Orders" means the Pensions Increase (Annual Review) Order 1972**(d)**, the Pensions Increase (Annual Review) Order 1973**(e)** and the Pensions Increase (Annual Review) Order 1974**(f)**;

"official pension" has the meaning given by section 5(1) of the 1971 Act;

"pension authority" has the meaning given by section 7(1) of the 1971 Act;

"qualifying condition" means one of the conditions laid down in section 3 of the 1971 Act, as amended by section 3(2) and (3) of the 1974 Act;

"widow's pension" means a pension payable in respect of the services of the pensioner's deceased husband.

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**(a)** 1971 c. 56.
**(b)** 1972 c. 11.
**(c)** 1974 c. 9.
**(d)** S.I. 1972/1298 (1972 II, p. 3910).
**(e)** S.I. 1973/1370 (1973 II, p. 4234).
**(f)** S.I. 1974/1373 (1974 II. p. 5267).

(2) For the purposes of this Order the time when a pension "begins" is that stated in section 8(2) of the 1971 Act, and the "beginning date" shall be construed accordingly.

(3) The Interpretation Act 1889**(a)** shall apply for the interpretation of this Order as it applies for the interpretation of an Act of Parliament.

*Pension increases*

**3.**—(1) The annual rate of an official pension may, if any qualifying condition is satisfied or the pension is a widow's pension, be increased by the pension authority in respect of any period beginning on or after 1st December 1975, as follows:—

(*a*) a pension beginning on or before 1st July 1974 may be increased by 26.1 per cent. of the basic rate as increased by the amount of any increase under section 1 of the 1971 Act or under the existing Orders;

(*b*) a pension beginning in the six months following 1st July 1974 may be increased by 29.3 per cent. of the basic rate.

(*c*) a pension beginning in the six months following 1st January 1975 may be increased by 19.9 per cent. of the basic rate.

(2) For the purpose of showing the cumulative effect of the increases payable under section 1 of the 1971 Act, under the existing Orders and under paragraph (1) above, that section (as amended by section 3(3)(*a*) of the 1974 Act), with the effect of the existing Orders and paragraph (1) above incorporated in it, is set out in the Schedule to this Order.

*Increases of certain lump sums*

**4.** In respect of any lump sum or instalment of a lump sum which became payable in the six months ending with 1st July 1975, but for which the beginning date fell before 2nd January 1975, there may be paid an increase of 13.5 per cent. of the amount of the lump sum or instalment as increased by any increase under section 1 of the 1971 Act or under the existing Orders.

Given under the official seal of the Minister for the Civil Service on 18th August 1975.

(L.S.)

*C. R. Morris,*
Minister of State,
Civil Service Department.

**(a)** 1889 c. 63.

## SCHEDULE

Article 3(2)

*Section 1 of the Pensions (Increase) Act 1971 reproduced with the effect of the existing Orders and article 3(1) of this Order incorporated in it*

1.—(1) Subject to the provisions of this Act, the annual rate of an official pension may, if any qualifying condition is satisfied or the pension is a widow's pension, be increased by the pension authority in respect of any period on or after 1st December 1975, as follows:—

(*a*) a pension beginning before the year 1969 may be increased by the amount necessary to bring the rate up to the 1969 standard, that is to say to the rate arrived at by applying to the basic rate of pension the multiplier given in Schedule 1 for the year in which the pension began, and by a further 108.2288 per cent. of the rate so increased;

(*b*) a pension beginning on or before 1st April 1969 but not earlier than that year may be increased by 108.2288 per cent. of the basic rate;

(*c*) a pension beginning in the six months following 1st April 1969 may be increased by 104.6995 per cent. of the basic rate;

(*d*) a pension beginning in the six months following 1st October 1969 may be increased by 101.1702 per cent. of the basic rate;

(*e*) a pension beginning in the six months following 1st April 1970 may be increased by 94.1117 per cent. of the basic rate;

(*f*) a pension beginning in the six months following 1st October 1970 may be increased by 87.0531 per cent. of the basic rate;

(*g*) a pension beginning in the six months following 1st April 1971 may be increased by 78.2314 per cent. of the basic rate;

(*h*) a pension beginning in the six months following 1st October 1971 may be increased by 69.5606 per cent. of the basic rate;

(*i*) a pension beginning in the three months following 1st April 1972 may be increased by 66.1887 per cent. of the basic rate;

(*j*) a pension beginning in the six months following 1st July 1972 may be increased by 62.1848 per cent. of the basic rate;

(*k*) a pension beginning in the six months following 1st January 1973 may be increased by 55.8678 per cent. of the basic rate;

(*l*) a pension beginning in the six months following 1st July 1973 may be increased by 48.9241 per cent. of the basic rate;

(*m*) a pension beginning in the six months following 1st January 1974 may be increased by 41.6103 per cent. of the basic rate.

(*n*) a pension beginning in the six months following 1st July 1974 may be increased by 29.3 per cent. of the basic rate;

(*o*) a pension beginning in the six months following 1st January 1975 may be increased by 19.9 per cent. of the basic rate.

(2) In the case of a pension beginning before the year 1969 the increase authorised by subsection (1)(*a*) above shall take the place of those authorised by the Pensions (Increase) Acts 1920 to 1969, but in the cases provided for by section 6 below shall be of the larger amount there specified by reference to increases that might have been made under those Acts together with a further increase of 108.2288 per cent. of the pension as so increased.

## EXPLANATORY NOTE

*(This Note is not part of the Regulations.)*

These Regulations amend the Pensions Increase (Federated Superannuation System for Universities) Regulations 1972, which provide for the payment of allowances corresponding to pension increases under the Pensions (Increase) Act 1971 to persons who have been subject to the Superannuation System for Universities (F.S.S.U.) and who have retired from the civil service.

Persons who have been subject to FSSU and who are serving in the civil service on 1st April 1975 are being given the right to elect to relinquish their rights in respect of policies held for them under FSSU and to have their previous service under FSSU treated as reckonable service under the principal civil service pension scheme. By virtue of the amendment made by these Regulations, persons who so elect will not be entitled to benefits under the 1972 Regulations. Any pensions to which they become entitled under the principal civil service pension scheme will be eligible for increases under the Pensions (Increase) Act 1971.

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