STATUTORY RULES OF NORTHERN IRELAND

2014 No. 99

PENSIONS

The Pensions Increase (Review) Order (Northern Ireland) 2014

Made - - - -	*26th March 2014*
Coming into operation -	*7th April 2014*

In accordance with section 132 of the Social Security Administration (Northern Ireland) Act 1992(**a**) the Department for Social Development(**b**) has given a direction(**c**) that the sums which are the additional pensions in long-term benefits are to be increased by a specified percentage.

The Department of Finance and Personnel now makes the following Order in exercise of the powers conferred by Article 69(1), (2), (5) and (5ZA) of the Social Security Pensions (Northern Ireland) Order 1975(**d**) and now vested in it(**e**).

Citation and commencement

1. This Order may be cited as the Pensions Increase (Review) Order (Northern Ireland) 2014 and shall come into operation on 7th April 2014.

Interpretation

2.—(1) In this Order—

"the 1971 Act" means the Pensions (Increase) Act (Northern Ireland) 1971(**f**);

"the 1975 Order" means the Social Security Pensions (Northern Ireland) Order 1975;

"basic rate" and "derivative pension" have the meanings given by section 15(1) of the 1971 Act (**g**);

"existing Orders" means the Orders referred to in the Schedule;

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

(**a**) 1992 c. 8

(**b**) *See* S.R. 1999 No. 481 Art. 8(b) and Schedule 6 Part II

(**c**) Contained in S.R. 2014 No. 78. This direction corresponds to the direction given by the Secretary of State for Work and Pensions under section 150 of the Social Security Administration Act 1992 (c.5)

(**d**) S.I. 1975/1503 (N.I. 15); Art. 69 was amended by S.I. 1976/396 (N.I. 5) Arts. 10(2), 16 and Sch. 3, S.I. 1985/1209 (N.I. 16) Art. 25(2) and Sch. 6, S.I. 1986/1888 (N.I. 18) Arts. 11(8), 19(1)(b), 83(1) and Sch. 9, para. 58, S.I. 1990/1509 (N.I. 13) Arts. 3(7) and 7, by section 4 and paragraph 14(19) of Schedule 2 to the Social Security (Consequential Provisions) (Northern Ireland) Act 1992 (1992 c. 9) and by section 184 of and paragraph 15(1) of Schedule 7 to the Pension Schemes (Northern Ireland) Act 1993 (1993 c. 49). Article 69 is modified by Article 69A, which was inserted by Article 10(3) of the Social Security (Northern Ireland) Order 1979 (S.I. 1979/396 (N.I. 5)), and amended by S.I. 1986/1888 (N.I. 18) Art. 11(9) and by section 184 of and paragraph 15(2) of Schedule 7 to the Pensions Schemes (Northern Ireland) Act 1993. Art. 69(5ZA) is amended by the Pensions (No.2) Act (NI) 2008 (c.13), section110 and sch. 10 part 5, Arts 69(5ZC) are added by 2008 c. 13 section 110; at the time this order was made the amendments were not in force.

(**e**) By S.R. 1976 No. 281 Art. 3 and Sch. 1 and S.I. 1982/338 (N.I. 6) Art 4

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

(**g**) As amended by S.I. 1974/1267 (N.I. 2) Arts. 3(3) and 5(3)(b), S.I. 1990/1509 (N.I. 13) Art. 3(6) and S.I. 1999/3147 (N.I. 11) Art. 36(1) and (4)

"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 the 1971 Act(**a**);

"relevant injury pension", "substituted pension" and "widow's pension" have the meanings given by section 15(1) of the 1971 Act.

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

(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.

Pensions increases

3.—(1) The pension authority may, if any of the conditions in paragraph (2) are fulfilled, increase the annual rate of an official pension in respect of any period on or after 7th April 2014 as follows—

(a) a pension beginning before 8th April 2013 may be increased by 2.70 per cent of the basic rate (as increased by the amount of any increase under section 1 of the 1971 Act or the existing Orders);

(b) a pension beginning on or after 8th April 2013 and before 7th April 2014 may be increased by 2.70 per cent multiplied by—

$$\frac{A}{12}$$

where A is the number of complete months in the period between the beginning date of the pension and 7th April 2014.

(2) Those conditions are—

(a) a qualifying condition is satisfied;

(b) the official pension is—

(i) a derivative pension;

(ii) a substituted pension; or

(iii) a relevant injury pension.

Increase in certain lump sums

4.—(1) This Article applies to any lump sum or instalment of a lump sum which became payable on or after 8th April 2013 but before 7th April 2014.

(2) The pension authority may increase a lump sum or instalment of a lump sum to which this Article applies by 2.70 per cent of the amount of the lump sum or instalment (as increased by the amount of any increase under section 1 of the 1971 Act or under the existing Orders) multiplied by—

$$\frac{A}{12}$$

where A is the number of complete months in the period between the beginning date for the lump sum or, if later, 8th April 2013 and the date on which it became payable.

(**a**) As amended by S.R. & O. (N.I.) 1972 No. 264, S.I. 1974/1267 (N.I. 2) Art. 5(2) and (3), S.I. 1987/2203 (N.I. 22) Art. 72(3) and Sch. 5 Part I, S.I. 1990/1509 (N.I. 13) Art. 3, S.I. 1995/3213 (N.I. 22) Arts. 163, 168 and Sch. 5 Part IV and S.I. 1999/3147 (N.I. 11) Art 36(1) and (2)

(**b**) As amended by S.I. 1990/1509 (N.I. 13) Art. 3(5) and S.I. 1999/3147 (N.I. 11) Art. 36 (1) and (3)

Reduction in respect of guaranteed minimum pensions

5. 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, in the case of a person—

(a) who is entitled to a guaranteed minimum pension on 7th April 2014; and

(b) whose entitlement to that guaranteed minimum pension arises from an employment from which (either directly or by virtue of the payment of a transfer credit) entitlement to the official pension also arises,

be reduced by an amount equal to the rate of the guaranteed minimum pension unless the Department of Finance and Personnel(**a**) otherwise directs in accordance with the provisions of Article 69A(**b**) of the 1975 Order.

6. The amount by reference to which any increase in the rate of a widow's or widower's pension provided for by this Order is to be calculated shall, where the pensioner becomes entitled on the death of the deceased spouse or deceased civil partner to a guaranteed minimum pension, be reduced in accordance with Article 69(5ZA)(**c**) of the 1975 Order.

Sealed with the Official Seal of the Department of Finance and Personnel on 26th March 2014

(L.S.)

John McKibbin
A senior officer of the
Department of Finance and Personnel

(**a**) *See* S.I. 1982/338 (N.I. 6) Art. 4
(**b**) Inserted by S.I. 1979/396 (N.I. 5) Art. 10 and amended by S.I. 1986/1888 (N.I. 18) Art. 11(9) and 1993 c. 49 section 184 and paragraph 15(2) of sch. 7
(**c**) Inserted S.I. 1990/1509 (N.I. 13) Art. 7(1)

SCHEDULE 1

Article 2(1)

Existing Orders

The Pensions Increase (Annual Review) Order (Northern Ireland) 1972 (**a**)

The Pensions Increase (Annual Review) Order (Northern Ireland) 1973 (**b**)

The Pensions Increase (Annual Review) Order (Northern Ireland) 1974 (**c**)

The Pensions Increase (Annual Review) Order (Northern Ireland) 1975 (**d**)

The Pensions Increase (Annual Review) Order (Northern Ireland) 1976 (**e**)

The Pensions Increase (Annual Review) Order (Northern Ireland) 1977 (**f**)

The Pensions Increase (Annual Review) Order (Northern Ireland) 1978 (**g**)

The Pensions Increase (Review) Order (Northern Ireland) 1979 (**h**)

The Pensions Increase (Review) Order (Northern Ireland) 1980 (**i**)

The Pensions Increase (Review) Order (Northern Ireland) 1981 (**j**)

The Pensions Increase (Review) Order (Northern Ireland) 1982 (**k**)

The Pensions Increase (Review) Order (Northern Ireland) 1983 (**l**)

The Pensions Increase (Review) Order (Northern Ireland) 1984 (**m**)

The Pensions Increase (Review) Order (Northern Ireland) 1985 (**n**)

The Pensions Increase (Review) Order (Northern Ireland) 1986 (**o**)

The Pensions Increase (Review) Order (Northern Ireland) 1987 (**p**)

The Pensions Increase (Review) Order (Northern Ireland) 1988 (**q**)

The Pensions Increase (Review) Order (Northern Ireland) 1989 (**r**)

The Pensions Increase (Review) Order (Northern Ireland) 1990 (**s**)

The Pensions Increase (Review) Order (Northern Ireland) 1991 (**t**)

(**a**) S.R. & O. (N.I.) 1972 No. 263
(**b**) S.R. & O. (N.I.) 1973 No. 364
(**c**) S.R. 1974 No. 296
(**d**) S.R. 1975 No. 269
(**e**) S.R. 1976 No. 276
(**f**) S.R. 1977 No. 277
(**g**) S.R. 1978 No. 269
(**h**) S.R. 1979 No. 338
(**i**) S.R. 1980 No. 364
(**j**) S.R. 1981 No. 307
(**k**) S.R. 1982 No. 303
(**l**) S.R. 1983 No. 289
(**m**) S.R. 1984 No. 340
(**n**) S.R. 1985 No. 268
(**o**) S.R. 1986 No. 213
(**p**) S.R. 1987 No. 70
(**q**) S.R. 1988 No. 61
(**r**) S.R. 1989 No. 72
(**s**) S.R. 1990 No. 86
(**t**) S.R. 1991 No. 84

The Pensions Increase (Review) Order (Northern Ireland) 1992 (**a**)

The Pensions Increase (Review) Order (Northern Ireland) 1993 (**b**)

The Pensions Increase (Review) Order (Northern Ireland) 1994 (**c**)

The Pensions Increase (Review) Order (Northern Ireland) 1995 (**d**)

The Pensions Increase (Review) Order (Northern Ireland) 1996 (**e**)

The Pensions Increase (Review) Order (Northern Ireland) 1997 (**f**)

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The Pensions Increase (Review) Order (Northern Ireland) 2004 (**m**)

The Pensions Increase (Review) Order (Northern Ireland) 2005 (**n**)

The Pensions Increase (Review) Order (Northern Ireland) 2006 (**o**)

The Pensions Increase (Review) Order (Northern Ireland) 2007 (**p**)

The Pensions Increase (Review) Order (Northern Ireland) 2008 (**q**)

The Pensions Increase (Review) Order (Northern Ireland) 2009 (**r**)

The Pensions Increase (Review) Order (Northern Ireland) 2011 (**s**)

The Pensions Increase (Review) Order (Northern Ireland) 2012 (**t**)

The Pensions Increase (Review) Order (Northern Ireland) 2013 (**u**)

(**a**) S.R. 1992 No. 69
(**b**) S.R. 1993 No. 125
(**c**) S.R. 1994 No. 99
(**d**) S.R. 1995 No. 39
(**e**) S.R. 1996 No. 90
(**f**) S.R. 1997 No. 124
(**g**) S.R. 1998 No. 66
(**h**) S.R. 1999 No. 109
(**i**) S.R. 2000 No. 64
(**j**) S.R. 2001 No. 94
(**k**) S.R. 2002 No. 102
(**l**) S.R. 2003 No. 169
(**m**) S.R. 2004 No. 118
(**n**) S.R. 2005 No. 102
(**o**) S.R. 2006 No. 127
(**p**) S.R. 2007 No. 170
(**q**) S.R. 2008 No. 123
(**r**) S.R. 2009 No. 109
(**s**) S.R. 2011 No. 129
(**t**) S.R .2012 No. 137
(**u**) S.R. 2013 No. 91

EXPLANATORY NOTE

(This note is not part of the Order)

This Order provides for increases in the rates of public service pensions.

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 Social Development has 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 8th April 2013 the increase is 2.70%.

For pensions which began on or after 8th April 2013 the increases (following the calculation set out in article 3(1)(b)) are as follows:—

Pensions Beginning	*Percentage Increase*	*Pensions Beginning*	*Percentage Increase*
8th April 2013 to 22nd April 2013	2.70%	23rd November 2013 to 22nd December 2013	0.90%
23rd April 2013 to 22nd May 2013	2.48%	23rd December 2013 to 22nd January 2014	0.68%
23rd May 2013 to 22nd June 2013	2.25%	23rd January 2014 to 22nd February 2014	0.45%
23rd June 2013 to 22nd July 2013	2.03%	23rd February 2014 to 22nd March 2014	0.23%
23rd July 2013 to 22nd August 2013	1.80%		
23rd August 2013 to 22nd September 2013	1.58%		
23rd September 2013 to 22nd October 2013	1.35%		
23rd October 2013 to 22nd November 2013	1.13%		

The Order provides for increases on certain deferred lump sums which became payable on or after 8th April 2013 and before 7th April 2014.

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.

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ISBN 978-0-337-99384-8

9 780337 993848

£6.00

N6129 04/2014 446129T 19585