STATUTORY RULES OF NORTHERN IRELAND

2025 No. 69

PENSIONS

The Pensions Increase (Review) Order (Northern Ireland) 2025

Made - - - -	*27th March 2025*
Coming into operation -	*7th April 2025*

In accordance with section 132 of the Social Security Administration (Northern Ireland) Act 1992(**a**) the Department for Communities(**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 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) 2025 and shall come into operation on 7th April 2025.

Interpretation

2.—(1) In this Order, "the 1975 Order" means the Social Security Pensions (Northern Ireland) Order 1975.

(2) In this Order, any reference to a pension is a reference to a pension which began before 7th April 2025(**f**).

(**a**) 1992 c. 8

(**b**) *See* S.R. 1999 No. 481 Art. 8(b) and Schedule 6 Part II. The Department for Social Development was renamed the Department for Communities by section 1 of the Departments Act (Northern Ireland) 2016 (2016 c. 5 (N.I.)).

(**c**) Contained in S.R. 2025 No. 64. 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. 1979/396 (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 of the same Act, 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), section 110 and sch. 10 part 5, Arts 69(5ZB) and (5ZC) are added by 2008 c. 13 section 110.

(**e**) By S.R. 1976 No. 281 Art. 3 and Sch. 1, S.I. 1982/338 (N.I. 6) Art 3 and 4, and 2016 c. 5 (N.I.).

(**f**) By virtue of article 69(7) of the Social Security Pensions (Northern Ireland) Order 1975 (c.15), sections 69 and 69A of that Order have effect as if they were contained in Part 1 of the Pensions (Increase) Act (Northern Ireland) 1971 (c.35(NI)). Consequently, for the purposes of section 33 of the Interpretation Act (Northern Ireland) 1954 (c. 33)(NI) the following expressions used in this Order have the meaning which they bear in section 69 of the Social Security Pensions (Northern Ireland) Order 1975 and the Pensions (Increase) Act (Northern Ireland) 1971: "beginning date", "derivative pension", "employment", "guaranteed minimum pension", "official pension", "pension authority", "qualifying condition", "relevant injury pension", "substituted pension" and "transfer credit". Section 8(2) of the Pensions (Increase) Act (Northern Ireland) 1971 also makes provision about when a pension begins for the purposes of that Act. Section 8(2) was amended by section

Pension increases: annual rate and lump sums

3.—(1) This article applies to an official pension if—

(a) a qualifying condition is satisfied; or

(b) the pension is—

(i) a derivative pension,

(ii) a substituted pension or,

(iii) a relevant injury pension.

(2) In relation to any period on or after 7th April 2025, the pension authority may increase the annual rate(**a**) of the pension—

(a) for a pension which began before 8th April 2024, by 1.7 per cent;

(b) for a pension which began on or after 8th April 2024, by 1.7 per cent multiplied by—

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

where A is the number of complete months in the period between the beginning date(**b**) of the pension and 7th April 2025.

(3) In relation to a lump sum(**c**) which is payable on or after 8th April 2024 but before 7th April 2025, the pension authority may increase the lump sum by 1.7 per cent multiplied by—

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

where A is the number of complete months(**d**) in the period between the beginning date of the lump sum (or, if later, 8th April 2024) and the date on which it becomes payable.

Reductions in respect of guaranteed minimum pensions

4.—(1) Where—

(a) a person is entitled to an increase in a guaranteed minimum pension on 7th April 2025; and

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

the amount by reference to which any increase is calculated for the purposes of article 3(2) must be reduced by an amount equal to the rate of the guaranteed minimum pension unless the Department of Finance otherwise direct in accordance with the provision of Article 69A(**e**) of the 1975 Order(**f**).

3(5) of the Pensions (Miscellaneous Provisions) (Northern Ireland) Order 1990 (N.I. 13) and by the Welfare Reform and Pensions (Northern Ireland) Order 1999 (N.I. 11), section 36(1) and (3)(b)&(c). Section 8 was also amended by the Public Service Pensions Act (Northern Ireland) 2014 (c.2), Schedule 8, paragraph 2 (which inserted section 8A).

(**a**) Section 69(5) of the Social Security Pensions (Northern Ireland) Order 1975 provides that the increases in the rate of a pension are to be calculated by reference to the basic rate of the pension as authorised to be increased by section 1 of the Pensions (Increase) Act (Northern Ireland) 1971 or by any order under section 2 of that Act or section 69 of the Social Security Pensions (Northern Ireland) Order 1975.

(**b**) Section 8(2) of the Pensions (Increase) Act (Northern Ireland) 1971 sets out the day on which a pension is deemed to begin for this purpose.

(**c**) By virtue of Article 69(7) of the Social Security Pensions (Northern Ireland) Order 1975 (c. 15) "lump sum" includes an instalment of a lump sum.

(**d**) By virtue of section 69(8) of the Social Security Pensions (Northern Ireland) Order 1975, where is it 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.

(**e**) 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.

(**f**) By S.R. 1976 No. 281 Art. 3 and Sch. 1, S.I. 1982/338 (N.I. 6) Art 3 and 4, and 2016 c.5 (N.I.)

(2) Where on the death of a deceased spouse or civil partner a person becomes entitled to a guaranteed minimum pension in relation to a surviving spouse's pension or a surviving civil partner's pension, the amount by reference to which any increase is calculated for the purposes of article 3(2) must be reduced in accordance with Article 69 (5ZA)(**a**) of the 1975 Order.

Sealed with the Official Seal of the Department of Finance on 27th March 2025.

(L.S.)

Patrick Neeson
A senior officer of the
Department of Finance

(**a**) Inserted S.I. 1990/1509 (N.I. 13) Art. 7(1).

EXPLANATORY NOTE

(This note is not part of the Order)

Under section 69 of the Social Security Pensions (Northern Ireland) Order 1975 (c.15) (increase of official pensions), where the Department for Communities under section 132(1) of the Social Security Administration (Northern Ireland) Act 1992 (c.8), directs that the sums which are the additional pensions in long-term benefits are to be increased by a specified percentage, the Department of Finance shall 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 a 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 applied is the same as the percentage (or in some circumstances a fraction of the percentage) by which the Department for Communities has, by direction under the Social Security Administration (Northern Ireland) Act 1992, increased the sums which are the additional pensions in long-term benefits, namely the additional pension entitlements accruing to employees in respect of earnings for service after 5th April 1978.

For pensions which began before 8th April 2024 the increase is 1.7 per cent.

For pensions which began on or after 8th April 2024 the increases (following the calculation set out in article 3) are as follows:—

Pensions Beginning	*Percentage Increase*
8th April 2024 to 22nd April 2024	1.7%
23rd April 2024 to 22nd May 2024	1.56%
23rd May 2024 to 22nd June 2024	1.42%
23rd June 2024 to 22nd July 2024	1.28%
23rd July 2024 to 22nd August 2024	1.13%
23rd August 2024 to 22nd September 2024	0.99%
23rd September 2024 to 22nd October 2024	0.85%
23rd October 2024 to 22nd November 2024	0.71%
23rd November 2024 to 22nd December 2024	0.57%
23rd December 2024 to 22nd January 2025	0.43%
23rd January 2025 to 22nd February 2025	0.28%
23rd February 2025 to 22nd March 2025	0.14%

Article 3 of the Order provides for increases on certain deferred lump sums which become payable on or after 8th April 2024 and before 7th April 2025.

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 any guaranteed minimum pension entitlement deriving from the employment which gives rise to the official pension.

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