

1983 No. 289

PENSIONS

Pensions Increase (Review) Order (Northern Ireland) 1983

Made 22nd September 1983

Coming into operation 21st November 1983

WHEREAS by virtue of Article 25 of the Social Security Pensions (Northern Ireland) Order 1975(a) a direction(b) has been given under section 120 of the Social Security (Northern Ireland) Act 1975(c) by the Department of Health and Social Services acting in conjunction with the Department of Finance and Personnel that the sums which are the additional components in the rate of long-term benefits are to be increased by a specified percentage.

Now, therefore, the Department of Finance and Personnel, in exercise of the powers conferred by Article 69(1), (2) and (5) of the Social Security Pensions (Northern Ireland) Order 1975(d) (which has effect as if it were contained in Part 1 of the Pensions (Increase) Act (Northern Ireland) 1971(e) and now vested in it(f) and of every other power enabling it in that behalf, hereby makes the following Order:

Citation and commencement

1. This Order may be cited as the Pensions Increase (Review) Order (Northern Ireland) 1983 and shall come into operation on 21st November 1983.

Interpretation

2.—(1) In this Order—

“the Act of 1971” means the Pensions (Increase) Act (Northern Ireland) 1971;

“basic rate” has the meaning given by section 15(1) of the Act of 1971;

“existing Orders” means — the Pensions Increase (Annual Review) Order (Northern Ireland) 1972(g), the Pensions Increase (Annual Review) Order (Northern Ireland) 1973(h), the Pensions Increase (Annual Review) Order (Northern Ireland) 1974(i), the Pensions Increase (Annual Review) Order (Northern Ireland) 1975(j), the Pensions Increase (Annual Review) Order (Northern Ireland) 1976(k), the Pensions Increase (Annual Review) Order

(a) S.I. 1975/1503 (N.I. 15)

(b) Contained in S.R. 1983 No. 243 Art. 3(3)

(c) 1975 c. 15

(d) Art. 69 of S.I. 1975/1503 (N.I. 15) amended the Pensions (Increase) Act (Northern Ireland) 1971 (1971 c. 35 (N.I.)). Art. 69(5) was modified in its effect by Art. 69A (inserted by Art. 10(3) of the Social Security (Northern Ireland) Order 1979 (S.I. 1979/396 (N.I. 5))). Art. 69 was further amended by S.I. 1979/396 (N.I. 5) Art. 10(2)

(e) 1971 c. 35 (N.I.)

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

(g) S.R. & O. (N.I.) 1972 No. 263

(h) S.R. & O. (N.I.) 1973 No. 364

(i) S.R. 1974 No. 296

(j) S.R. 1975 No. 269

(k) S.R. 1976 No. 276

(Northern Ireland) 1977(a), the Pensions Increase (Annual Review) Order (Northern Ireland) 1978(b), the Pensions Increase (Review) Order (Northern Ireland) 1979(c), the Pensions Increase (Review) Order (Northern Ireland) 1980(d), the Pensions Increase (Review) Order (Northern Ireland) 1981(e), and the Pensions Increase (Review) Order (Northern Ireland) 1982(f);

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

“the Order of 1975” means the Social Security Pensions (Northern Ireland) Order 1975;

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

“qualifying condition” means one of the conditions laid down in section 3 of the Act of 1971;

“widow’s pension” has the meaning given by section 15(1)(g) of the Act of 1971.

(2) For the purpose of this Order the time when a pension “begins” is that stated in section 8(2) of the Act of 1971.

(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.

Increases in certain pensions

3.—(1) The annual rate of an official pension may, if a qualifying condition is satisfied or the pension is a widow’s pension, be increased as set out in paragraphs (2) and (3) by the pension authority in respect of any period beginning on or after 21st November 1983.

(2) A pension beginning before 22nd November 1982 may be increased by 3.7 per cent. of the basic rate as increased by the amount of any increase under section 1 of the Act of 1971 or the existing Orders.

(3) A pension beginning on or after 22nd November 1982 and before 21st November 1983 may be increased by 3.7 per cent. multiplied by $\frac{A}{B}$ where A is the number of complete months in the period between the beginning of the pension and 21st November 1983 and B is 12.

Increases in certain lump sums

4. In respect of any lump sum which became payable before 21st November 1983 but after 21st November 1982 there may be paid an increase of 3.7 per cent. of the amount of the lump sum (as increased by the amount of any increase under section 1 of the Act of 1971 or under the existing Orders) multiplied by $\frac{A}{B}$ where:

(a) A is the number of complete months in the period between the beginning date for the lump sum (or, if later, 22nd November 1982) and the date on which it became payable; and

(b) B is 12.

(a) S.R. 1977 No. 277

(b) S.R. 1978 No. 269

(c) S.R. 1979 No. 338

(d) S.R. 1980 No. 364

(e) S.R. 1981 No. 307

(f) S.R. 1982 No. 303

(g) As amended by S.I. 1974/1267 (N.I. 2) Art. 5(3)(b)

Reductions in respect of guaranteed minimum pensions

5. Where—

- (i) a person is entitled to a guaranteed minimum pension on 21st November 1983; and
- (ii) entitlement to that guaranteed minimum pension arises from an employment from which (either directly or by virtue of the payment of a transfer credit under Article 40 of the Order of 1975) entitlement to the official pension also arises;

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

Sealed with the Official Seal of the Department of Finance and Personnel on 22nd September 1983.

(L.S.)

R. J. Anderson

Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Order.)

The Department of Finance and Personnel is required to provide by Order for increases in the rates of public service pensions.

This obligation arises under Article 69 of the Social Security Pensions Order (Northern Ireland) 1975 (as amended by Article 10 of the Social Security (Northern Ireland) Order 1979 and as modified in effect by Article 69A of the Order of 1975 (introduced by Article 10(3) of the Order of 1979)).

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 of Health and Social Services acting in conjunction with the Department of Finance and Personnel has, by virtue of the provisions of Article 25 of the Social Security Pensions (Northern Ireland) Order 1975, increased the sums which are the additional components in the rates of 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 22nd November 1982 the increase is 3.7%.

For pensions which began on or after 22nd November 1982 the increases are computed under the formula set out in Article 69(3)(a) of the Order of 1975 and are as follows:

<i>Pensions Beginning</i>	<i>Percentage Increase</i>	<i>Pensions Beginning</i>	<i>Percentage Increase</i>
22nd November 1982 to 5th December 1982	3.7%	6th May 1983 to 5th June 1983	1.9%
6th December 1982 to 5th January 1983	3.4%	6th June 1983 to 5th July 1983	1.5%
6th January 1983 to 5th February 1983	3.1%	6th July 1983 to 5th August 1983	1.2%
6th February 1983 to 5th March 1983	2.8%	6th August 1983 to 5th September 1983	0.9%
6th March 1983 to 5th April 1983	2.5%	6th September 1983 to 5th October 1983	0.6%
6th April 1983 to 5th May 1983	2.2%	6th October 1983 to 5th November 1983	0.3%

A deferred lump sum which begins on or before 5th November 1983 and which becomes payable after 20th November 1983 receives the same percentage increase as a pension which begins on the same date.

Article 4 of the Order also provides for increases on certain deferred lump sums which became payable after 21st November 1982 and before 21st November 1983.

The Order also provides that the amount by reference to which any increase in the rate of an official pension is to be calculated shall 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. This is required by Article 69(5) of the Social Security Pensions (Northern Ireland) Order 1975 but Article 69A of that Order empowers the Department of Finance and Personnel to direct that in respect of specified cases or classes of case either no such reduction shall be made or the reduction shall be less than the rate of the guaranteed minimum pension.