
STATUTORY RULES OF NORTHERN IRELAND

2009 No. 110

SOCIAL SECURITY

**The Social Security Pensions (Upper Accrual Point:
Prescribed Equivalent) Regulations (Northern Ireland) 2009**

Made - - - - *16th March 2009*

Coming into operation *6th April 2009*

These Regulations are made in exercise of the powers conferred by sections 121(6A) and 171(1) and (4) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(1) and now vested in the Department for Social Development(2).

The Treasury has made Regulations(3) under section 122(6A) and (6B) of the Social Security Contributions and Benefits Act 1992(4).

Accordingly the Department for Social Development makes the following Regulations.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Social Security Pensions (Upper Accrual Point: Prescribed Equivalent) Regulations (Northern Ireland) 2009 and shall come into operation on 6th April 2009.

(2) In these Regulations “earnings period” has the meaning it has in regulation 1(2) of the Social Security (Contributions) Regulations 2001(5).

Upper accrual point: prescribed equivalent

2.—(1) The prescribed equivalent of the upper accrual point(6) for the purposes of—

- (a) section 22 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992(7) (earnings factors); and

(1) 1992 c. 7; section 121(6A) was inserted by section 102(4)(b) of the [Pensions \(No. 2\) Act \(Northern Ireland\) 2008 \(c. 13 \(N.I.\)\)](#); section 171(1) was amended by paragraph 5 of Schedule 4 to the [Tax Credits Act 2002 \(c. 21\)](#)

(2) See Article 8(b) of [S.R. 1999 No. 481](#)

(3) [S.I. 2009/111](#)

(4) 1992 c. 4

(5) [S.I. 2001/1004](#); relevant amending Regulations are [S.I. 2002/2366](#) and [S.I. 2003/193](#); see also regulation 156(3)

(6) The definition of “upper accrual point” was inserted into section 121 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 by section 10(3)(a) of the [Pensions Act \(Northern Ireland\) 2008 \(c. 1\)](#) and substituted by section 102(4)(a) of the [Pensions \(No. 2\) Act \(Northern Ireland\) 2008](#)

(7) Section 22 was amended by paragraph 5 of Schedule 2 to the [Jobseekers \(Northern Ireland\) Order 1995 \(S.I. 1995/2705 \(N.I. 15\)\)](#), paragraph 43 of Schedule 6 to the [Social Security \(Northern Ireland\) Order 1998 \(S.I. 1998/1506 \(N.I. 10\)\)](#), section 29(1)

(b) sections 37(1), 38A(1) and 41(1) of the Pensions Act(8) (reduced rates of contributions, rebates and amount of minimum contributions), shall be determined in accordance with paragraphs (2) to (4).

(2) Subject to paragraphs (3) and (4), the prescribed equivalent of the upper accrual point shall be—

- (a) where the earnings period is a multiple of a week, the amount calculated by multiplying the upper accrual point by the corresponding multiple;
- (b) where the earnings period is a month, the amount calculated by multiplying the upper accrual point by $4\frac{1}{3}$;
- (c) where the earnings period is a multiple of a month, the amount calculated by multiplying the upper accrual point by $4\frac{1}{3}$ and multiplying the result by the corresponding multiple;
- (d) in any other case, the amount calculated by dividing the upper accrual point by 7 and multiplying the result by the number of days in the earnings period concerned.

(3) The amount determined in accordance with paragraph (2)(b) and (c) if not whole pounds, shall be rounded up to the next whole pound.

(4) The amount determined in accordance with paragraph (2)(d) shall be calculated to the nearest penny, and any amount of a halfpenny or less shall be disregarded.

Sealed with the Official Seal of the Department for Social Development on 16th March 2009

(L.S.)

John O'Neill
A senior officer of the Department for Social
Development

of the [Child Support, Pensions and Social Security Act \(Northern Ireland\) 2000 \(c. 4 \(N.I.\)\)](#), paragraph 26 of Schedule 1 to the [National Insurance Contributions Act 2002 \(c. 19\)](#), paragraph 3(3) of Schedule 3 to the [Welfare Reform Act \(Northern Ireland\) 2007 \(c. 2 \(N.I.\)\)](#), section 10(1) of, and paragraphs 9 and 30 of Schedule 1 to, the [Pensions Act \(Northern Ireland\) 2008 \(c. 1 \(N.I.\)\)](#) and section 102 of, and paragraph 2 of Schedule 7 to, the [Pensions \(No. 2\) Act \(Northern Ireland\) 2008](#)

(8) [1993 c. 49](#); section 37(1) was substituted by paragraph 95 of Schedule 6 to the [Social Security \(Northern Ireland\) Order 1998](#) and amended by paragraph 6(2) of Schedule 10 to the [Welfare Reform and Pensions Act 1999 \(c. 30\)](#), paragraph 34 of Schedule 1 to the [Pensions Act \(Northern Ireland\) 2008](#) and paragraph 10(2) of Schedule 7 to the [Pensions \(No. 2\) Act \(Northern Ireland\) 2008](#); section 38A was inserted by Article 134(4) of the [Pensions \(Northern Ireland\) Order 1995 \(S.I. 1995/3213 \(N.I. 22\)\)](#) and subsection (1) was substituted by paragraph 96 of Schedule 6 to the [Social Security \(Northern Ireland\) Order 1998](#) and amended by paragraph 7(2) of Schedule 10 to the [Welfare Reform and Pensions Act 1999](#) and paragraph 11 of Schedule 7 to the [Pensions \(No. 2\) Act \(Northern Ireland\) 2008](#); section 41(1) was substituted by Article 135(2) of the [Pensions \(Northern Ireland\) Order 1995](#) and amended by paragraph 56(2) of Schedule 1 to the [Social Security Contributions \(Transfer of Functions, etc.\) \(Northern Ireland\) Order 1999 \(S.I. 1999/671\)](#) and paragraph 12 of Schedule 7 to the [Pensions \(No. 2\) Act \(Northern Ireland\) 2008](#); the definition of “the Pensions Act” was inserted into section 170 of the [Social Security Contributions and Benefits \(Northern Ireland\) Act 1992](#) by paragraph 2 of Schedule 4 to the [Pensions \(Northern Ireland\) Order 1995](#)

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are consequential on the introduction of the upper accrual point from 6 April 2009. The upper accrual point was introduced by the Pensions (No. 2) Act (Northern Ireland) 2008 and replaces the upper earnings limit as the weekly amount above which individuals cease to accrue entitlement to the state second pension. In addition it is the upper limit on which a contracted-out rebate or minimum contribution is payable. The Regulations provide for the determination of prescribed equivalent of the upper accrual point where a person's earnings period is other than a week.

Regulation 1 provides for citation and commencement and defines "earnings period" for the purposes of these Regulations.

Paragraph (1) of regulation 2 provides that the prescribed equivalent of the upper accrual point for the purposes of a person's earnings factors under section 22 of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 and reduced rates of contributions, rebates and the amount of minimum contributions under the Pension Schemes (Northern Ireland) Act 1993 shall be determined in accordance with paragraphs (2) to (4).

Paragraph (2) provides for the calculation of the upper accrual point for earnings periods of other than a week. Paragraphs (3) and (4) provide for rounding to the nearest pound and the disregard of a halfpenny respectively when calculating a prescribed equivalent of the upper accrual point.

By virtue of section 102(5) of the Pensions (No. 2) Act (Northern Ireland) 2008, the requirement for prior reference to the Social Security Advisory Committee under section 149(2) of the Social Security Administration (Northern Ireland) Act 1992 does not apply to these Regulations.