
STATUTORY INSTRUMENTS

1991 No. 1108

SOCIAL SECURITY

The Social Security Revaluation of Earnings Factors Order 1991

Made - - - - - *30th April 1991*
Laid before Parliament *8th May 1991*
Coming into force - - - *29th May 1991*

The Secretary of State for Social Security, in exercise of the powers conferred by section 21(3) of the Social Security Pensions Act 1975(1) and of all other powers enabling him in that behalf, having on a review under the said section 21 concluded, having had regard to earlier orders under that section(2), that earnings factors(3) for the relevant previous tax years have not, during the period taken into account for that review, maintained their value in relation to the general level of earnings obtaining in Great Britain, hereby makes the following order:

Citation and Commencement

1. This Order may be cited as the Social Security Revaluation of Earnings Factors Order 1991 and shall come into force on 29th May 1991.

Revaluation of earnings factors

2. The earnings factors relevant—
- (a) to the calculation—
 - (i) of the additional pension(4) in the rate of any long-term benefit ; or
 - (ii) of any guaranteed minimum pension ; or
 - (b) to any other calculation required under Part III of the Social Security Pensions Act 1975 (including that Part as modified by or under any other enactment),

(1) 1975 c. 60. ; section 21 was amended by the Social Security Act 1979 (c. 18), section 10, the Social Security Act 1980 (c. 30), section 3(3) and Schedule 5, the Social Security Act 1985 (c. 53), Schedule 3, paragraphs 1 and 7 and the Social Security Act 1986 (c. 50), section 18(1).
(2) S.I.1979/832, 1980/728, 1981/598, 1982/607, 1983/655, 1984/581, 1985/688, 1986/809, 1987/861, 1988/867, 1989/805, 1990/1412.
(3) See section 13(5) and section 13(5ZA) of the Social Security Act 1975 (c. 14). Section 13(5) was amended by the Social Security Act 1979 (c. 18), Schedule 3, paragraph 5, the Social Security Act 1986 (c. 50), Schedule 8, paragraph 2, the Social Security Act 1988 (c. 7), Schedule 2, paragraph 1, which also inserted section 13(5ZA), and the Social Security Act 1989 (c. 24), section 4(2).
(4) See section 18(1) of the Social Security Act 1986 (c. 50).

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

are directed to be increased for the tax years specified in the Schedule to this Order by the percentage of their amount shown opposite those tax years in that Schedule.

Rounding of fractional amounts

3. Where any earnings factor relevant to the calculation specified in article 2(a)(i) of this Order, as increased in accordance with this Order, would not but for this article be expressed as a whole number of pounds, it shall be so expressed by the rounding down of any fraction of a pound less than one half and the rounding up of any other fraction of a pound.

Signed by authority of the Secretary of State for Social Security.

30th April 1991

Henley
Parliamentary Under Secretary of State,
Department of Social Security

SCHEDULE

Article 2

Tax Year	Increase
1978-79	267.1
1979-80	223.8
1980-81	170.6
1981-82	126.9
1982-83	105.9
1983-84	90.9
1984-85	76.7
1985-86	65.8
1986-87	52.3
1987-88	41.9
1988-89	30.4
1989-90	18.2
1990-91	10.1

EXPLANATORY NOTE

(This note is not part of the Order)

This Order is made consequent upon a review under section 21 of the Social Security Pensions Act 1975 (c. 60) (“the Pensions Act”).

The Order directs that the earnings factors relevant to the calculation of the additional pension in the rate of any long-term benefit or of any guaranteed minimum pension or to any other calculation required under Part III of the Pensions Act for the tax years specified in the Schedule to the Order are to be increased by the percentage of their amount specified in that Schedule. The percentage for the tax year 1990-91 is 10.1 per cent. and those for earlier tax years have been increased so that the earnings factors for those years are revalued at 1990-91 earnings levels.

The Order also provides for the rounding of fractional amounts for earnings factors relevant to the calculation of the additional pension in the rate of any long-term benefit. Rounding for the purpose of calculation of any guaranteed minimum pension is not required since 6 April 1979 by virtue of the amendments to section 13 of the Social Security Act 1975 (c. 14) and section 35(5) of the Pensions Act effected by Part I of Schedule 2 to the Social Security Act 1988 (c. 7).

For the purpose of certain occupational pension schemes which are contracted-out under Part III of the Pensions Act, the increases made by this Order are applied, by sections 35(5) and 41C(4A) of that Act, to the earnings factor used in calculating an earner’s guaranteed minimum pension and by sections 44(6)(a) and 45(3)(a) of that Act for the purpose of determining the amount of any state scheme premium.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.