



Northern Ireland  
Assembly

Committee for Social Development

# OFFICIAL REPORT (Hansard)

Pensions Bill: Department for Social  
Development

9 December 2014

# NORTHERN IRELAND ASSEMBLY

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**Members present for all or part of the proceedings:**

Mr Alex Maskey (Chairperson)  
Mr Mickey Brady (Deputy Chairperson)  
Mr Jim Allister  
Ms Paula Bradley  
Mr Gregory Campbell  
Mr Maurice Devenney  
Mrs Dolores Kelly  
Mr Fra McCann  
Mr Sammy Wilson

**Witnesses:**

Mr Seamus Cassidy	Department for Social Development
Mr Gerry McCann	Department for Social Development

**Mr Gerry McCann (Department for Social Development):** Good morning, everybody. I just want to answer one point, which was raised by Mr Campbell. From 2008-09 onwards, because of bringing in a new scheme, you could pay your class 3 contributions up until the year 2023. That has been extended from the normal number of years over which you could pay it back, which was six. However, because we are bringing in the new scheme, that has been extended until 2023.

**Mr Campbell:** That might bring in another equation. People might assume that they have plenty of time now; that they have eight or nine years.

**Mr G McCann:** That is the risk. Each time you bring in some easement, people might say that they do not have to do anything now. Really, it is to allow people to have extra years and plan to buy those years, as opposed to them having to go out next week and pay out the money.

**Mr Campbell:** Is there a system for people to make financial contributions towards their buy-back scheme or have they to make a lump sum payment?

**Mr G McCann:** You have to pay a class 3 contribution for each week in that year. The amount is about £13 per week.

**Mr Campbell:** But what I mean is, say you have people in the category that I was talking about, principally females, who may have seven, eight or nine years' contributions and are then clear, in the knowledge of the scheme, that they are not going to qualify. They then make enquiries and are told what the lump sum is to bring them up to beyond the 10-year period. You say that they have another

nine years to do that. Say the amount is such that they cannot afford to make that payment. Is there any provision for them to make piecemeal contributions towards the lump sum that they have to make up?

**Mr G McCann:** I would have to check with HMRC as to exactly how it does it and whether or not you can buy it each week, for example. It is HMRC that actually runs the scheme, but I will certainly check that out for you and come back with a written response.

**Mr Brady:** Just to clarify, Gregory mentioned women probably disproportionately being affected because of family responsibilities. However, the home protection responsibility came in, I think, in 1977. Those women would be credited with contributions for that particular period. Will that go beyond these changes?

**Mr G McCann:** Yes, we will carry on with the crediting system.

**Mr Brady:** So it will go towards their 35 years.

**Mr G McCann:** Yes. That changed back in 2010. We converted the years from home responsibilities protection (HRP) into credited years.

**Mr Brady:** So women in that situation would, to all intents and purposes, be covered?

**Mr G McCann:** Yes.

**Mr Brady:** They would not necessarily have to pay the extra money.

**Mr G McCann:** To come back to the point that was raised earlier by Mrs Kelly, if you were a carer, there would be credits. Their rights are safeguarded as well. One thing about the new pension is that you will be able to get it even if you have never worked. If, for example, you have spent your whole life as a carer, you will be entitled to a full pension.

**Mr Brady:** It was just to clarify that.

**Mr G McCann:** That is a good facet of the scheme.

**Mr Brady:** The point was made earlier that it is about getting the message out to those people that they are covered. It may cause consternation to people in that situation who may think that, although the pension scheme is changing, they are not going to qualify. It is very important to get the message out to carers and people with home responsibilities for a family.

**Mr G McCann:** Certainly, but if they were to ask for a pension forecast because they were worried about their pension entitlement, they would know from the forecast that those years would be credited.

**Mr Brady:** It is about letting them know that they are covered to a degree. It is important that they are made aware of that. Not everybody knows. Carers in particular, because they are preoccupied with what they are doing, do not always have the time to think of those things.

**Mr G McCann:** Yes.

**The Chairperson (Mr Maskey):** No other members have indicated that they wish to seek clarification on what they heard in the previous presentation. Gerry, you are happy enough that you have covered that last issue? On that basis, we can release you; you are free to go. Thank you very much for once again attending the Committee to help members in their deliberations.