

# Social Security News

Issue 211 June 2024

This News Bulletin is intended to brief those with a special interest in social security matters of the changes in the law following each sitting of Tynwald at which the changes are approved.

Copies of the Orders referred to in this bulletin may be obtained from:

Tynwald Library, Legislative Buildings, Douglas, IM1 3PW.

Tel: 01624 685520

Email: [library@tyrwald.org.im](mailto:library@tyrwald.org.im)

Website: <https://www.tynwald.org.im/links/secondary-legislation>

Social Security legislation is available [online](#).

The relevant document number is shown against the item.

For more details on the Orders described in this newsletter.

Tel: 01624 685025

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## In this issue:

**SD2024/0128** applies the following 2 UK statutory instruments to the Island:

- The Social Security Revaluation of Earnings Factors Order 2023 (S.I. 2023/266); and
- The Social Security Revaluation of Earnings Factors Order 2024 (SI 2024/284).

Both of these Orders are concerned with the annual revaluation of earnings factors relevant to the calculation of additional pension in any long-term benefit or of any guaranteed minimum pension as well as other calculations required under Part 3 of the Pension Schemes Act 1993.

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**SD2024/0129** applies the following 2 UK statutory instruments to the Island:

- The Occupational Pensions (Revaluation) Order 2023 (S.I. 2023/1265); and
  - The Guaranteed Minimum Pensions Increase Order 2024 (SI 2024/243).
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**Isle of Man**  
Government

*Reilrys Ellan Vannin*

The Treasury

*Yn Tashtey*

## **Social Security Legislation (Benefits) (Application) Order 2024**

SD2024/0128

This Order applies to the Island two statutory instruments of the United Kingdom Parliament.

The applied legislation is deemed to have had effect in the Island from the date on which it had effect in Great Britain.

Each of the applied Orders provides for the revaluation of earnings factors relevant to the calculation of additional pension in any long-term benefit or of any guaranteed minimum pension ("GMP") or to any other calculation required under Part 3 of the Pension Schemes Act 1993 as it applies to the Island.

Earnings factors derived for each year from 1978-79 are revalued annually in line with the increase in (UK) average earnings.

The annual revaluation exercise allows earnings factors derived from historic earnings to be restated at current values as part of the calculation of a first award of a GMP (i.e., an award as calculated when someone first reaches GMP age, which is 60 for women and 65 for men) and additional State Pension.

For those purposes, earnings factors for the tax years specified in the Schedules to the Orders are to be increased by the percentages of their amount specified in those Schedules.

The effect of the first Order applied (i.e., The Social Security Revaluation of Earnings Factors Order 2023 - S.I. 2023/266) is that earnings factors for those tax years are revalued at 2022-23 earnings levels.

The effect of the second Order applied (i.e., The Social Security Revaluation of Earnings Factors Order 2024 - S.I. 2024/284) is that earnings factors for those tax years (which includes the 2023-24 tax year) are revalued at 2023-24 earnings levels.

## **Pension Schemes Legislation (Application) Order 2024**

SD2024/0129

This Order applies to the Island two statutory instruments of the United Kingdom Parliament relating to occupational pension schemes.

The first instrument applied is the Occupational Pensions (Revaluation) Order 2023 (S.I. 2023/1265). This instrument provides for the annual revaluation of certain pensions and other benefits under occupational pension schemes under the final salary method. It specifies the necessary revaluation percentages for each of the revaluation periods between 1st January 1986 and 31st December 2023.

The second instrument applied is the Guaranteed Minimum Pensions Increase Order 2024 (S.I. 2024/243). This instrument specifies the percentage by which that part of guaranteed minimum pensions attributable to earnings factors for the tax years 1988-89 to 1996-97 and payable by contracted-out, defined benefit occupational pension schemes is to be increased from 6 April 2024.