STATUTORY RULES OF NORTHERN IRELAND

2019 No. 184

PENSIONS

The Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) (Amendment No. 2) Regulations (Northern Ireland) 2019

Made - - - - 26th September 2019

Coming into operation 30th September 2019

Approved by resolution of the Assembly on 10th March 2020

The Department for Communities(**1**) makes the following Regulations in exercise of the powers conferred by sections 51(3) and 86 of the Pension Schemes Act 2015(**2**).

Citation and commencement

1. These Regulations may be cited as the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) (Amendment No. 2) Regulations (Northern Ireland) 2019 and shall come into operation on 30th September 2019.

Amendment of the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) Regulations

2. The Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) Regulations (Northern Ireland) 2015(**3**) are amended in accordance with regulations 3 to 5.

Amendment of regulation 1

3. In regulation 1(2) (interpretation) after the definition of "member" insert—

""pension credit rights" has the meaning given in section 97B(**4**) of the 1993 Act;".

Substitution of regulation 5

4. For regulation 5 (exception to section 51(1) of the Act) substitute—

(**1**) *See* section 1(7) of the Departments Act (Northern Ireland) 2016 (c. 5 (N.I.))
(**2**) 2015 c. 8
(**3**) S.R. 2015 No. 165 as amended by S.R. 2016 No. 172, S.R. 2018 Nos. 40, 46 and 170 and S.R. 2019 No. 55
(**4**) Section 97B was inserted by Article 34 of the Welfare Reform and Pensions (Northern Ireland) Order 1999 (S.I. 1999/3147 (N.I. 11))

"**Exception to section 51(1) of the Act**

5.—(1) The trustees or managers are not required to carry out the check in section 51(1) of the Act (independent advice in respect of conversions and transfers) if the transfer value of the member's or survivor's subsisting rights in respect of safeguarded benefits(**5**) under the pension scheme is £30,000 or less on the valuation date(**6**).

(2) In this regulation "transfer value" means—

(a) where the rights referred to in paragraph (1) are transferrable rights as defined in section 89(11)(**7**) of the 1993 Act (scope of Chapter 1), the amount of the cash equivalent(**8**) of those rights calculated in accordance with section 93(**9**) of that Act (calculation of cash equivalents) and regulations made under it;

(b) where the rights referred to in paragraph (1) are pension credit rights, the amount of the cash equivalent of those rights calculated in accordance with regulations made under section 97I(**10**) of the 1993 Act (calculation of cash equivalents);

(c) in any other case, the amount which would be the cash equivalent of the rights referred to in paragraph (1), calculated in accordance with section 93 of the 1993 Act and regulations made under it, as if—

(i) Chapter 1 of Part 4ZA(**11**) of the 1993 Act (transfer rights: general) applied to the member or survivor by virtue of those rights;

(ii) references to a member in that Chapter and regulations made under it included a survivor of a member, and

(iii) in the case of an active member, the member had ceased to accrue rights to benefits on the valuation date,

but, in each case, disregarding regulations 7D and 7E(**12**) of the Transfer Values Regulations (reductions to initial cash equivalents and alternative manner of calculating and verifying cash equivalents).".

Amendment of regulation 8

5. In regulation 8(6) (information to be provided on initial enquiry) for the words from "if the" to "within" substitute "if the transfer value (as defined in regulation 5(2)) of the member's or survivor's subsisting rights to safeguarded benefits under the scheme were to be calculated within".

Revocation

6. The Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) (Amendment) Regulations (Northern Ireland) 2019(**13**) are revoked.

(**5**) *See* section 51(8) of the Pension Schemes Act 2015 for the meaning of "safeguarded benefits"
(**6**) The definition of "valuation date" was amended by regulation 8(2)(c) of S.R. 2016 No. 172
(**7**) Section 89 was substituted by paragraph 54 of Schedule 4 to the Pension Schemes Act 2015
(**8**) The definition of "cash equivalent" was amended by regulation 8(2)(a) of S.R. 2016 No. 172
(**9**) Section 93 was amended by paragraph 6(b) of Schedule 4 to the Pensions (Northern Ireland) Order 1995 (S.I. 1995/3213 (N.I. 22)), paragraph 5(1) of Schedule 5 to the Child Support, Pensions and Social Security Act (Northern Ireland) 2000 (c. 4 (N.I.)) and section 72(2) of, and paragraph 57 of Schedule 4 to, the Pension Schemes Act 2015
(**10**) Section 97I was inserted by Article 34 of the Welfare Reform and Pensions (Northern Ireland) Order 1999
(**11**) *See* paragraph 50 of Schedule 4 to the Pension Schemes Act 2015
(**12**) Regulations 7 to 7E were substituted for regulations 7 and 8 by regulation 4 of S.R. 2008 No. 370 and regulation 7D was amended by regulation 31(7) of S.R. 2014 No. 204 and regulation 4(6) of S.R. 2015 No. 164
(**13**) S.R. 2019 No. 55