STATUTORY RULES OF NORTHERN IRELAND

2017 No. 58

PENSIONS

The Pensions (2015 Act) (Pension Protection Fund: Increased Compensation Cap for Long Service) (Pension Compensation Sharing on Divorce) (Transitional Provision) Order (Northern Ireland) 2017

Made - - - -	*15th March 2017*
Coming into operation	*6th April 2017*

The Department for Communities(**1**) makes the following Order in exercise of the powers conferred by section 53(5) of the Pensions Act (Northern Ireland) 2015(**2**).

Citation and commencement

1. This Order may be cited as the Pensions (2015 Act) (Pension Protection Fund: Increased Compensation Cap for Long Service) (Pension Compensation Sharing on Divorce) (Transitional Provision) Order (Northern Ireland) 2017 and shall come into operation on 6th April 2017.

Transitional provision in connection with the Pension Protection Fund: increased compensation cap for long service and compensation sharing on divorce etc.

2.—(1) This Article applies in relation to a person if—

(a) compensation is payable under Chapter 1 of Part 3 of the Pensions (No. 2) Act (pension compensation on divorce etc.), and

(b) the compensation is restricted in accordance with regulations made under paragraph 18(**3**) of Schedule 4 to the Pensions (No. 2) Act (compensation cap).

(2) Part 2 of Schedule 20 to the Pensions Act (Northern Ireland) 2015 (effect of change in transitional cases) has effect in relation to a person to whom this Article applies as it has effect in relation to compensation payable under Schedule 6 to the 2005 Order (pension compensation provisions) subject to the following modifications.

(**1**) *See* section 1(7) of the Departments Act (Northern Ireland) 2016 (c. 5 (N.I.)). *See also* paragraphs 20 to 22 of Schedule 20 to the Pensions Act (Northern Ireland) 2015 (c. 5 (N.I.))

(**2**) 2015 c. 5 (N.I.)

(**3**) Paragraph 18 is amended by paragraph 7 of Schedule 20 to the Pensions Act (Northern Ireland) 2015 with effect from 6th April 2017

(3) Paragraph 8 (recalculation of periodic compensation going forwards) has effect as if the reference in—

(a) sub-paragraph (1)(a) to compensation under paragraph 3, 11 or 15(**4**) of Schedule 6 to the 2005 Order (which relate to compensation payable to, respectively, pensioners, active members and deferred members) were a reference to compensation under paragraph 4 or 6(**5**) of Schedule 4 to the Pensions (No. 2) Act (compensation payable to transferee);

(b) sub-paragraph (1)(b) to the restriction in paragraph 26(**6**) of Schedule 6 to the 2005 Order (compensation cap) were a reference to the restriction in regulations made under paragraph 18 of Schedule 4 to the Pensions (No. 2) Act;

(c) sub-paragraph (2) to the protected pension rate were, in both places that reference appears, a reference to the initial annual rate of compensation for the purposes of paragraph 4 or 6 of Schedule 4 to the Pensions (No. 2) Act, and

(d) sub-paragraph (5) to paragraph 28(**7**) of Schedule 6 to the 2005 Order (annual increase in periodic compensation) were a reference to paragraph 17(**8**) of Schedule 4 to the Pensions (No. 2) Act (annual increase in periodic compensation).

(4) Paragraph 9 (new cap does not generally affect old payments) has effect as if—

(a) the reference to periodic compensation were a reference to periodic compensation within paragraph 4 or 6 of Schedule 4 to the Pensions (No. 2) Act, and

(b) sub-paragraph (1)(b) and the definition of "lump sum compensation" in sub-paragraph (2) were omitted.

(5) Paragraph 10 (survivors' compensation) has effect as if the reference to—

(a) paragraph 4(3), 13(3) or 18(3)(**9**) of Schedule 6 to the 2005 Order were a reference to paragraph 5(3) or 7(3)(**10**) of Schedule 4 to the Pensions (No. 2) Act (compensation payable to widow, widower or surviving civil partner), and

(b) paragraph 8 were a reference to that paragraph as modified by this Order.

(6) Paragraph 11 (cases involving early payment or postponement of compensation) has effect as if the reference to—

(a) paragraph 25(**11**) of Schedule 6 to the 2005 Order (early payment of compensation) were a reference to paragraph 10 of Schedule 4 to the Pensions (No. 2) Act (early payment of compensation), and

(b) paragraph 25A(**12**) of Schedule 6 to the 2005 Order (postponement of compensation) were a reference to paragraph 16A(**13**) of Schedule 4 to the Pensions (No. 2) Act (postponement of compensation).

(**4**) Paragraph 3 was amended by paragraph 2 of Schedule 6 to the Pensions (No.2) Act (Northern Ireland) 2008 (c. 13 (N.I.)) and paragraph 37(2) of Schedule 4 to the Pensions Act (Northern Ireland)2012 (c. 3 (N.I.)). Paragraph 11 was amended by paragraph 4 of Schedule 6 to the Pensions (No. 2) Act (Northern Ireland) 2008 and paragraph 23(5) of Schedule 4 to the Pensions Act (Northern Ireland) 2012. Paragraph 15 was amended by paragraph 7 of Schedule 6 to the Pensions (No. 2) Act (Northern Ireland) 2008 and paragraph 23(7) of Schedule 4 to the Pensions Act (Northern Ireland) 2012

(**5**) Paragraphs 4 and 6 were amended by paragraph 31 of Schedule 4 to the Pensions Act (Northern Ireland) 2012

(**6**) Paragraph 26 was amended by paragraph 23(9) of Schedule 4 to the Pensions Act (Northern Ireland) 2012 and (with retrospective effect) by section 49 of the Pensions Act (Northern Ireland) 2015 and is amended by paragraphs 2 and 5 of Schedule 20 to the Pensions Act (Northern Ireland) 2015 with effect from 6th April 2017

(**7**) Paragraph 28 was amended by paragraphs 19(3)(d) and 27 of Schedule 4 to the Pensions Act (Northern Ireland) 2012

(**8**) Paragraph 17 was amended by paragraph 35 of Schedule 4 to the Pensions Act (Northern Ireland) 2012

(**9**) Paragraphs 13(3) and 18(3) were amended by paragraph 24(3) and (4) of Schedule 4 to the Pensions Act (Northern Ireland) 2012

(**10**) Paragraphs 5(3) and 7(3) were amended by paragraph 32 of Schedule 4 to the Pensions Act (Northern Ireland) 2012

(**11**) Paragraph 25 was amended by paragraph 19(3)(a) and (b) of Schedule 4 to the Pensions Act (Northern Ireland) 2012

(**12**) Paragraph 25A was substituted by paragraph 22 of Schedule 4 to the Pensions Act (Northern Ireland) 2012

(**13**) Paragraph 16A was inserted by paragraph 30(2) of Schedule 4 to the Pensions Act (Northern Ireland) 2012