STATUTORY RULES OF NORTHERN IRELAND

2000 No. 144

PENSIONS

The Pension Sharing (Valuation) Regulations (Northern Ireland) 2000

Made - - - -	*26th April 2000*
Coming into operation	*1st December 2000*

The Department for Social Development, in exercise of the powers conferred on it by Articles 24(2), 27(1) and (2) and 73(4) of the Welfare Reform and Pensions (Northern Ireland) Order 1999(**1**), and now vested in it(**2**), and of all other powers enabling it in that behalf, hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Pension Sharing (Valuation) Regulations (Northern Ireland) 2000 and shall come into operation on 1st December 2000.

(2) In these Regulations—

"the 1999 Order" means the Welfare Reform and Pensions (Northern Ireland) Order 1999;

"the Minimum Funding Requirement Regulations" means the Occupational Pension Schemes (Minimum Funding Requirement and Actuarial Valuations) Regulations (Northern Ireland) 1996(**3**);

"the Winding Up Regulations" means the Occupational Pension Schemes (Winding Up) Regulations (Northern Ireland) 1996(**4**);

"the Department" means the Department for Social Development;

"employer" has the meaning given by section 176(1);

"occupational pension scheme" has the meaning given by section 1;

"pension arrangement" has the meaning given by Article 43(1) of the 1999 Order;

"relevant arrangement" has the meaning given by Article 26(8) of the 1999 Order;

(**1**) S.I. 1999/3147 (N.I. 11)
(**2**) *See* Article 8(*b*) of S.R. 1999 No. 481
(**3**) S.R 1996 No. 570; relevant amending regulations are S.R. 1997 Nos. 160 and 544
(**4**) S.R 1996 No. 621, as amended by S.R. 1997 No. 160 and S.R. 1999 No. 486

"relevant benefits" has the meaning given by section 612 of the Income and Corporation Taxes Act 1988(**5**);

"scheme" means an occupational pension scheme;

"scheme actuary", in relation to a scheme to which Article 47(1)(*b*) applies, means the actuary mentioned in Article 47(1)(*b*);

"transfer credits" has the meaning given by section 176(1);

"transferor" has the meaning given by Article 26(8) of the 1999 Order;

"trustees or managers" has the meaning given by Article 43(1) of the 1999 Order;

"valuation day" has the meaning given by Article 26(7) of the 1999 Order.

(3) In these Regulations—

(a) any reference to a numbered section is a reference to the section of the Pension Schemes Act bearing that number; and

(b) any reference to a numbered Article is a reference to the Article of the Pensions Order bearing that number.

(4) For the purposes of these Regulations and notwithstanding section 39(2) of the Interpretation Act (Northern Ireland) 1954(**6**), where a period of time is expressed to begin on, or to be reckoned from, a particular day, that day shall be included in the period.

Rights under a pension arrangement which are not shareable

2.—(1) Rights under a pension arrangement which are not shareable are—

(a) subject to paragraph (2), any rights accrued between 1961 and 1975 which relate to contracted-out equivalent pension benefit within the meaning of section 56 of the National Insurance Act (Northern Ireland) 1966(**7**) (equivalent pension benefits, etc.);

(b) any rights in respect of which a person is in receipt of—

(i) a pension;

(ii) an annuity;

(iii) payments under an interim arrangement within the meaning of section 24(1A)(**8**) (ways of giving effect to protected rights), or

(iv) income withdrawal within the meaning of section 630(1) of the Income and Corporation Taxes Act 1988(**9**) (interpretation),

by virtue of being the widow, widower or other dependant of a deceased person with pension rights under a pension arrangement, and

(c) any rights which do not result in the payment of relevant benefits.

(2) Paragraph (1)(*a*) applies only when those rights are the only rights held by a person under a pension arrangement.

(**5**) 1988 c. 1
(**6**) 1954 c. 33 (N.I.)
(**7**) 1966 c. 6 (N.I.); section 56 was repealed by Schedule 28 to the Social Security Act 1973 (c. 38) but continued in force by regulation 3 of, and Schedule 1 to, S.R. 1975 No. 48
(**8**) Section 24(1A) was inserted by Article 139(3) of the Pensions (Northern Ireland) Order 1995, and is substituted by paragraph 4(3) of Schedule 2 to the Welfare Reform and Pensions (Northern Ireland) Order 1999
(**9**) The definition of "income withdrawal" was inserted by paragraph 1 of Schedule 11 to the Finance Act 1995 (c. 4)

Calculation and verification of cash equivalents for the purposes of the creation of pension debits and credits

3. For the purposes of Article 26 of the 1999 Order (creation of pension debits and credits), cash equivalents may be calculated and verified—

(a) where the relevant arrangement is an occupational pension scheme, in accordance with regulations 4 and 5, or

(b) in any other case, in accordance with regulations 6 and 7.

Occupational pension schemes: manner of calculation and verification of cash equivalents

4.—(1) In a case to which, or to the extent to which, paragraph (2) or (5) does not apply, cash equivalents are to be calculated and verified in such manner as may be approved in a particular case by the scheme actuary or, in relation to a scheme to which Article 47(1)(*b*) (professional advisers) does not apply, by—

(a) a Fellow of the Institute of Actuaries;

(b) a Fellow of the Faculty of Actuaries(**10**); or

(c) a person with other actuarial qualifications who is approved by the Department, at the request of the trustees or managers of the scheme in question, as being a proper person to act for the purposes of these Regulations in connection with that scheme,

and, subject to paragraph (2), in the following paragraphs of this regulation and in regulation 5, "actuary" means the scheme actuary or, in relation to a scheme to which Article 47(1)*(b)* does not apply, the actuary referred to in sub-paragraph *(a), (b)* or *(c)*.

(2) Where the transferor, in respect of whose rights a cash equivalent is to be calculated and verified, is a member of a scheme having particulars from time to time set out in regulations made under Article 9 of the Superannuation (Northern Ireland) Order 1972(**11**) (superannuation of persons employed in local government service, etc.), that cash equivalent shall be calculated and verified in such manner as may be approved by the Government Actuary or by an actuary authorised by the Government Actuary to act on his behalf for that purpose and in such a case "actuary" in this regulation and in regulation 5 means the Government Actuary or the actuary so authorised.

(3) Except in a case to which paragraph (5) applies, cash equivalents are to be calculated and verified by adopting methods and making assumptions which—

(a) if not determined by the trustees or managers of the scheme in question, are notified to them by the actuary, and

(b) are certified by the actuary to the trustees or managers of the scheme—

(i) as being consistent with "Retirement Benefit Schemes — Transfer Values (GN 11)"(**12**) published by the Institute of Actuaries and the Faculty of Actuaries and current on the valuation day;

(ii) as being consistent with the methods adopted and assumptions made, at the time when the certificate is issued, in calculating the benefits to which entitlement arises under the rules of the scheme in question for a person who is acquiring transfer credits under those rules, and

(**10**) The Institute of Actuaries is at Staple Inn Hall, High Holborn, London WC1V 7QJ. The Faculty of Actuaries is at Maclaurin House, 18 Dublin Street, Edinburgh EH1 3PP

(**11**) S.I. 1972/1073 (N.I. 10)

(**12**) The publication "Retirement Benefit Schemes—Transfer Values (GN 11)" may be obtained from the Institute of Actuaries, Staple Inn Hall, High Holborn, London WC1V 7QJ and from the Faculties of Actuaries, Maclaurin House, 18 Dublin Street, Edinburgh EH1 3PP. The publication is also available on the following internet web-site: http://www.actuaries.org.uk