1992 No. 47

SOCIAL SECURITY

The Occupational Pension Schemes (Investment of Scheme's Resources) Regulations (Northern Ireland) 1992

Made . . . . . 17th February 1992

Coming into operation . . 9th March 1992

The Department of Health and Social Services, in exercise of the powers conferred on it by Articles 2(5), 58A(1) and 63A(1) of the Social Security Pensions (Northern Ireland) Order 1975(**a**) 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 Occupational Pension Schemes (Investment of Scheme's Resources) Regulations (Northern Ireland) 1992 and shall come into operation on 9th March 1992.

(2) In regulations 2 to 5—

"member" means a person who is in pensionable service for the purposes of the scheme in question or, as the case may be, a person who qualifies for benefits under the scheme in question by reason of his pensionable service;

"pensionable service" has the same meaning as in paragraph 3(1) of Schedule 3 to the Social Security Pensions (Northern Ireland) Order 1975 (preservation requirements: interpretation);

"scheme" means an occupational pension scheme.

Schemes to which regulation 3 applies

2.—(1) Subject to paragraph (2), regulation 3 applies to schemes—

(*a*) which either—

(i) are approved for the purposes of Chapter I of Part XIV of the Income and Corporation Taxes Act 1988(**b**) (retirement benefit schemes) or are the subject of an application for such approval which has not been determined; or

(ii) are exempt from income tax under section 608 of that Act (superannuation funds approved before 6th April 1980); and

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(**a**) S.I. 1975/1503 (N.I. 15); by virtue of Article 2(3), definitions in Schedule 17 to the Social Security (Northern Ireland) Act 1975 (c. 15) apply to the exercise of certain powers conferred under this Order. Article 58A was inserted by Schedule 2 to the Social Security (Northern Ireland) Order 1985 (S.I. 1985/1209 (N.I. 16)) and Article 63A was inserted by paragraph 3 of Schedule 4 to the Social Security (Northern Ireland) Order 1990 (S.I. 1990/1511 (N.I. 15))

(**b**) 1988 c. 1

(*b*) which have at least one member in the United Kingdom and either—

(i) are established in the United Kingdom; or

(ii) have one or more trustees resident in the United Kingdom.

(2) Regulation 3 shall not apply to schemes—

(*a*) which have less than 12 members, each of whom is a trustee of the scheme; and

(*b*) the rules of which provide that before any investment of the resources of the scheme is made in an employer-related investment, each member shall agree in writing to the making of that investment.

Restriction on self-investment

3.—(1) Subject to paragraph (2) and regulation 5, not more than 5 per cent. of the current market value of the resources of a scheme may at any time be invested in employer-related investments.

(2) The restriction prescribed in paragraph (1) shall not apply to any employer-related investment of resources to which regulation 4 applies.

Investments to which the restriction does not apply

4.—(1) This regulation applies to—

(*a*) any employer-related investment of resources in an account (including a current, deposit or share account) with a building society as defined in the Building Societies Act 1986(**a**) or an institution authorised under Part I of the Banking Act 1987(**b**); or

(*b*) any employer-related investment of resources which have been derived from voluntary contributions within the meaning of Article 14 of the Social Security (Northern Ireland) Order 1986(**c**) (voluntary contributions) and are invested in employer-related investments with the written agreement of the member who paid those contributions.

(2) This regulation applies to any employer-related investment of resources in the purchase of a policy of insurance or an annuity contract so as to provide benefits in respect of the pensionable service of a member (whether or not that policy or contract also relates to any other member) where—

(*a*) the policy or contract is specifically allocated to the provision of those benefits for that member or any other person mentioned or described in—

(i) that policy or contract; or

(ii) the scheme rules or a nomination thereunder; and

(*b*) that member—

(i) has the right under the rules of the scheme to choose the policy or contract in question; and

(ii) has agreed in writing that the resources in question may be invested in employer-related investments.

(**a**) 1986 c. 53
(**b**) 1987 c. 22
(**c**) S.I. 1986/1888 (N.I. 18)