1988 No. 34

SOCIAL SECURITY

The Personal Pension Schemes (Appropriate Schemes) Regulations (Northern Ireland) 1988

Made	*8th February 1988*
Coming into operation—	
regulations 1 to 11, 19 and 20	*1st March 1988*
regulations 12 to 18	*1st July 1988*

The Department of Health and Social Services, in exercise of the powers conferred on it by Articles 3(1), (2), (4), (5), (9), (10) and (11), 4(1) and (5), 5(1)(*b*) and (5) and 84(1) of, and paragraphs 2 and 6 of Schedule 1 to, the Social Security (Northern Ireland) Order 1986(**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 Personal Pension Schemes (Appropriate Schemes) Regulations (Northern Ireland) 1988 and shall come into operation as follows—

(*a*) this regulation and regulations 2 to 11, 19 and 20 on 1st March 1988;

(*b*) regulations 12 to 18 on 1st July 1988.

(2) In these regulations—

"administrators", in relation to a personal pension scheme, means the trustees or, if there are no trustees, the managers (except any trustee or manager who is resident outside the United Kingdom, or which, being a company, does not have its registered office in the United Kingdom), and any person who is resident in the United Kingdom, or which, being a company, has its registered office in the United Kingdom, who or which is authorised to act on behalf of the trustees, or, if there are no trustees, on behalf of the managers;

"the Board" means the Occupational Pensions Board;

"contracted-out", "contracted-out scheme" and "money purchase contracted-out scheme" shall be construed in accordance with the Pensions Order(**b**);

"Friendly Society" means a Friendly Society registered under section 1(1)(*a*) of the Friendly Societies Act (Northern Ireland) 1970(**c**), or, as

(a) S.I. 1986/1888 (N.I. 18)
(b) S.I. 1975/1503 (N.I. 15); *see* Articles 2 and 34, as amended by paragraphs 2 and 6 of Schedule 2 to the Social Security (Northern Ireland) Order 1986
(c) 1970 c. 31 (N.I.)

the case may be, under section 7(1)(*a*) of the Friendly Societies Act 1974(**a**);

"investment business" has the meaning assigned to that expression by the Financial Services Act 1986(**b**);

"the Order" means the Social Security (Northern Ireland) Order 1986;

"pensionable age" means, in the case of a man, 65, and in the case of a woman, 60;

"scheme" (except in the expressions "contracted-out scheme", "money purchase contracted-out scheme", "occupational pension scheme" and "unit trust scheme") means personal pension scheme;

"tax week" has the same meaning as in the principal Act(**c**).

(3) Any reference in these regulations to a numbered Article is a reference to the Article of the Order bearing that number.

Forms of schemes which may be appropriate schemes

2.—(1) Without prejudice to any other requirements imposed by the Order or regulations made under it, a personal pension scheme can be an appropriate scheme only if it is approved by the Inland Revenue under either Chapter II of Part I of the Finance (No. 2) Act 1987(**d**) or Chapter II of Part II of the Finance Act 1970(**e**) by reference to section 20(2)(*h*) of that Act and in either case it takes the form specified in any one (but not more than one) of sub-paragraphs (*a*) to (*c*)—

(*a*) an arrangement for the issue of insurance policies or annuity contracts;

(*b*) a unit trust scheme of a kind mentioned in Part I of Schedule 1 which has been authorised under section 78(1) of, or by virtue of paragraph 9 of Schedule 15 to, the Financial Services Act 1986;

(*c*) an arrangement for the investment of contributions in an interest-bearing account or shares in or deposits with a building society as defined in the Building Societies Act 1986(**f**).

(2) For the purposes of this regulation a personal pension scheme which has been granted provisional approval by the Inland Revenue under the Personal Pension Schemes (Provisional Approval) Regulations 1987(**g**) shall be treated as being approved under Chapter II of Part I of the Finance (No. 2) Act 1987.

Persons who and bodies which may establish schemes

3.—(1) Without prejudice to any other requirements of the Order or regulations made under it—

(**a**) 1974 c. 46
(**b**) 1986 c. 60
(**c**) 1975 c. 15
(**d**) 1987 c. 51
(**e**) 1970 c. 24; subsection (2) of section 20 was substituted by section 21(4) of the Finance Act 1971 (c. 68) and paragraph (*h*) of that subsection was inserted by paragraph 3 of Schedule 3 to the Finance (No. 2) Act 1987
(**f**) 1986 c. 53
(**g**) S.I. 1987/1765

(*a*) an arrangement such as is described in regulation 2(1)(*a*) which is established by a Friendly Society can be an appropriate scheme only if paragraph (2) applies to that Friendly Society; and

(*b*) an arrangement such as is described in regulation 2(1)(*c*) can be an appropriate scheme only if it is established by a person to whom or a body to which paragraph (3) applies.

(2) This paragraph applies to a Friendly Society which—

(*a*) is authorised by virtue of Chapter III of Part I of the Financial Services Act 1986; and

(*b*) has disclosed in its audited accounts a contributions income of not less than £300,000 in the year 1986 and £400,000 in the year 1987.

(3) This paragraph applies to—

(*a*) a building society as defined in the Building Societies Act 1986;

(*b*) a pension company within the meaning of the Building Societies (Designation of Pension Companies) Order 1987(**a**) which is an associated body of a building society within the meaning of section 18(17) of the Building Societies Act 1986;

(*c*) an institution authorised under Part I of the Banking Act 1987(**b**).

Information to be included in an application for an appropriate scheme certificate

4.—(1) Every application for an appropriate scheme certificate shall be made in writing to the Board and shall include the following particulars—

(*a*) the name of the scheme and the address where it is administered;

(*b*) the names and addresses of the trustees (if any) and administrators of the scheme;

(*c*) the name, address and standing (in relation to the scheme) of the person applying for the certificate, if he is not the trustees or administrators, or one or some of them;

(*d*) the name and address of the person who or body which has established the scheme (the address in the case of a company being that of its registered office);

(*e*) such evidence as the Board may reasonably require that the scheme satisfies such of the requirements of regulation 3 as apply to it;

(*f*) which of the forms specified in sub-paragraphs (*a*) to (*c*) of regulation 2(1) the scheme takes;

(*g*) the name and address of a bank or building society which accepts payments made by automated direct credit transfer and the name and number of the account at that bank or building society, into which it is desired that minimum contributions should be paid; and

(*h*) the date (being a date consistent with the provisions of regulation 5(2)(*b*)) from which it is desired that the certificate shall have effect.

(**a**) S.I. 1987/1871
(**b**) 1987 c. 22

(2) Every application shall be accompanied by a copy of—

(*a*) the documents constituting the scheme; and

(*b*) the rules of the scheme, if they are not set out in those documents or any of them,

except where the Board in their discretion dispense wholly or partly with this requirement.

(3) Every person who has made an application shall supply such other documents and information as the Board may reasonably require.

Issue of appropriate scheme certificates

5.—(1) When the Board have determined that a scheme should be treated as an appropriate scheme, they shall issue an appropriate scheme certificate to the person who applied for it, but no such certificate shall be issued before 1st July 1988.

(2) The appropriate scheme certificate shall specify—

(*a*) the name of the scheme and the address where it is administered; and

(*b*) the date from which the certificate is to have effect, which shall be 6th April in 1987 or any later year and which may be earlier than the date on which the certificate is issued where the person who applied for the certificate has so requested, but, if the Board receive the application after 5th April 1989, not earlier than 6th April in the tax year in which the Board receive the application.

Further information and change of circumstances

6. The administrators of the scheme shall—

(*a*) in such manner and at such times as the Board may reasonably require, furnish to the Board such reports, accounts and other documents and information relating to the scheme to which the certificate relates as the Board may reasonably require; and

(*b*) notify the Board in writing of—

(i) any change in the identity, names or addresses of the trustees (if any) and administrators of the scheme,

(ii) any change in the name or address of the person who or body which has established the scheme,

(iii) any change affecting the information given under regulation 4(1)(*e*) and (*f*), and

(iv) any change of circumstances affecting the scheme as the Board may have required them to notify,

as soon as practicable after its occurrence; and the document by which the notification is given may be served by ordinary post.

Applications for the variation of, and to surrender, appropriate scheme certificates

7.—(1) Every application for the variation of, or to surrender, an appropriate scheme certificate—

(*a*) shall be made in writing to the Board by the administrators of the scheme;

(*b*) shall be made only after notices of intention to make that application have been given by the administrators in accordance with paragraph (2) except where (in the case of an application for the variation of an appropriate scheme certificate) the Board dispense with this requirement; and

(*c*) shall include a statement that all notices required by paragraph (2) to be given in relation to that application have been duly given.

(2) Notices of intention to make an application such as is mentioned in paragraph (1) shall be given in writing to—

(*a*) any member of the scheme who has protected rights under it; and

(*b*) any earner who, jointly with the trustees or managers of the scheme, has given in relation to the scheme a notice under Article 3(9) which has not been cancelled,

by sending it to his last known address; and the document comprising the notice may be served by ordinary post.

(3) Notices given under this regulation shall specify—

(*a*) the name of the scheme and the address where it is administered;

(*b*) the date (being a date consistent with the provisions of regulation 9(5)) from which it is desired that the variation or surrender shall have effect; and

(*c*) where the application is to surrender an appropriate scheme certificate, any arrangements made or proposed for the preservation or transfer of protected rights under the scheme.

(4) Every person who makes an application under this regulation shall supply such other documents and information as the Board may reasonably require.

Determination of question arising on an application for the issue of an appropriate scheme certificate

8.—(1) Subject to the provisions of this regulation, the Board shall treat an application for an appropriate scheme certificate as an application for the determination of the question whether the scheme in question shall be an appropriate scheme, and subject to the provisions of paragraph (3), they shall determine the question as soon as practicable.

(2) The Board may refuse to give effect to an application if they are not satisfied that the applicant has complied with the provisions of regulation 4.

(3) The Board may defer making a determination until such documents and information as are mentioned in regulation 4(2) and (3) have been supplied.

(4) Where under this regulation the Board determine that a scheme should be treated as an appropriate scheme they shall issue an appropriate scheme certificate in accordance with regulation 5, and inform the Department that they have done so.

(5) Where the Board's determination under this regulation does not give effect to the application, the Board shall notify the applicant in writing of the