1987 No. 292

SOCIAL SECURITY

The Personal and Occupational Pension Schemes (Consequential Provisions) Regulations (Northern Ireland) 1987

Made	*10th July 1987*
Coming into operation—	
regulations 1, 3(1), (14) and (24)(b) and 6(1) and (2)(a)	*27th July 1987*
regulations 3(2), (6), (10), (15), (25) and (26) and 6(2)(b)	*4th January 1988*
remainder	*6th April 1988*

The Department of Health and Social Services, in exercise of the powers conferred on it by Articles 2(5), 33(1), (2), (5) and (7), 34(2), 40(1), 41(1) and (4), 43B(3), 43C(7), 45(4), 47(1), 52, 53 and 53C(4) and (5) of, paragraph 14 of Schedule 1A to, and paragraphs 1, 6 and 9 of Schedule 2 to, the Social Security Pensions (Northern Ireland) Order 1975(**a**) and Articles 17(2) and 18(13) of the Social Security (Miscellaneous Provisions) (Northern Ireland) Order 1977(**b**) and all other powers enabling it in that behalf, hereby makes the following regulations:

Citation and commencement

1.—(1) These regulations may be cited as the Personal and Occupational Pension Schemes (Consequential Provisions) Regulations (Northern Ireland) 1987.

(**a**) S.I. 1975/1503 (N.I. 15); Article 34(2) is amended by paragraph 6(*a*) of Schedule 2 to, and paragraph 7(*a*) of Schedule 9 to, the Social Security (Northern Ireland) Order 1986 (S.I. 1986/1888 (N.I. 18)); Article 40(1) was substituted by paragraph 9 of Schedule 9 to the Social Security (Northern Ireland) Order 1986; Article 41(4) was amended by Schedule 10 to the Social Security (Northern Ireland) Order 1986; Article 43B(3) was inserted by Schedule 4 to the Health and Social Security (Northern Ireland) Order 1984 (S.I. 1984/1158 (N.I. 8)) and amended by Article 8(5) of the Social Security (Northern Ireland) Order 1985 (S.I. 1985/1209 (N.I. 16)); Article 43C(7) was inserted by Schedule 4 to the Health and Social Security (Northern Ireland) Order 1984; Article 45(4) was amended by paragraph 17(1)(*b*)(i) and (2) of Schedule 5 to the Social Security (Northern Ireland) Order 1985; Article 47(1) is amended by Article 18(7) of the Social Security (Miscellaneous Provisions) (Northern Ireland) Order 1977 (S.I. 1977/610 (N.I. 11)), paragraph 17(1)(*c*) of Schedule 5 to the Social Security (Northern Ireland) Order 1985 and paragraph 7(1)(*h*) of Schedule 2 to the Social Security (Northern Ireland) Order 1986; Article 52 is amended by paragraph 7(1)(i) of Schedule 2 to the Social Security (Northern Ireland) Order 1986; Article 53C(4) and (5) was inserted by paragraph 2 of Schedule 1 to the Social Security (Northern Ireland) Order 1985, and paragraph (5) of that Article was amended by paragraph 17(2) of Schedule 9 to the Social Security (Northern Ireland) Order 1986; Schedule 1A was inserted by paragraph 3 of Schedule 1 to the Social Security (Northern Ireland) Order 1985 and paragraph 14 of Schedule 1A is amended by paragraph 24(*d*) of Schedule 9 to the Social Security (Northern Ireland) Order 1986 and paragraph 6 of Schedule 2 was amended by Article 4(11) of the Social Security (Northern Ireland) Order 1980 (S.I. 1980/870 (N.I. 8)). *See also* Article 11(4)(*b*), (*e*) and (*f*) of the Social Security (Northern Ireland) Order 1986

(**b**) S.I. 1977/610 (N.I. 11); Article 18(13) was amended by paragraph 9 of Schedule 3 to the Social Security (Northern Ireland) Order 1980

(2) Regulations 3(1), (14) and (24)(*b*) and 6(1) and (2)(*a*) and this regulation shall come into operation on 27th July 1987, regulations 3(2), (6), (10), (15), (25) and (26) and 6(2)(*b*) on 4th January 1988 and the remainder of these regulations on 6th April 1988.

Amendment of the Occupational Pensions Board (Contracting-out Certificates) Regulations (Northern Ireland) 1976

2.—(1) The Occupational Pensions Board (Contracting-out Certificates) Regulations (Northern Ireland) 1976(**a**) shall be amended in accordance with paragraph (2).

(2) In regulation 3(2)—

(*a*) in each of sub-paragraphs (*a*) and (*b*) after "where" there shall be inserted "the scheme is not a money purchase contracted-out scheme(**b**), and"; and

(*b*) after sub-paragraph (*b*) there shall be added "or" and the following sub-paragraph—

"(*c*) in a case where the scheme is a money purchase contracted-out scheme, and the Board consider that the scheme has ceased to satisfy the requirements for continuing to be a contracted-out scheme, in which case the date may be a date not earlier than the date on which, in the opinion of the Board, it ceased to satisfy those requirements.".

Amendment of the Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1985

3.—(1) The Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1985(**c**) shall be amended in accordance with paragraphs (2) to (26).

(2) In regulation 1—

(*a*) in paragraph (2) at the end (but not as part of the definition of "trustees") there shall be inserted "and subject to paragraph (2A) other expressions have the same meaning as in the Pensions Order"; and

(*b*) after paragraph (2) there shall be inserted the following paragraph—

"(2A) In these regulations the expression "state scheme premium" does not include a personal pension protected rights premium under Article 7 of the Social Security (Northern Ireland) Order 1986.".

(3) In regulation 8(2)(*d*) for "6th April 1978" there shall be substituted "6th April 1988 in a case where the scheme whose name is specified under sub-paragraph (*b*) is a money purchase contracted-out scheme, or 6th April 1978 in any other case".

(4) In regulation 10(1) for the words from "the categories" to "the relevant scheme" there shall be substituted—

(**a**) S.R. 1976 No. 78; the relevant amending regulations are S.R. 1981 No. 32 and S.R. 1986 No. 342

(**b**) *See* Article 2(2) of the Social Security Pensions (Northern Ireland) Order 1975 as amended by paragraph 2(*b*) of Schedule 2 to the Social Security (Northern Ireland) Order 1986

(**c**) S.R. 1985 No. 259; the relevant amending regulations are S.R. 1985 No. 355 and S.R. 1986 Nos. 57 and 342

"(i) the categories of descriptions of the earners affected by the certificate,

(ii) in the case of a money purchase contracted-out scheme, the protected rights under, or in the case of any other scheme, the benefits provided by, the relevant scheme, or

(iii) the contributions (if any) payable by those earners to the relevant scheme".

(5) In regulation 11(1)—

(*a*) in sub-paragraph (*a*) after "guaranteed minimum pensions" there shall be inserted "or protected rights, as the case may be,"; and

(*b*) in sub-paragraph (*b*) after "guaranteed minimum pensions" there shall be inserted "or the protected rights, as the case may be,".

(6) In regulation 17—

(*a*) in paragraph (1B), for "and 47" there shall be substituted "and, subject to paragraph (1C), 47"; and

(*b*) after paragraph (1B) there shall be inserted the following paragraph—

"(1C) In a case where—

(*a*) a transfer payment has been made to a scheme in accordance with regulations 2 and 3 of the Protected Rights (Transfer Payment) Regulations (Northern Ireland) 1987(**a**); and

(*b*) the scheme receiving that payment is to exclude one or more of the guaranteed minimum pensions resulting from the payment from full revaluation in accordance with paragraph 2 of Schedule 3 to those regulations,

for the purposes of Article 47(**b**) (premium where guaranteed minimum pension excluded from full revaluation) the prescribed person is the trustees of the receiving scheme.".

(7) In regulation 17(3) after "state scheme premium" there shall be inserted ", other than a contracted-out protected rights premium,".

(8) In regulation 17(4)—

(*a*) after "(accrued rights premiums and pensioner's rights premiums)" there shall be inserted ", Article 46ZA(**c**) (contracted-out protected rights premiums)";

(*b*) in sub-paragraph (*a*) after "Article 46" there shall be inserted "or, in the case of a contracted-out protected rights premium, whether or not a person's protected rights are subject to approved arrangements as mentioned in Article 46ZA"; and

(*c*) in sub-paragraph (*c*) after "Article 46" there shall be inserted "or 46ZA, as the case may be,".

(9) In regulation 18(1)(*c*)—

(**a**) S.R. 1987 No. 296

(**b**) Article 47(3) was amended by Article 4(8) of the Social Security (Northern Ireland) Order 1980, paragraph 5 of Schedule 3 to the Social Security (Northern Ireland) Order 1985 and paragraph 8 of Schedule 8 to the Social Security (Northern Ireland) Order 1986

(**c**) Article 46ZA is inserted by paragraph 8 of Schedule 2 to the Social Security (Northern Ireland) Order 1986

(*a*) after ''widow'' there shall be inserted ''or her widower''; and

(*b*) after ''widow's'' in both places where it occurs there shall be inserted ''or widower's''.

(10) In regulation 21(4) after ''regulations made thereunder'' there shall be inserted ''or for members as regards their accrued rights to guaranteed minimum pensions which have arisen under the scheme by reason of a transfer payment made to it in accordance with regulations 2 and 3 of the Protected Rights (Transfer Payment) Regulations (Northern Ireland) 1987''.

(11) In regulation 23(1) after ''where the premium'' there shall be inserted ''was not a contracted-out protected rights premium and''.

(12) In regulation 23 after paragraph (2) there shall be inserted the following paragraph—

''(2A) Where a contracted-out protected rights premium has been paid in connection with a person's protected rights and another such premium subsequently becomes payable in connection with the same protected rights or protected rights including those rights, the Department may treat all or part of the first premium as paid (wholly or in part) in discharge of a liability for the second premium.''.

(13) In regulation 23(3)—

(*a*) after sub-paragraph (*d*) there shall be inserted the following sub-paragraph—

''(*dd*) in the case of a contracted-out protected rights premium, it is satisfied that a transfer of the protected rights will be made in accordance with Schedule 1 to the Social Security (Northern Ireland) Order 1986, as modified by Article 34(2B)(**a**); or'';

(*b*) after ''and where a premium'' (following sub-paragraph (*e*)) there shall be inserted ''other than a contracted-out protected rights premium''; and

(*c*) at the end there shall be inserted '', and where a contracted-out protected rights premium is so refunded, the protected rights which were extinguished by payment of the premium and the corresponding reduction in any guaranteed minimum pension to which any person was treated as entitled shall be restored''.

(14) In regulation 23(4) after ''regulation 42(*d*)(iii),'' there shall be inserted ''or where the earner's rights were appropriately secured for the purposes of Article 53C(**b**) in circumstances analogous to those specified in that provision,''.

(15) After regulation 23(4) there shall be inserted the following paragraph—

''(4A) Where a limited revaluation premium has been paid and a transfer payment under regulation 2B of the Contracting-out (Transfer) Regulations (Northern Ireland) 1985(**c**) is made thereafter in respect of the

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(**a**) Article 34(2B) is inserted by paragraph 6(*b*) of Schedule 2 to the Social Security (Northern Ireland) Order 1986

(**b**) Article 53C(1) to (3) was substituted by paragraph 17(1) of Schedule 9 to the Social Security (Northern Ireland) Order 1986 and amended by sub-paragraph (3) of that paragraph

(**c**) S.R. 1985 No. 243; regulations 2A and 2B are inserted by regulation 4 of the Contracting-out (Transfer) (Amendment) Regulations (Northern Ireland) 1987 (S.R. 1987 No. 277)

accrued rights of the earner in respect of whom that premium was paid, the Department shall repay the amount of the premium to the trustees of the scheme, or the administrators of the policy, who made the transfer payment.''.

(16) In regulation 23(8)(*a*) and (*c*) after ''widow'' there shall be inserted ''or widower''.

(17) In regulation 23(8) after sub-paragraph (*c*) there shall be inserted the following sub-paragraph—

''(*d*) where it was paid under Article 46ZA(4) and the person in respect of whom it was paid has died, without leaving a widow or widower, on or before the later of the days first mentioned in sub-paragraphs (*a*) and (*b*) respectively of regulation 19(1).''.

(18) In regulation 27 for paragraph (1) there shall be substituted the following paragraph—

''(1) For a scheme to be contracted-out in relation to an earner's employment it must include a specific rule to the effect that if the earner has a guaranteed minimum under Article 37(**a**)—

(*a*) the weekly rate of his pension under the scheme at pensionable age shall not be less than that guaranteed minimum;

(*b*) the weekly rate of pension payable to any widow of the earner under the scheme shall be not less than half that guaranteed minimum; and

(*c*) the weekly rate of pension payable to any widower of the earner under the scheme shall be not less than half of that part of the earner's guaranteed minimum which is attributable to earnings factors for the tax year 1988/89 and subsequent tax years,

that rule to be expressed to override all other provisions of the scheme, except any that are in accordance with the provisions of the Pensions Order.''.

(19) In regulation 31—

(*a*) in paragraph (1)(*c*) after ''his widow'' there shall be inserted ''or her widower''; and

(*b*) in paragraph (2)—

(i) after ''him'' there shall be inserted ''or her'', and

(ii) after ''widow's'' in both places where it occurs there shall be inserted ''or widower's''.

(20) In regulation 32—

(*a*) in paragraph (1) after ''widow's'' there shall be inserted ''or widower's''; and

(*b*) in paragraph (2) after ''widow's'' in both places where it occurs there shall be inserted ''or widower's''.

(21) In regulation 33—

(**a**) Article 37 is amended by Article 4(2) of the Social Security (Miscellaneous Provisions) (Northern Ireland) Order 1977, by paragraphs 15 and 19(*a*) and (*b*) of Schedule 3 to the Social Security (Northern Ireland) Order 1979 (S.I. 1979/396 (N.I. 5)), by paragraphs 2(1) and 8 of Schedule 3 to the Social Security (Northern Ireland) Order 1985 and by Article 11(1) and (2) of, paragraph 6 of Schedule 8 to, and Schedule 10 to, the Social Security (Northern Ireland) Order 1986