# 1987 No. 290

## SOCIAL SECURITY

## The Personal Pension Schemes (Transfer Values) Regulations (Northern Ireland) 1987

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| *Made* . . . . . | *10th July 1987* |
| *Coming into operation* . . | *27th July 1987* |

The Department of Health and Social Services, in exercise of the powers conferred on it by paragraphs 13 and 14 of Schedule 1A to 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 Personal Pension Schemes (Transfer Values) Regulations (Northern Ireland) 1987 and shall come into operation on 27th July 1987.

(2) In these regulations—

"cash equivalent" has the same meaning as in Part II of Schedule 1A as applied to personal pension schemes by the Modification Regulations;

"member" means a member of a personal pension scheme to whom Part II of Schedule 1A applies by virtue of the Modification Regulations;

"the Modification Regulations" means the Personal and Occupational Pension Schemes (Modification of Enactments) Regulations (Northern Ireland) 1987(**b**);

"money purchase benefits" and "personal pension scheme" have the meaning given to those expressions by Article 2(2) of the Social Security (Northern Ireland) Order 1986(**c**);

"protected rights" shall be construed in accordance with Schedule 1 to the Social Security (Northern Ireland) Order 1986;

"receiving scheme" means a scheme under whose rules transfer credits or rights are to be acquired by a member in exercise of his choice under paragraph 13(2)(*a*) of Schedule 1A as applied to personal pension schemes by the Modification Regulations;

"scheme" means occupational pension scheme or personal pension scheme;

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(**a**) S.I. 1975/1503 (N.I. 15); Schedule 1A was inserted by paragraph 3 of Schedule 1 to the Social Security (Northern Ireland) Order 1985 (S.I. 1985/1209 (N.I. 16)); paragraphs 13 and 14 of Schedule 1A are amended by paragraph 24(*c*) and (*d*) of Schedule 9 to the Social Security (Northern Ireland) Order 1986 (S.I. 1986/1888 (N.I. 18)), and have effect, as modified in relation to personal pension schemes by virtue of regulation 2(10) of, and Schedule 4 to, the Personal and Occupational Pension Schemes (Modification of Enactments) Regulations (Northern Ireland) 1987 (S.R. 1987 No. 294)

(**b**) S.R. 1987 No. 294

(**c**) S.I. 1986/1888 (N.I. 18)

"trustees", in relation to a scheme which is not set up or established under a trust, means the managers of the scheme,

and other expressions have the same meaning as in Part II of Schedule 1A as applied to personal pension schemes by the Modification Regulations.

(3) Any reference in these regulations to Schedule 1A is a reference to Schedule 1A to the Social Security Pensions (Northern Ireland) Order 1975.

*Requirements to be satisfied*

**2.** The prescribed requirements referred to in paragraph 13(2)(*a*) of Schedule 1A as applied to personal pension schemes by the Modification Regulations (cash equivalent of member's rights under a personal pension scheme to be used for acquiring transfer credits or rights under another scheme) are that—

(*a*) the receiving scheme—

(i) is approved by the Commissioners of Inland Revenue for the purposes of Chapter II of Part II of the Finance Act 1970(**a**),

(ii) is a statutory scheme as defined in section 26(1) of the Finance Act 1970, or

(iii) otherwise satisfies requirements of the Inland Revenue;

(*b*) if the member's cash equivalent (or any portion of it to be used under paragraph 13(2)(*a*) of Schedule 1A, as applied to personal pension schemes by the Modification Regulations) is or includes the cash equivalent of his protected rights then the receiving scheme is one to which a transfer payment in respect of protected rights may be made in accordance with regulations 2 and 3 of the Protected Rights (Transfer Payment) Regulations (Northern Ireland) 1987(**b**).

*Manner of calculation and verification of cash equivalents*

**3.**—(1) Except in a case to which paragraph (3) applies, cash equivalents are to be calculated and verified in such manner as may be approved in particular cases by—

(*a*) a Fellow of the Institute of Actuaries;

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

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

and in paragraph (2) "actuary" means any person such as is referred to in sub-paragraph (*a*), (*b*) or (*c*) of this paragraph.

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

(*a*) if not determined by the trustees of the personal pension scheme in question, are notified to them by an actuary; and

(**a**) 1970 c. 24
(**b**) S.R. 1987 No. 296