1985 No. 355

SOCIAL SECURITY

The Contracting-out (Transfer Premiums) Regulations (Northern Ireland) 1985

Made . . . . . *16th December 1985*

Coming into operation . . . *1st January 1986*

The Department of Health and Social Services, in exercise of the powers conferred on it by Articles 46A and 53 of, and paragraph 6 of Schedule 2 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 Contracting-out (Transfer Premiums) Regulations (Northern Ireland) 1985 and shall come into operation on 1st January 1986.

(2) In these regulations "the principal regulations" means the Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1985(**b**).

Amendment of the principal regulations

2.—(1) The principal regulations shall be amended in accordance with the provisions of this regulation.

(2) After paragraph (1) of regulation 17 there shall be inserted the following paragraph—

"(1A) For the purposes of Article 46A (transfer premiums) the prescribed person is the trustees of the scheme.".

(3) In regulation 17(3) for "payable under the Pensions Order" there shall be substituted "which is payable".

(4) After regulation 17 there shall be inserted the following regulations—

"*Case in which and condition subject to which transfer premiums may be paid*

17A.—(1) A transfer premium may be paid in the case specified in paragraph (2) and subject to the condition specified in paragraph (3).

(2) The case referred to in paragraph (1) is where—

(*a*) the trustees or managers of the scheme referred to in Article 46A(1)(*a*) have not been discharged from their liability to provide any part of the guaranteed minimum pensions of the earner referred to in Article 46A(1)(*a*); and

(*b*) the earner has not required the trustees or managers to give effect to his accrued rights to those guaranteed minimum pensions in the manner described in paragraph 13(2)(*b*) of Schedule 1A(**c**) (purchase of annuities), or if he has, the requirement has been withdrawn.

(**a**) S.I. 1975/1503 (N.I. 15); Article 46A was inserted by Article 4 of, and paragraph 1 of Schedule 1 to, the Social Security (Northern Ireland) Order 1985 (S.I. 1985/1209 (N.I. 16))

(**b**) S.R. 1985 No. 259; to which there are amendments not relevant to the subject matter of these regulations

(**c**) Schedule 1A was inserted into the Social Security Pensions (Northern Ireland) Order 1975 by Article 4 of, and paragraph 3 of Schedule 1 to, the Social Security (Northern Ireland) Order 1985

(3) The condition referred to in paragraph (1) is that the trustees of the scheme have, subject to regulation 18(2), elected to pay a transfer premium.

Application of actuarial table in calculating the amount of a transfer premium

17B. For the purposes of determining the amount of a transfer premium, the Department shall apply the actuarial table prescribed(**a**) for the purpose of calculating the amount of an accrued rights premium as if the event giving rise to the liability for the premium were the election to pay the premium, and the average market level indicator were calculated accordingly.''.

(5) In regulation 18(2)—

(*a*) after ''46(6) or 47(3)'' there shall be inserted ''or under regulation 17A(3)''; and

(*b*) after sub-paragraph (*d*) there shall be inserted ''and'' and the following sub-paragraph—

''(*e*) in the case of an election under regulation 17A(3)—

(i) if the transfer which gave rise to the election occurred by reason of an application under paragraph 16 of Schedule 1A, within a period of 3 months after the date of the application, and

(ii) if the transfer which gave rise to the election occurred for any other reason, on or before 30th June 1986 or, if it is later, within a period of one month after the date on which the transfer was made.''.

(6) In regulation 19(1) for ''payable under the Pensions Order'' there shall be substituted ''which is payable (other than a transfer premium)''.

(7) After paragraph (1) of regulation 19 there shall be inserted the following paragraph—

''(1A) A transfer premium which is payable shall be paid on or before whichever is the latest of the following days—

(*a*) the day 6 months after the date on which the trustees' election to pay the premium was made;

(*b*) the day one month after the date on which the transfer which gave rise to the election was made; and

(*c*) the day one month after the day on which the Department sends to the person liable to pay the premium a notice certifying the amount of the premium payable.''.

(8) In regulation 19(2) after ''paragraph (1)'' there shall be inserted ''or (1A)''.

(9) In regulation 22(1) after sub-paragraph (*b*) there shall be inserted ''or'' and the following sub-paragraph—

''(*c*) the trustees of a scheme have elected to pay a transfer premium under regulation 17A(3),''.

(10) In regulation 22(2) at the end there shall be inserted the following sub-paragraph—

''(*c*) in the case of a transfer premium, the date on which the earner in question ceased to be in employment to which the scheme applied.''.

(11) In regulation 22(3)(*b*) after ''regulation 19(1)'' there shall be inserted ''or (1A), as the case may be,''.

(12) In regulation 22(6) for ''in paragraph 7(*a*)'' there shall be substituted ''in paragraph (7)(*a*)''.

(**a**) *See* the State Scheme Premiums (Actuarial Tables) Regulations (Northern Ireland) 1978 (S.R. 1978 No. 35) as amended by S.R. 1982 No. 108

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

"(*c*) where it was paid under regulation 17A and the person in respect of whom it was paid has died, without leaving a widow, on or before the latest of the days first mentioned in sub-paragraphs (*a*), (*b*) and (*c*) respectively of regulation 19(1A).".

(14) In regulation 31(4)—

(*a*) for "or Article 47 (limited revaluation)" there shall be substituted ", Article 47(**a**) (limited revaluation) or regulation 17A (transfer)"; and

(*b*) in sub-paragraph (*c*) for "or a limited revaluation premium" there shall be substituted ", a limited revaluation premium or a transfer premium".

Sealed with the Official Seal of the Department of Health and Social Services on 16th December 1985.

(L.S.) *A. N. Burns*

Assistant Secretary

(**a**) Article 47 was amended by Article 18(7) of the Social Security (Miscellaneous Provisions) (Northern Ireland) Order 1977 (S.I. 1977/610 (N.I. 11)), Article 4(8) of the Social Security (Northern Ireland) Order 1980 (S.I. 1980/870 (N.I. 8)), Article 6 of, and paragraph 5 of Schedule 3 to, and Article 25(1) of, and paragraph 17(1)(*c*) of Schedule 5 to, the Social Security (Northern Ireland) Order 1985