

These notes refer to the Pensions (No. 2) Act (Northern Ireland) 2008 (c.13) which received Royal Assent on 15 December 2008

Pensions (No. 2) Act (Northern Ireland) 2008

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

PART 1 – Pension Scheme Membership for Jobholders

CHAPTER 5 – Personal Accounts Delivery Authority

Section 65: Functions and winding up

This section makes provision for broadening the Personal Accounts Delivery Authority's functions. It provides that section 16 of the Pensions Act (Northern Ireland) 2008, which sets out the initial functions of the Authority in Northern Ireland, shall cease to have effect (*subsection (1)*). It allows for the Authority not only to advise and prepare but also to take forward the implementation work to establish the Personal Accounts scheme and to work with the Pensions Regulator to create the infrastructure to enable employers to register and comply with their new duties.

Specifically, this section provides for the Authority to give any assistance or advice on the establishment and operation of the scheme that the Department might require, and any advice that the Authority considers it appropriate to provide. Similarly, it also provides for the Authority to provide such assistance or advice on arrangements to enable employers to comply with their new duties (in Chapter 1).

This section provides the Authority with an ancillary power which will allow it to do anything calculated to facilitate, or incidental or conducive to, the carrying out of any of its functions. For example, this will allow the Authority to enter into formal negotiations and to finalise contracts.

Where the Secretary of State makes an order under section 23(7) of the Pensions Act 2007 repealing provisions relating to the Personal Accounts Delivery Authority subsection (6) enables the Department to make corresponding provision for Northern Ireland.

Section 66: Principles

This section requires the Personal Accounts Delivery Authority to consider a number of guiding principles when carrying out its functions. The Authority must have regard to those principles and consider how they apply in relation

to the advice or assistance it provides. The main effect of these principles is that the Authority will consider in carrying out its functions how to encourage those people with moderate to low incomes, who are not currently saving for a pension, to make provision for their retirement (*subsection (2)*).

All the principles are of equal importance and relate to the manner in which the Authority will discharge its functions. The principles are not the only matters which the Authority will have to consider, neither will the principles necessarily be determinative of the choices the Authority makes, but they are matters to which the Authority will have express regard.

This section also requires the Authority to do anything it considers appropriate to engage in discussion with relevant stakeholders about its functions and how it discharges its functions (*subsection (3)*).

Section 67: Directions and guidance

This section allows the Department to give directions and guidance to the Personal Accounts Delivery Authority on anything to do with the discharge of its functions. In turn, the Authority is required to consider any guidance and comply with any direction. If the Department gives a direction it must be made in writing. The Department must publish any direction issued under this section.

Section 68: Disclosure of information by the Pensions Regulator

Section 68 amends Article 79 of the Pensions (Northern Ireland) Order 2005 to enable the Pensions Regulator to disclose restricted information to the Personal Accounts Delivery Authority in order to enable the Authority to provide assistance or advice to the Regulator.