
Changes to legislation: There are currently no known outstanding effects for the Pensions Act (Northern Ireland) 2012.
Cross Heading: Pension compensation sharing: postponement of compensation. (See end of Document for details)

Schedules

SCHEDULE 4

Pension Protection Fund

Pension compensation sharing: postponement of compensation

29. Schedule 4 to the Pensions (No. 2) Act (Northern Ireland) 2008 (pension compensation payable on discharge of pension compensation credit) is amended as follows.

Annotations:

Commencement Information

II Sch. 4 para. 29 in operation at 27.3.2013 by S.R. 2013/83, art. 2(b)(iii)

30.—(1) Omit paragraph 11 (deferral of compensation).

(2) In Part 4 after the Part heading insert—

“Postponement of compensation

16A.—(1) Regulations may prescribe circumstances in which, and conditions subject to which, a person who becomes entitled to periodic compensation under paragraph 4 or 6 may elect to postpone the commencement of periodic compensation under that paragraph.

(2) Where the commencement of periodic compensation under paragraph 4 or 6 ceases to be postponed, the Board must determine—

- (a) the relevant amount, as at the time the periodic compensation would have commenced if its commencement had not been postponed, and
- (b) the amount in paragraph (a), increased in accordance with actuarial factors published by the Board.

(3) References in this Schedule to the amount of an actuarial increase under this paragraph are to the difference between the amounts in sub-paragraphs (2) (a) and (2)(b).

(4) In sub-paragraph (2) the “relevant amount” means (as appropriate)—

- (a) the amount mentioned in paragraph 4(3)(a), or

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- (b) the aggregate of the amounts mentioned in paragraph 6(3)(a) and (b).”.

Annotations:

Commencement Information

I2 Sch. 4 para. 30 in operation at 27.3.2013 by S.R. 2013/83, art. 2(b)(iii)

31.—(1) In paragraph 4(3) (periodic compensation for transferee over pension compensation age on transfer day)—

- (a) omit “and” at the end of paragraph (a), and
 (b) after that paragraph insert—

“(aa) if the commencement of periodic compensation under this paragraph has been postponed for any period by virtue of paragraph 16A, the amount of the actuarial increase under that paragraph, and”.

(2) In paragraph 4(4) (provisions to which paragraph 4 is subject) after “subject to” insert “ paragraph 16A (postponement of compensation) and ”.

(3) In paragraph 6(3) (periodic compensation for transferee under pension compensation age on transfer day)—

- (a) omit “and” at the end of paragraph (b), and
 (b) after that paragraph insert—

“(ba) if the commencement of periodic compensation under this paragraph has been postponed for any period by virtue of paragraph 16A, the amount of the actuarial increase under that paragraph, and”.

(4) In paragraph 6(4) (provisions to which paragraph 6 is subject)—

- (a) omit the entry for paragraph 11,
 (b) omit “and” at the end of the entry for paragraph 15, and
 (c) after that entry insert— “ paragraph 16A (postponement of compensation), and ”.

Annotations:

Commencement Information

I3 Sch. 4 para. 31 in operation at 27.3.2013 by S.R. 2013/83, art. 2(b)(iii)

32.—(1) In paragraph 5 (periodic compensation for widow etc. of transferee over pension compensation age on transfer day)—

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(a) in sub-paragraph (3) after “(including” insert “ any actuarial increase under paragraph 16A and ”, and

(b) after sub-paragraph (3) insert—

“(3A) If, on the day the transferee (“T”) died, commencement of T’s periodic compensation under paragraph 4 was postponed by virtue of paragraph 16A, assume for the purposes of sub-paragraph (3) that the periodic compensation commenced immediately before the date of T’s death.”.

(2) In paragraph 7 (periodic compensation for widow etc. of transferee under pension compensation age on transfer day)—

(a) in sub-paragraph (3)(a) after “(see paragraph 8)” insert “ , any actuarial increase under paragraph 16A ”,

(b) in sub-paragraph (3)(b) after sub-paragraph (ii) insert—

“(assuming commencement of the periodic compensation was not postponed by virtue of paragraph 16A).”, and

(c) after sub-paragraph (3) insert—

“(3A) For the purposes of sub-paragraph (3)(a), if on the day the transferee (“T”) died commencement of T’s periodic compensation under paragraph 6 was postponed by virtue of paragraph 16A, assume that the periodic compensation commenced immediately before the date of T’s death.”.

Annotations:

Commencement Information

I4 Sch. 4 para. 32 in operation at 27.3.2013 by S.R. 2013/83, art. 2(b)(iii)

33. In paragraph 9(1) (commutation of periodic compensation) for “becomes payable” substitute “ commences ”.

Annotations:

Commencement Information

I5 Sch. 4 para. 33 in operation at 27.3.2013 by S.R. 2013/83, art. 2(b)(iii)

34.—(1) In paragraph 12 (eligibility for terminal illness lump sum)—

(a) in sub-paragraph (4) in the definition of “relevant age”—

(i) in paragraph (a) omit “or deferred” and “or (as the case may be) 11”, and

(ii) in paragraph (b) omit “or deferred”, and

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(b) after sub-paragraph (4) insert—

“(5) Sub-paragraph (6) applies where the commencement of a person's periodic compensation under paragraph 6 is postponed by virtue of paragraph 16A.

(6) This paragraph applies as if—

(a) the person first becomes entitled to compensation under paragraph 6 immediately after the period of postponement ends, and

(b) in sub-paragraph (1)(b), for “if the transferee lived to the relevant age, he or she would become entitled on attaining that age” there were substituted “ if the period of postponement ended, the transferee would become entitled ”.”.

(2) In paragraph 15 (effect of successful application for terminal illness lump sum) after sub-paragraph (3) insert—

“(4) Where on the granting of the application the commencement of a person's periodic compensation under paragraph 6 is postponed by virtue of paragraph 16A, this paragraph applies as if the references to the transferee attaining the relevant age were references to the period of postponement ending.”.

Annotations:

Commencement Information

I6 Sch. 4 para. 34 in operation at 27.3.2013 by S.R. 2013/83, art. 2(b)(iii)

35.—(1) Paragraph 17 (annual increase in periodic compensation) is amended as follows.

(2) In sub-paragraph (4) in the definition of “the underlying rate”—

(a) omit “and” at the end of paragraph (a), and

(b) after that paragraph insert—

“(aa) so much of any actuarial increase under paragraph 16A as relates to the amount in paragraph (a), and”.

(3) In sub-paragraph (7)—

(a) after “references in” insert “ paragraph (a) of”, and

(b) at the end insert “ (and paragraph (aa) of the definition applies accordingly). ”.

(4) After sub-paragraph (7) insert—

“(7A) Where the commencement of periodic compensation has been postponed by virtue of paragraph 16A, this paragraph applies as if the

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transferee first becomes entitled to the periodic compensation on the day on which the periodic compensation commences.”.

Annotations:

Commencement Information

I7 Sch. 4 para. 35 in operation at 27.3.2013 by S.R. 2013/83, art. 2(b)(iii)

36. In paragraph 20 (Board's power to alter rates of revaluation and indexation) after sub-paragraph (5) insert—

“(5A) A determination under sub-paragraph (1)(b) which has effect as mentioned in sub-paragraph (5)(b)(ii) may provide that, where the payment of periodic compensation to the transferee is postponed by virtue of paragraph 16A, the determination applies as if the transferee first becomes entitled to the periodic compensation on the day on which the periodic compensation commences.”.

Annotations:

Commencement Information

I8 Sch. 4 para. 36 in operation at 27.3.2013 by S.R. 2013/83, art. 2(b)(iii)

Changes to legislation:

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