

*These notes refer to the Pensions Act (Northern Ireland)
2015 (c.5) which received Royal Assent on 23 June 2015*

Pensions Act (Northern Ireland) 2015

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 6 – Private Pensions

Section 41: Unpaid scheme contributions

In the event that an employer becomes insolvent, the Pension Schemes Act enables scheme trustees or managers to claim an amount of any unpaid pension contributions from the Department, payable out of the National Insurance Fund. The contributions comprise those due from the employer either on his or her own account to fund benefits for, or in respect of, one or more employees, or on behalf of an employee, if a contribution has been deducted from wages.

Workers and agency workers are currently excluded from this protection, so if their employer became insolvent certain jobholders entering pension scheme membership as a result of the workplace pension reforms would not receive the protection detailed above.

This section amends the definitions in the Pension Schemes Act, and the references to employees in the Pension Schemes Act, to include workers and agency workers and so extend this protection for relevant scheme contributions to be paid from the National Insurance Fund in the event of an employer becoming insolvent.