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STATUTORY INSTRUMENTS

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**1995 No. 3213**

**The Pensions (Northern Ireland) Order 1995**

**PART V**

**MISCELLANEOUS AND GENERAL**

*Transfer values*

**Extension of scope of right to cash equivalent**

**148.**—(1) Section 89 of the Pension Schemes Act (scope of provisions relating to transfer values) is amended as follows.

(2) For subsection (1)(a) substitute—

“(a) to any member of an occupational pension scheme—

- (i) whose pensionable service has terminated at least one year before normal pension age, and
- (ii) who on the date on which his pensionable service terminated had accrued rights to benefit under the scheme,

except a member of a salary related occupational pension scheme whose pensionable service terminated before 1st January 1986 and in respect of whom prescribed requirements are satisfied.”.

(3) After subsection (1) insert—

“(1A) For the purposes of this section and the following provisions of this Chapter, an occupational pension scheme is salary related if—

- (a) the scheme is not a money purchase scheme, and
- (b) the scheme does not fall within a prescribed class.

(1B) Regulations may—

- (a) provide for this Chapter not to apply in relation to a person of a prescribed description, or
- (b) apply this Chapter with prescribed modifications to occupational pension schemes—
  - (i) which are not money purchase schemes, but
  - (ii) where some of the benefits that may be provided are money purchase benefits.”.

**Right to guaranteed cash equivalent**

**149.** After section 89 of the Pension Schemes Act insert—

**“Salary related schemes: right to statement of entitlement.**

**89A.**—(1) The trustees or managers of a salary related occupational pension scheme must, on the application of any member, provide the member with a written statement (in this Chapter referred to as a “statement of entitlement”) of the amount of the cash equivalent at the guarantee date of any benefits which have accrued to or in respect of him under the applicable rules.

(2) In this section—

“the applicable rules” has the same meaning as in section 90;

“the guarantee date” means the date by reference to which the value of the cash equivalent is calculated, and must be—

- (a) within the prescribed period beginning with the date of the application, and
- (b) within the prescribed period ending with the date on which the statement of entitlement is provided to the member.

(3) Regulations may make provision in relation to applications for a statement of entitlement, including, in particular, provision as to the period which must elapse after the making of such an application before a member may make a further such application.

(4) If, in the case of any scheme, a statement of entitlement has not been provided under this section, Article 10 of the Pensions (Northern Ireland) Order 1995 (power of the Regulatory Authority to impose civil penalties) applies to any trustee or manager who has failed to take all such steps as are reasonable to secure compliance with this section.”.

**Right to guaranteed cash equivalent: supplementary**

**150.**—(1) In paragraph (a) of section 90(1) of the Pension Schemes Act—

- (a) after “occupational pension scheme” insert “other than a salary related scheme”, and
- (b) after “terminates” insert “(whether before or after 1st January 1986)”.

(2) After that paragraph insert—

“(aa) a member of a salary related occupational pension scheme who has received a statement of entitlement and has made a relevant application within three months beginning with the guarantee date in respect of that statement acquires a right to his guaranteed cash equivalent;”.

(3) After that subsection insert—

“(2A) For the purposes of subsection (1)(aa), a person’s “guaranteed cash equivalent” is the amount stated in the statement of entitlement mentioned in that subsection.”.

(4) In subsection (2) of that section, after the definition of “the applicable rules” insert—

““the guarantee date” has the same meaning as in section 89A(2);”.

(5) After that subsection insert—

“(2) Regulations may provide that, in prescribed circumstances, subsection (1)(aa) does not apply to members of salary related occupational pension schemes or applies to them with prescribed modifications.”.