
STATUTORY INSTRUMENTS

1999 No. 3147

**The Welfare Reform and Pensions
(Northern Ireland) Order 1999**

PART V

PENSION SHARING

CHAPTER I

SHARING OF RIGHTS UNDER PENSION ARRANGEMENTS

Pension sharing mechanism

Scope of mechanism

24.—(1) Pension sharing is available under this Chapter in relation to a person's shareable rights under any pension arrangement other than an excepted public service pension scheme.

(2) For the purposes of this Chapter, a person's shareable rights under a pension arrangement are any rights of his under the arrangement, other than rights of a description specified by regulations made by the Department.

(3) For the purposes of paragraph (1), a public service pension scheme is excepted if it is specified by order made by such Minister of the Crown or government department as may be designated by the Treasury or the Department of Finance and Personnel as having responsibility for the scheme.

Activation of pension sharing

25.—(1) Article 26 applies on the taking effect of any of the following relating to a person's shareable rights under a pension arrangement—

- (a) a pension sharing order under the Matrimonial Causes Order;
- [^{F1}(aa) a pension sharing order under Schedule 15 to the Civil Partnership Act 2004,]
- (b) an order under Part IV of the Matrimonial and Family Proceedings (Northern Ireland) Order 1989 (financial relief in Northern Ireland in relation to overseas divorce etc.) corresponding to such an order mentioned in sub-paragraph (a);
- [^{F1}(ba) an order under Schedule 17 to the 2004 Act (financial relief in Northern Ireland after overseas dissolution etc. of a civil partnership) corresponding to such an order as is mentioned in paragraph (aa),]
- (c) an order or provision to which any of paragraphs (a) to (g) of subsection (1) of section 28 of the Welfare Reform Act applies (pension sharing orders under the Matrimonial Causes Act 1973 and the Family Law (Scotland) Act 1985 and other provisions and orders in Great Britain corresponding to pension sharing orders under those Acts).

(2) The reference in paragraph (1) to paragraphs (a) to (g) of subsection (1) of section 28 of the Welfare Reform Act is to those paragraphs as they have effect subject to the provisions of that section and section 85(5) of that Act.

F1 2004 c.33

Creation of pension debits and credits

26.—(1) On the application of this Article—

- (a) the transferor's shareable rights under the relevant arrangement become subject to a debit of the appropriate amount, and
- (b) the transferee becomes entitled to a credit of that amount as against the person responsible for that arrangement.

(2) Where the relevant order or provision specifies a percentage value to be transferred, the appropriate amount for the purposes of paragraph (1) is the specified percentage of the cash equivalent of the relevant benefits on the valuation day.

(3) Where the relevant order or provision specifies an amount to be transferred, the appropriate amount for the purposes of paragraph (1) is the lesser of—

- (a) the specified amount, and
- (b) the cash equivalent of the relevant benefits on the valuation day.

(4) Where the relevant arrangement is an occupational pension scheme and the transferor is in pensionable service under the scheme on the transfer day, the relevant benefits for the purposes of paragraphs (2) and (3) are the benefits or future benefits to which he would be entitled under the scheme by virtue of his shareable rights under it had his pensionable service terminated immediately before that day.

(5) Otherwise, the relevant benefits for the purposes of paragraphs (2) and (3) are the benefits or future benefits to which, immediately before the transfer day, the transferor is entitled under the terms of the relevant arrangement by virtue of his shareable rights under it.

(6) The Department may by regulations provide for any description of benefit to be disregarded for the purposes of paragraph (4) or (5).

(7) For the purposes of this Article, the valuation day is such day within the implementation period for the credit under paragraph (1)(b) as the person responsible for the relevant arrangement may specify by notice in writing to the transferor and transferee.

(8) In this Article—

- “relevant arrangement” means the arrangement to which the relevant order or provision relates;
- “relevant order or provision” means the order or provision by virtue of which this Article applies;
- “transfer day” means the day on which the relevant order or provision takes effect;
- “transferor” means the person to whose rights the relevant order or provision relates;
- “transferee” means the person for whose benefit the relevant order or provision is made.

Cash equivalents

27.—(1) The Department may by regulations make provision about the calculation and verification of cash equivalents for the purposes of Article 26.

(2) The power conferred by paragraph (1) includes power to provide for calculation or verification—

- (a) in such manner as may, in the particular case, be approved by a person prescribed by the regulations, or
- (b) in accordance with guidance from time to time prepared by a person so prescribed.

Changes to legislation:

There are currently no known outstanding effects for the The Welfare Reform and Pensions (Northern Ireland) Order 1999, Cross Heading: Pension sharing mechanism.