

1992 No. 300

SOCIAL SECURITY

The Occupational Pension Schemes (Deficiency on Winding Up etc.) Regulations (Northern Ireland) 1992

Made 1st July 1992

Coming into operation 1st July 1992

The Department of Health and Social Services, in exercise of the powers conferred on it by Article 68B(1), (3) and (6) of the Social Security Pensions (Northern Ireland) Order 1975(a) and of all other powers enabling it in that behalf, hereby makes the following regulations:

Citation and interpretation

1.—(1) These regulations may be cited as the Occupational Pension Schemes (Deficiency on Winding Up etc.) Regulations (Northern Ireland) 1992.

(2) In these regulations—

“the Order” means the Social Security Pensions (Northern Ireland) Order 1975;

“actuary” means—

(a) a Fellow of the Institute of Actuaries,

(b) a Fellow of the Faculty of Actuaries, or

(c) a person with other actuarial qualifications who is approved by the Department of Health and Social Services as being a proper person to act for the purposes of Article 68B of the Order (deficiencies in the assets of a scheme on winding up);

“scheme” means every occupational pension scheme which is not a money purchase scheme.

Calculation of the value of scheme liabilities and assets

2.—(1) For the purposes of Article 68B(1) of the Order, the value of a scheme’s liabilities and assets are to be determined by being calculated and verified in such manner as may, subject to paragraph (2), be approved in the particular case by an actuary appointed by the trustees of the scheme in question.

(a) S.I. 1975/1503 (N.I. 15); by virtue of Article 2(3), definitions in Schedule 17 to the Social Security (Northern Ireland) Act 1975 (c. 15) apply to the exercise of certain powers conferred under this Order; see also paragraph 10 of Schedule 3 to the Social Security (Consequential Provisions) (Northern Ireland) Act 1992 (c. 9); Article 68B was inserted by paragraph 2 of Schedule 4 to the Social Security (Northern Ireland) Order 1990 (S.I. 1990/1511 (N.I. 15))

(2) In calculating the value of the scheme's liabilities, any provision of the scheme which limits the amount of its liabilities by reference to the amount of its assets is to be disregarded.

Scheme which applies to more than one employer

3. In the application of Article 68B of the Order to a scheme which applies to earners in employments under different employers and in respect of which there are members in pensionable service under the scheme, as defined in paragraph 3 of Schedule 3 to the Order—

(a) that Article is modified by inserting after paragraph (1), the following new paragraph—

“(1A) The amount of the debt due from each employer shall be such amount as, in the opinion of the actuary referred to in regulation 2(1) of the Occupational Pension Schemes (Deficiency on Winding Up etc.) Regulations (Northern Ireland) 1992(a), bears the same proportion to the deficiency under the scheme as the amount of the scheme's liabilities attributable to employment with that employer (including liabilities in respect of any transfer credits allowed under the scheme in connection with employment with that employer) bears to the total amount of the scheme's liabilities.”; and

(b) Article 68B(2) is modified—

(i) by substituting the following definition for the definition of “the applicable time”—

“ “the applicable time” means—

(a) in relation to a scheme which is being wound up, any time—

(i) after the commencement of the winding up, or, where on 1st July 1992 a scheme was being wound up on or after that date, and

(ii) before the default time arises in relation to all of the employers to whom the scheme relates; and

(b) in relation to a scheme which is not being wound up, each of the times on or after 1st July 1992 at which the default time arises in relation to any of the employers to whom the scheme relates;” and

(ii) by substituting the following definition for the definition of “the employer”—

“ “the employer” means every employer of persons in the description or category of employment to which the scheme relates and includes any person who was an employer of such persons immediately before the scheme—

(a) commenced winding up, or

(b) if earlier, ceased to admit new members;”.

Scheme in respect of which there are no members in pensionable service

4. In the application of Article 68B of the Order to a scheme in respect of which there are no members who are in pensionable service under the scheme, as defined in paragraph 3 of Schedule 3 to the Order—

- (a) that Article is modified in like manner as in regulation 3(b)(ii); and
- (b) where there is more than one employer within the meaning of that term as modified by paragraph (a), that Article is further modified in the manner provided by regulation 3(a) and (b)(i).

Sealed with the Official Seal of the Department of Health and Social Services on 1st July 1992.

(L.S.)

A. N. Burns

Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Regulations.)

Article 68B of the Social Security Pensions (Northern Ireland) Order 1975 (which was inserted by paragraph 2 of Schedule 4 to the Social Security (Northern Ireland) Order 1990) provides for deficiencies in the assets of an occupational pension scheme (other than a money purchase scheme) on a winding up to be a debt due from the employer to the trustees of the scheme.

These regulations

- make provision as to the calculation of the scheme's liabilities and assets (regulation 2);
- modify the application of Article 68B in relation to schemes which apply to earners in employments under different employers (regulation 3) and to schemes in respect of which there are no members in pensionable service (regulation 4).