

1993 No. 324

SOCIAL SECURITY

The Occupational Pension Schemes (Preservation of Benefit) (Amendment) Regulations (Northern Ireland) 1993

Made 21st July 1993

Coming into operation 1st September 1993

The Department of Health and Social Services, in exercise of the powers conferred on it by paragraph 9(2) and (3) of Schedule 3 to 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 commencement

1. These regulations may be cited as the Occupational Pension Schemes (Preservation of Benefit) (Amendment) Regulations (Northern Ireland) 1993 and shall come into operation on 1st September 1993.

Amendment of regulation 12 of the Occupational Pension Schemes (Preservation of Benefit) Regulations

2. Regulation 12 of the Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1991(b) (transfer of member's accrued rights without consent) shall be amended in accordance with paragraphs (a) and (b)—

(a) for paragraphs (3) and (4) there shall be substituted the following paragraphs—

“(3) The condition set out in this paragraph is that an actuary certifies to the trustees or managers of the transferring scheme that—

(a) the transfer credits to be acquired for each member under the receiving scheme are, broadly, no less favourable than the rights to be transferred; and

(b) where it is the established custom for discretionary benefits or increases in benefits to be awarded under the transferring scheme, there is good cause to believe that the award of discretionary benefits or increases in benefits under the receiving scheme will (making allowance for any amount by which transfer credits under the receiving scheme are more

(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) 1992 (c. 9); paragraph 9(2) of Schedule 3 is modified by regulation 3(7) of S.R. 1987 No. 294 as substituted by regulation 9(3) of S.R. 1990 No. 203

(b) S.R. 1991 No. 37; relevant amending regulations are S.R. 1992 No. 304

favourable than the rights to be transferred) be, broadly, no less favourable.

(4) For the purposes of paragraph 3(a) where long service benefit in the transferring scheme is related to a member's earning at, or in a specified period before, the time when he attains normal pension age then, in the case of a member in pensionable service at the date of transfer, the value of the rights to be transferred shall be based on pensionable service (including any transfer credits) in the transferring scheme up to that date and projected final pensionable earnings.

(4A) For the purposes of paragraph (3)(b), the actuary shall, in considering whether there is good cause, have regard to all the circumstances of the case and in particular—

(a) to any established custom of the receiving scheme with regard to the provision of discretionary benefits or increases in benefits; and

(b) to any announcements made with regard to the provision of such benefits under the receiving scheme.”;

(b) in paragraph (5) the definition of “the applicable rules” and the word “and” immediately preceding it shall be omitted.

Sealed with the Official Seal of the Department of Health and Social Services on 21st July 1993.

(L.S.)

W. F. T. Green

Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These regulations further amend the Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1991 by substituting new paragraphs (3), (4) and (4A) for paragraphs (3) and (4) of regulation 12 and by making a consequential amendment to paragraph (5).

The new paragraphs amend the condition subject to which an actuary may certify that there may be a bulk transfer of members from one scheme to another without their consent. The principal change relates to the treatment, by the new scheme, of benefits that were discretionary in the transferring scheme.