

1995 No. 7

PENSIONS

The Occupational and Personal Pension Schemes (Miscellaneous Amendments) Regulations (Northern Ireland) 1995

Made 11th January 1995

Coming into operation 7th February 1995

The Department of Health and Social Services for Northern Ireland, in exercise of the powers conferred on it by sections 5(3) and (5), 15(4), 19(1), 22, 25(3), 27(1), 35, 69(1), 109(1) and (3) and 158 of, and paragraph 8 of Schedule 1 to, the Pension Schemes (Northern Ireland) Act 1993(a) and of all other powers enabling it in that behalf, after consultation with the Chief Registrar of Friendly Societies(b), hereby makes the following regulations:

Citation, commencement and interpretation

1.—(1) These regulations may be cited as the Occupational and Personal Pension Schemes (Miscellaneous Amendments) Regulations (Northern Ireland) 1995 and shall come into operation on 7th February 1995.

(2) The Interpretation Act (Northern Ireland) 1954(c) shall apply to these regulations as it applies to a Measure of the Assembly.

Amendment of regulation 28 of the Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1985

2. In regulation 28 of the Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1985(d) (means of securing guaranteed minimum pensions)—

(a) in paragraph (2) for sub-paragraph (b) there shall be substituted the following sub-paragraph—

“(b) in the case of a policy of insurance or annuity contract, that the policy is taken out, or the contract is entered into, with—

- (i) an insurance company which is authorised under section 3 or 4 of the Insurance Companies Act 1982(e) to carry on ordinary long-term insurance business as defined in that Act;
- (ii) an EC company as defined in section 2(6) of the Insurance Companies Act 1982(f) falling within paragraph (4), or

(a) 1993 c. 49

(b) See section 180(1) of the Pension Schemes (Northern Ireland) Act 1993

(c) 1954 c. 33 (N.I.)

(d) S.R. 1985 No. 259; relevant amending regulations are S.R. 1991 No. 462 and S.R. 1994 No. 300

(e) 1982 c. 50

(f) Section 2(6) was inserted by regulation 4(2) of S.I. 1994/1696. See also regulation 3 of S.I. 1994/3132 which extends the meaning of “member State”

- (iii) a friendly society which is authorised under section 32 of the Friendly Societies Act 1992(a) to carry on long term business under any of the Classes specified in head A of Schedule 2 to that Act provided that the terms of such a policy or such a contract are not capable of being amended, revoked or rescinded.”;
- (b) after paragraph (3) there shall be inserted the following paragraph—
- “(4) An EC company falls within this paragraph if it—
- (a) carries on ordinary long-term insurance business in the United Kingdom through a branch in respect of which such of the requirements of Part I of Schedule 2F to the Insurance Companies Act 1982(b) as are applicable have been complied with, or
- (b) provides ordinary long-term insurance in the United Kingdom and such of the requirements of Part I of Schedule 2F to the Insurance Companies Act 1982 as are applicable have been complied with in respect of the insurance.”.

Amendment of regulation 1A of the Occupational Pension Schemes (Discharge of Liability) Regulations (Northern Ireland) 1985

3. In the Occupational Pension Schemes (Discharge of Liability) Regulations (Northern Ireland) 1985(c) for regulation 1A there shall be substituted the following regulation—

“Requirements applying to policies of insurance and annuity contracts

1A.—(1) The requirements referred to in section 15(4)(a)(ii) (requirements applying to policies of insurance or annuity contracts for the purposes of discharging liabilities to guaranteed minimum pensions) are that the insurance policy is taken out or the annuity contract is entered into with an insurance company which is—

- (a) an insurance company which is authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on ordinary long-term insurance business as defined in that Act, or
- (b) an EC company as defined in section 2(6) of the Insurance Companies Act 1982 falling within paragraph (2).
- (2) An EC company falls within this paragraph if it—
- (a) carries on ordinary long-term insurance business in the United Kingdom through a branch in respect of which such of the requirements of Part I of Schedule 2F to the Insurance Companies Act 1982 as are applicable have been complied with, or
- (b) provides ordinary long-term insurance in the United Kingdom and such of the requirements of Part I of Schedule 2F to the Insurance

(a) 1992 c. 40

(b) Schedule 2F was inserted by regulation 45 of S.I. 1994/1696

(c) S.R. 1985 No. 356; relevant amending regulations are S.R. 1991 No. 462 and S.R. 1994 No. 300

Companies Act 1982 as are applicable have been complied with in respect of the insurance.”.

Amendment of the Money Purchase Contracted-out Schemes Regulations (Northern Ireland) 1987

4. In the Money Purchase Contracted-out Schemes Regulations (Northern Ireland) 1987(a)—

(a) in regulation 1(2) (interpretation)—

- (i) for the definition of “Friendly Society” there shall be substituted the following definition—

“ “Friendly Society” has the same meaning as in the Friendly Societies Act 1992 (including any society which by virtue of section 96(2) of that Act is to be treated as a registered friendly society within the meaning of that Act);”;

- (ii) for the definition of “recognised Stock Exchange” there shall be substituted the following definitions—

“ “recognised Stock Exchange” means a stock exchange which is a regulated market;

“regulated market” has the meaning assigned to that expression by regulation 44 of the Insurance Companies Regulations 1994(b);”;

(b) in the Schedule—

- (i) in paragraph 1 for sub-paragraph (a) there shall be substituted the following sub-paragraph—

“(a) issued by—

- (i) an insurance company which is authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on ordinary long-term insurance business as defined in that Act;
- (ii) an EC company as defined in section 2(6) of the Insurance Companies Act 1982 which carries on ordinary long-term insurance business in the United Kingdom through a branch in respect of which such of the requirements of Part I of Schedule 2F to that Act as are applicable have been complied with;
- (iii) an EC company as defined in section 2(6) of the Insurance Companies Act 1982 which provides ordinary long-term insurance in the United Kingdom provided that such of the requirements of Part I of Schedule 2F to that Act as are applicable have been complied with in respect of the insurance, or
- (iv) a Friendly Society which is authorised under section 32 of the Friendly Societies Act 1992 to carry on long term business under any of the Classes specified in head A of Schedule 2 to that Act,

(a) S.R. 1987 No. 279; relevant amending regulations are S.R. 1990 No. 203

(b) S.I. 1994/1516

and which are—”;

- (ii) for paragraph 2 there shall be substituted the following paragraph—
 “2. The units of—
 (a) any unit trust scheme which has been authorised under section 78(1) of, or by virtue of paragraph 9 of Schedule 15 to, the Financial Services Act 1986(a), or
 (b) any undertaking for collective investment in transferable securities which is an undertaking authorised by the competent authority of a member State under Article 4 of Council Directive 85/611/EEC(b) on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities.”;
- (iii) in paragraph 9 for the words from “not authorised under section 78(1) of” to the end there shall be substituted “other than a unit trust scheme or an undertaking for collective investment specified in paragraph 2”.

Amendment of Schedule 3 to the Personal Pension Schemes (Disclosure of Information) Regulations (Northern Ireland) 1987

5. In paragraph 2(a)(i) of Schedule 3 to the Personal Pension Schemes (Disclosure of Information) Regulations (Northern Ireland) 1987(c) for “Schedule 13 to the Insurance Companies Regulations 1981” there shall be substituted “Schedule 10 to the Insurance Companies Regulations 1994”.

Amendment of regulation 9 of the Personal and Occupational Pension Schemes (Protected Rights) Regulations (Northern Ireland) 1987

6. In regulation 9 of the Personal and Occupational Pension Schemes (Protected Rights) Regulations (Northern Ireland) 1987(d) (insurance companies that may provide protected rights by way of annuities)—

- (a) for paragraph (a) there shall be substituted the following paragraph—
 “(a) (i) is authorised under section 3 or 4 of the Insurance Companies Act 1982 to carry on ordinary long-term insurance business as defined in that Act;
 (ii) is an EC company as defined in section 2(6) of the Insurance Companies Act 1982 which carries on ordinary long-term insurance business in the United Kingdom through a branch in respect of which such of the requirements of Part I of Schedule 2F to that Act as are applicable have been complied with;
 (iii) is an EC company as defined in section 2(6) of the Insurance Companies Act 1982 which provides ordinary long-term

(a) 1986 c. 60

(b) O.J. No. L375, 31.12.85, p. 3

(c) S.R. 1987 No. 288, to which there are amendments not relevant to these regulations

(d) S.R. 1987 No. 295; relevant amending regulations are S.R. 1988 No. 107 and S.R. 1994 No. 300

insurance in the United Kingdom and has complied with such of the requirements of Part I of Schedule 2F to that Act as are applicable in respect of the insurance, or

- (iv) is a friendly society which is authorised under section 32 of the Friendly Societies Act 1992 to carry on long term business under any of the Classes specified in head A of Schedule 2 to that Act,

and”;

- (b) at the end of paragraph (b) there shall be added the word “and” and following that paragraph there shall be added the following paragraph—

“(c) where the annuities are issued by a friendly society as described in paragraph (a)(iv), the terms of the annuities are not capable of being amended, revoked or rescinded.”.

Amendment of the Personal Pension Schemes (Appropriate Schemes) Regulations (Northern Ireland) 1988

7. In the Personal Pension Schemes (Appropriate Schemes) Regulations (Northern Ireland) 1988(a)—

- (a) in regulation 1(2) (interpretation) for the definition of “Friendly Society” there shall be substituted the following definition—

“ “Friendly Society” has the same meaning as in the Friendly Societies Act 1992 (including any society which by virtue of section 96(2) of that Act is to be treated as a registered friendly society within the meaning of that Act);”;

- (b) in regulation 2 (forms of schemes which may be appropriate schemes)—

(i) in paragraph (1) for “Chapter II of Part I of the Finance (No. 2) Act 1987 or Chapter II of Part II of the Finance Act 1970 by reference to section 20(2)(h) of that Act” there shall be substituted “Chapter IV of Part XIV of the Income and Corporation Taxes Act 1988(b) or Chapter I of Part XIV of that Act by reference to section 591(2)(h) of that Act”, and

(ii) in paragraph (2) for “Chapter II of Part I of the Finance (No. 2) Act 1987” there shall be substituted “Chapter IV of Part XIV of the Income and Corporation Taxes Act 1988”;

- (c) in regulation 3 (persons who and bodies which may establish schemes) for paragraph (2) there shall be substituted the following paragraph—

“(2) This paragraph applies to a Friendly Society which is authorised under section 32 of the Friendly Societies Act 1992 to carry on long term business under any of the Classes specified in head A of Schedule 2 to that Act.”.

(a) S.R. 1988 No. 34; relevant amending regulations are S.R. 1988 No. 176, S.R. 1990 No. 203 and S.R. 1994 No. 300

(b) 1988 c. 1

Amendment of regulation 6 of the Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1991

8. In regulation 6 of the Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1991(a) (means of assuring short service benefit)—

- (a) in paragraph (3) at the end there shall be added “provided the terms of such policy or contract are not capable of being amended, revoked or rescinded”;
- (b) in paragraph (4) for the definitions of “friendly society” and “authorised friendly society” there shall be substituted respectively the following definitions—
 - “ “friendly society” has the same meaning as in the Friendly Societies Act 1992 (including any society which by virtue of section 96(2) of that Act is to be treated as a registered friendly society within the meaning of that Act);”, and
 - “ “authorised friendly society” means a friendly society which is authorised under section 32 of the Friendly Societies Act 1992 to carry on long term business under any of the Classes specified in head A of Schedule 2 to that Act.”.

Revocations

9. The following regulations are hereby revoked—

- (a) the Occupational Pension Schemes (Friendly Societies) Regulations (Northern Ireland) 1976(b);
- (b) regulation 9(b) of the Personal and Occupational Pension Schemes (Tax Approval and Miscellaneous Provisions) Regulations (Northern Ireland) 1988(c);
- (c) regulations 7(2) and 11(2) of the Personal and Occupational Pension Schemes (Miscellaneous Amendments) Regulations (Northern Ireland) 1990(d);
- (d) the Occupational Pension Schemes (Miscellaneous Amendments) Regulations (Northern Ireland) 1991(e).

Sealed with the Official Seal of the Department of Health and Social Services for Northern Ireland on 11th January 1995.

(L.S.)

W. G. Purdy

Assistant Secretary

(a) S.R. 1991 No. 37; relevant amending regulations are S.R. 1994 No. 300
(b) S.R. 1976 No. 139
(c) S.R. 1988 No. 107
(d) S.R. 1990 No. 203
(e) S.R. 1991 No. 462

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These regulations make miscellaneous amendments to regulations about occupational and personal pension schemes.

Regulation 2 amends regulation 28 of the Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1985. It revises the list of bodies with whom an insurance policy or annuity contract may be taken out for the purpose of securing guaranteed minimum pensions.

Regulation 3 amends regulation 1A of the Occupational Pension Schemes (Discharge of Liability) Regulations (Northern Ireland) 1985. It revises the conditions which an insurance company must satisfy if a policy of insurance or annuity contract is to be appropriate for the purposes of section 15 of the Pension Schemes (Northern Ireland) Act 1993.

Regulation 4 amends the Money Purchase Contracted-out Schemes Regulations (Northern Ireland) 1987. It substitutes the definitions of "Friendly Society" and "recognised Stock Exchange" and revises the conditions subject to which insurance policies and annuity contracts may be permitted investments.

Regulation 5 makes a consequential amendment to Schedule 3 to the Personal Pension Schemes (Disclosure of Information) Regulations (Northern Ireland) 1987 by replacing a reference to the Insurance Companies Regulations 1981 with one to the Insurance Companies Regulations 1994.

Regulation 6 amends regulation 9 of the Personal and Occupational Pension Schemes (Protected Rights) Regulations (Northern Ireland) 1987. It revises the list of insurance companies which may provide for rights by way of annuities.

Regulation 7 makes consequential amendments to the Personal Pension Schemes (Appropriate Schemes) Regulations (Northern Ireland) 1988 arising out of changes to the Income and Corporation Taxes Act 1988. It also revises the list of bodies which may establish schemes.

Regulation 8 amends regulation 6 of the Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1991. It revises the means by which short service benefits may be secured.

Regulation 9 revokes the Occupational Pension Schemes (Friendly Societies) Regulations (Northern Ireland) 1976 and the Occupational Pension Schemes (Miscellaneous Amendments) Regulations (Northern Ireland) 1991 and makes other minor consequential revocations.