
STATUTORY RULES OF NORTHERN IRELAND

1997 No. 8

PENSIONS

**The Occupational Pension Schemes (Indexation)
Regulations (Northern Ireland) 1997**

Made - - - - *15th January 1997*

Coming into operation *6th April 1997*

The Department of Health and Social Services, in exercise of the powers conferred on it by Articles 51(5) and 166(1) to (3) of the Pensions (Northern Ireland) Order 1995⁽¹⁾ and of all other powers enabling it in that behalf, hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Occupational Pension Schemes (Indexation) Regulations (Northern Ireland) 1997 and shall come into operation on 6th April 1997.

(2) In these Regulations—

“appointed day” means the day appointed for the coming into operation of Article 51 for purposes other than authorising the making of regulations;

“indexation requirement” means the requirement under Article 51(2) and (3) for certain occupational pension schemes to provide annual increases in the rate of pensions;

“pension scheme” means an occupational pension scheme, a personal pension scheme or a retirement benefits scheme approved under section 591 of the Taxes Act 1988.

(3) In these Regulations any reference to a numbered Article is a reference to the Article of the Pensions (Northern Ireland) Order 1995 bearing that number.

Indexation of occupational pensions derived from the acceptance of transfer payments from pension schemes

2.—(1) Subject to paragraph (2), where a person’s accrued rights to a pension payable under an occupational pension scheme to which Article 51 applies, or any part of them, derive from the allowance by the scheme of a transfer credit in respect of rights which were subject to the indexation requirement or to the requirements of Article 158, in any pension scheme of which that person has previously been a member, Article 51(2) and (3) shall apply to such part of that pension as

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is attributable to those rights as if they were attributable to pensionable service or to payments in respect of employment on or after the appointed day.

(2) Paragraph (1) shall not apply in any case where a person's accrued rights to a pension payable by an occupational pension scheme referred to in that paragraph, or any part of them, derive from rights which have, at any time prior to the allowance by such a scheme of a transfer credit in respect of them, been held in a personal pension scheme and which were not subject to the requirements of Article 158 in that scheme.

Indexation of occupational pensions derived from the acceptance of payments from insurance policies or annuity contracts

3. Where a person's accrued rights to a pension payable under an occupational pension scheme to which Article 51 applies, or any part of them, derive from the acceptance by the scheme of a payment from a policy of insurance or annuity contract in respect of rights which were subject to the indexation requirement or to the requirements of Article 158, in any pension scheme of which that person has previously been a member, Article 51(2) and (3) shall apply to such part of that pension as is attributable to those rights as if they were attributable to pensionable service or to payments in respect of employment on or after the appointed day.

Sealed with the Official Seal of the Department of Health and Social Services on

15th January 1997.

John O'Neill
Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations make provision for the indexation requirements contained in Article 51(2) and (3) of the Pensions (Northern Ireland) Order 1995 (“the Order”) to apply to pension rights which have been transferred into an occupational pension scheme.

Regulation 1 provides for the citation, commencement and interpretation of the Regulations.

Regulation 2(1) provides for Article 51(2) and (3) of the Order to apply, on or after the day appointed for the coming into operation of Article 51 of the Order for purposes other than authorising the making of regulations (“the appointed day”), to such part of a pension payable by an occupational pension scheme to which that Article applies as is derived from a transfer credit allowed by the scheme in respect of rights which have previously been subject to indexation under the requirements of Article 51 or 158 of the Order as if those rights were attributable to pensionable service or to payments in respect of employment on or after the appointed day.

Regulation 2(2) provides an exception from the provisions of regulation 2(1) in any case where a transfer credit has been allowed by an occupational pension scheme to which Article 51 of the Order applies in respect of rights which have previously been held in a personal pension scheme and which were not subject to the requirements of Article 158 of the Order in that scheme.

Regulation 3 provides for Article 51(2) and (3) of the Order to apply, on or after the appointed day, to such part of a pension payable by an occupational pension scheme to which that Article applies as is derived from a transfer payment accepted by the scheme from a policy of insurance or annuity contract in respect of rights which have previously been subject to indexation under the requirements of Article 51 or 158 of the Order as if those rights were attributable to pensionable service or to payments in respect of employment on or after the appointed day.

The Pensions (1995 Order) (Commencement No. 2) Order (Northern Ireland) 1996 ([S.R. 1996 No. 91 \(C. 4\)](#)) provides for the coming into operation of the enabling provisions of the Order under which these Regulations are made as follows—

Article 51(5), for the purpose only of authorising the making of regulations, on 6th April 1996;

Article 166(1) to (3), in so far as not already in operation, on 6th April 1996.

As these Regulations make in relation to Northern Ireland only provision corresponding to provision contained in regulations made by the Secretary of State for Social Security in relation to Great Britain, the requirement for consultation under Article 117(1) of the Order does not apply by virtue of paragraph (2)(e) of that Article.