
STATUTORY RULES OF NORTHERN IRELAND

2003 No. 337

The Occupational Pension Schemes (Transfer Values and Miscellaneous Amendments) Regulations (Northern Ireland) 2003

Amendment of the Occupational Pension Schemes (Transfer Values) Regulations

2.—(1) The Occupational Pension Schemes (Transfer Values) Regulations (Northern Ireland) 1996⁽¹⁾ shall be amended in accordance with paragraphs (2) and (3).

(2) In regulation 1(2) (interpretation) after the definition of “cash equivalent” there shall be inserted the following definition –

““effective date” in regulation 8(4) and (4A) means the date as at which the assets and liabilities are valued;”.

(3) In regulation 8 (further provisions as to calculation of cash equivalents and increases and reductions of cash equivalents (other than guaranteed cash equivalents)) for paragraph (4) there shall be substituted the following paragraphs –

“(4) Subject to paragraphs (4A) and (4B), where a scheme to which Article 56 (minimum funding requirement) applies had, at the effective date of the actuary’s latest report to the trustees before the guarantee date in accordance with “Retirement Benefit Schemes – Transfer Values (GN 11)”⁽²⁾ published by the Institute of Actuaries and the Faculty of Actuaries and current at the guarantee date, assets that were not sufficient to pay the full amount of the cash equivalent in respect of all members, the trustees may reduce each part of the cash equivalent as shown in that report by an amount that is no greater than the percentage by which the assets are shown in that report as being insufficient to pay the full amount of the corresponding part of the cash equivalent in respect of all members.

(4A) In the case of a scheme to which Article 56 applies which had, at the effective date of the latest actuarial valuation under Article 57 (valuation and certification of assets and liabilities) before the guarantee date, assets that were not sufficient to pay the minimum amount of the cash equivalent in respect of the liabilities referred to in Article 73(3) (preferential liabilities on winding up)⁽³⁾, the trustees may reduce each part of the minimum amount of the cash equivalent, as calculated under regulation 7(3)(b)(iv)⁽⁴⁾ by a percentage that is no greater than the percentage which is the difference between –

- (a) 100 per cent., and
- (b) the percentage of the liabilities mentioned in the sub-paragraph of Article 73(3) corresponding to that part which the actuarial valuation shows the scheme assets as being sufficient to satisfy.

(1) [S.R. 1996 No. 619](#); relevant amending regulations are [S.R. 1997 No. 160](#)

(2) Copies of the publication “Retirement Benefit Schemes – Transfer Values (GN 11)” may be obtained from the Faculty of Actuaries, Maclaurin House, 18 Dublin Street, Edinburgh EH1 3PP and the Institute of Actuaries, Staple Inn Hall, High Holborn, London WC1V 7QJ or downloaded from the website www.actuaries.org.uk

(3) Article 73(3) was amended by Article 35(1) of the Welfare Reform and Pensions (Northern Ireland) Order 1999 and modified by regulation 3 of [S.R. 1996 No. 621](#) (as amended by regulation 9 of [S.R. 1999 No. 486](#) and regulation 4 of [S.R. 2000 No. 335](#))

(4) Regulation 7(3) was amended by [S.R. 1997 No. 160](#)

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(4B) The amount of any cash equivalent after the reduction mentioned in paragraph (4) shall not be less than the minimum amount required under regulation 7(3)(b)(iv) to satisfy the liabilities referred to in Article 73(3).”