
STATUTORY RULES OF NORTHERN IRELAND

2005 No. 170

PENSIONS

**The Personal and Occupational Pension Schemes
(Indexation and Disclosure of Information) (Miscellaneous
Amendments) Regulations (Northern Ireland) 2005**

Made - - - - *25th March 2005*

Coming into operation *6th April 2005*

The Department for Social Development, in exercise of the powers conferred by sections 8C, 15, 24, 24A, 109, 164(4) and 177(2) to (4) of the Pension Schemes (Northern Ireland) Act 1993(1), Articles 51(5), 122(2) and 166(1) to (3) of the Pensions (Northern Ireland) Order 1995(2) and Articles 37(1) and (3) and 73(4) of the Welfare Reform and Pensions (Northern Ireland) Order 1999(3), and now vested in it(4), and of all other powers enabling it in that behalf, hereby makes the following Regulations:

PART 1

INTRODUCTORY

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Personal and Occupational Pension Schemes (Indexation and Disclosure of Information) (Miscellaneous Amendments) Regulations (Northern Ireland) 2005 and shall come into operation on 6th April 2005.

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- (1) [1993 c. 49](#); section 8C was inserted by Article 133(5) of the Pensions (Northern Ireland) Order 1995 ([S.I. 1995/3213 \(N.I. 22\)](#)) and modified by regulation 13A of [S.R. 1996 No. 618](#) which was inserted by paragraph 10(6) of the Schedule to [S.R. 1997 No. 160](#); section 15 was amended by Article 129 of the Financial Services and Markets Act 2000 (Consequential Amendments and Repeals) Order 2001 ([S.I. 2001/3649](#)); section 24 was amended by Article 139 of, and paragraph 27 of Schedule 3 to, the Pensions (Northern Ireland) Order 1995, by paragraph 4 of Schedule 2, and Schedule 10, to the Welfare Reform and Pensions (Northern Ireland) Order 1999 ([S.I. 1999/3147 \(N.I. 11\)](#)) and by paragraph 3 of Schedule 5 to the Child Support, Pensions and Social Security Act (Northern Ireland) 2000 ([c. 4 \(N.I.\)](#)); section 24A was inserted by Article 140 of the Pensions (Northern Ireland) Order 1995; section 109 was amended by section 48 of the Child Support, Pensions and Social Security Act (Northern Ireland) 2000 and section 164(4) was substituted by Article 151 of the Pensions (Northern Ireland) Order 1995
- (2) [S.I. 1995/3213 \(N.I. 22\)](#); Article 51(5) is amended by Article 255(6) of the Pensions (Northern Ireland) Order 2005 ([S.I. 2005/255 \(N.I. 1\)](#))
- (3) [S.I. 1999/3147 \(N.I. 11\)](#); Article 37(1) and (3) is amended by Article 257(2) and (5) of the Pensions (Northern Ireland) Order 2005
- (4) *See* Article 8(b) of [S.R. 1999 No. 481](#)

(2) In these Regulations –

“the 1995 Order” means the Pensions (Northern Ireland) Order 1995;

“the Discharge of Liability Regulations” means the Occupational Pension Schemes (Discharge of Liability) Regulations (Northern Ireland) 1997(5);

“the Disclosure of Information Regulations” means the Occupational Pension Schemes (Disclosure of Information) Regulations (Northern Ireland) 1997(6);

“the Indexation Regulations” means the Occupational Pension Schemes (Indexation) Regulations (Northern Ireland) 1997(7);

“the Pension Credit Benefit Regulations” means the Pension Sharing (Pension Credit Benefit) Regulations (Northern Ireland) 2000(8);

“the Protected Rights Regulations” means the Personal and Occupational Pension Schemes (Protected Rights) Regulations (Northern Ireland) 1997(9).

(3) The Interpretation Act (Northern Ireland) 1954(10) shall apply to these Regulations as it applies to an Act of the Assembly.

PART 2

AMENDMENTS RELATING TO INDEXATION

Modification of Article 51 of the 1995 Order

Removal of indexation: money purchase benefits provided under a hybrid scheme

2.—(1) This regulation applies to any pension under a hybrid scheme which becomes a pension in payment on or after 6th April 2005.

(2) No increase under Article 51 of the 1995 Order(11) (annual increase in rate of pension) is required to be made of so much of any pension within paragraph (1) as is money purchase benefit.

(3) In this regulation –

“hybrid scheme” means an occupational pension scheme –

(a) which is not a money purchase scheme, but

(b) where some of the benefits that may be provided are money purchase benefits;

“money purchase benefits” and “money purchase scheme” have the meanings given by section 176(1) of the Pension Schemes (Northern Ireland) 1993(12).

(5) S.R. 1997 No. 159; relevant amending regulations are S.R. 1999 No. 486

(6) S.R. 1997 No. 98; relevant amending regulations are S.R. 1999 No. 486

(7) S.R. 1997 No. 8

(8) S.R. 2000 No. 146, to which there are amendments not relevant to these Regulations

(9) S.R. 1997 No. 56; relevant amending regulations are S.R. 2002 No. 109

(10) 1954 c. 33 (N.I.)

(11) Article 51 was amended by section 47 of the Child Support, Pensions and Social Security Act (Northern Ireland) 2000 and paragraph 40 of Schedule 9 to the Welfare Reform and Pensions (Northern Ireland) Order 1999 and is amended by Article 255 of the Pensions (Northern Ireland) Order 2005

(12) The definition of “money purchase scheme” was substituted by paragraph 13(a) of Schedule 4 to the Pensions (Northern Ireland) Order 1995

Indexation Regulations

Interpretation

3. In regulation 1(2) of the Indexation Regulations (interpretation) –
- (a) before the definition of “appointed day” there shall be inserted the following definition –
““the Act” means the Pension Schemes (Northern Ireland) Act 1993;”;
 - (b) after the definition of “pension scheme” there shall be added the following definition –
““section 5(2B) rights” means –
 - (a) rights to the payment of pensions and accrued rights to pensions (other than rights attributable to voluntary contributions) under a pension scheme contracted-out by virtue of section 5(2B) of the Act⁽¹³⁾, so far as attributable to an earner’s service in contracted-out employment on or after 6th April 1997 (including service of an earner who is not in employment at the time of the transfer or transfer payment);
 - (b) where a transfer payment has been made to such a scheme, any rights arising under the scheme as a consequence of that payment which are derived directly or indirectly from –
 - (i) such rights as are referred to in paragraph (a) under another pension scheme contracted-out by virtue of section 5(2B) of the Act, or
 - (ii) protected rights under another occupational pension scheme or under a personal pension scheme attributable to payments or contributions in respect of employment on or after 6th April 1997.”.

Indexation: treatment of transfers made before 6th April 2005 from pension schemes

4. In regulation 2 of the Indexation Regulations (indexation of occupational pensions derived from the acceptance of transfer payments from pension schemes) –
- (a) for the heading there shall be substituted the following heading –
“Indexation of occupational pensions derived from the acceptance of transfers from pension schemes: transfers made before 6th April 2005”;
 - (b) in paragraph (1) for “Subject to paragraph (2)” there shall be substituted “Subject to paragraphs (2) and (3)”;
 - (c) after paragraph (2) there shall be added the following paragraph –
“(3) Paragraph (1) shall not apply in any case where the transfer credit referred to in that paragraph is allowed by reference to a transfer which is made on or after 6th April 2005.”.

Indexation: treatment of transfers made on or after 6th April 2005 from pension schemes

5. After regulation 2 of the Indexation Regulations there shall be inserted the following regulation –

(13) Section 5(2B) was substituted by Article 133(3) of the Pensions (Northern Ireland) Order 1995 and amended by paragraph 38 of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) (Northern Ireland) Order 1999 (S.I. 1999/671)

“Indexation of occupational pensions derived from the acceptance of transfers from pension schemes: transfers made on or after 6th April 2005

2A.—(1) This regulation applies where –

- (a) a person’s accrued rights to a pension payable under an occupational pension scheme (“scheme A”) 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 in any pension scheme (“scheme B”) of which that person has previously been a member, and
- (b) the transfer credit is allowed by reference to a transfer which is made on or after 6th April 2005.

(2) Article 51(2) and (3) shall apply to such part of the pension payable by scheme A as is attributable to any accrued rights deriving from the allowance of the transfer credit –

- (a) only to the extent that those accrued rights are –
 - (i) section 5(2B) rights, or
 - (ii) rights (other than section 5(2B) rights) which are allowed by reference to rights in scheme B that were subject to the indexation requirement at the time of the transfer, and
- (b) as if those accrued rights were attributable to pensionable service on or after the appointed day.”.

Indexation: treatment of payments made before 6th April 2005 from insurance policies or annuity contracts

6. In regulation 3 of the Indexation Regulations (indexation of occupational pensions derived from the acceptance of payments from insurance policies or annuity contracts) –

- (a) for the heading there shall be substituted the following heading –

“Indexation of occupational pensions derived from the acceptance of payments from insurance policies and annuity contracts: transfers made before 6th April 2005”;
- (b) the existing text shall be numbered paragraph (1);
- (c) at the beginning of paragraph (1) as so numbered there shall be inserted “Subject to paragraph (2).”;
- (d) after paragraph (1) as so numbered there shall be added the following paragraph –

“(2) Paragraph (1) shall not apply in any case where the payment from the policy of insurance or annuity contract referred to in that paragraph is made on or after 6th April 2005.”.

Indexation: treatment of payments made on or after 6th April 2005 from insurance policies or annuity contracts

7. After regulation 3 of the Indexation Regulations there shall be added the following regulation –

“Indexation of occupational pensions derived from the acceptance of payments from insurance policies and annuity contracts: transfers made on or after 6th April 2005

4.—(1) This regulation applies where –

- (a) a person’s accrued rights to a pension payable under an occupational pension scheme (“scheme A”) 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 in any pension scheme of which that person has previously been a member, and

(b) the payment was made on or after 6th April 2005.

(2) Article 51(2) and (3) shall apply to such part of the pension payable by scheme A as is attributable to any accrued rights deriving from the acceptance of the payment from the policy of insurance or annuity contract –

(a) only to the extent that those accrued rights are –

(i) section 5(2B) rights, or

(ii) rights (other than section 5(2B) rights) which are allowed by reference to rights specified in paragraph (3), and

(b) as if those accrued rights were attributable to pensionable service on or after the appointed day.

(3) The rights specified in this paragraph are rights to payment under the policy of insurance or annuity contract which –

(a) were subject to provision contained in (or endorsed on) the policy or contract requiring an increase in the annual rate of payment, and

(b) in any case where the policy or contract was entered into before 6th April 2005, would have been subject to such provision if the policy or contract had been entered into on or after that date.”.

Protected Rights Regulations

Meaning of “specified pension or annuity”

8. In regulation 1(2) of the Protected Rights Regulations (interpretation), after the definition of “section 5(2B) rights” there shall be inserted the following definition –

““specified pension or annuity” means any pension or annuity which became a pension or annuity in payment before 6th April 2005.”.

Indexation requirement limited to specified pensions or annuities

9. In regulation 4 of the Protected Rights Regulations(14) (conditions applying to pensions and annuities which give effect to protected rights) –

(a) in paragraph (1)(b) for head (i) there shall be substituted the following heads –

“(i) is necessary to establish what the initial rate and the method of payment of the pension or annuity are to be;

(ia) is necessary to establish that, throughout the lifetime of the member, the pension or annuity shall continue to be paid at a rate which is at least equal to (but may be more than) the initial rate and which, in the case of a specified pension or annuity falling within paragraph (3) or (6) or within Article 51 or 158(15), is the rate determined in accordance with that paragraph or Article;”;

(b) in paragraph (3) after “In the case of” there shall be inserted “a specified pension or annuity which gives effect to”;

(c) in paragraph (6) after “In the case of” there shall be inserted “a specified pension or annuity which gives effect to”.

(14) Regulation 4 was amended by regulation 5(2) of [S.R. 2002 No. 109](#)

(15) Article 158 is amended by Article 256(2) of the Pensions (Northern Ireland) Order 2005

Removal of indexation: interim arrangements

10. In regulation 7 of the Protected Rights Regulations (payments made under interim arrangements) for paragraph (2)(16) there shall be substituted the following paragraph –

“(2) For the purposes of section 24A(5)(a)(17) (calculating the annual amount of the annuity which would have been purchasable by a person), the prescribed manner is by reference to the current published tables prepared by the Government Actuary in accordance with regulation 7(3) of the Protected Rights Regulations(18).”.

Removal of indexation: death of member before payment

11. In regulation 12 of the Protected Rights Regulations(19) (death of scheme member before effect given to his protected rights) –

(a) in paragraph (4)(b) for head (i) there shall be substituted the following heads –

“(i) is necessary to establish what the initial rate and the method of payment of the pension or annuity are to be;

(ia) is necessary to establish that, throughout the period described in paragraph (5), the pension or annuity shall continue to be paid to the widow or widower at a rate which is at least equal to (but may be more than) the initial rate and which, in the case of a specified pension or annuity falling within paragraph (6) or (8) or within Article 51 or 158, is the rate determined in accordance with that paragraph or Article,”;

(b) in paragraph (6), after “In the case of” there shall be inserted “a specified pension or annuity which gives effect to”.

Discharge of Liability Regulations

Discharge of liability: guaranteed minimum pensions, short service benefits etc.

12. In regulation 5 of the Discharge of Liability Regulations (other requirements applying to policies of insurance and annuity contracts) –

(a) the existing text shall be numbered paragraph (1);

(b) in paragraph (1) as so numbered for sub-paragraph (b) there shall be substituted the following sub-paragraph –

“(b) that the policy or contract contains, or is endorsed with, terms so as to provide for such increase (if any) in the payments under the policy or contract as is required by paragraph (2);”;

(c) after paragraph (1) as so numbered there shall be added the following paragraph –

“(2) For the purposes of paragraph (1)(b) –

(a) an increase is required if Articles 51 and 52, and regulations made under those Articles, would apply to payments under the policy or contract if those payments were benefits payable under an occupational pension scheme (and for this purpose, the provisions of the Order shall be construed in accordance with regulation 11(6)(a) to (d)), and

(16) Paragraph (2) was substituted by regulation 5(4) of S.R. 2002 No. 109

(17) Section 24A was inserted by Article 140 of the Pensions (Northern Ireland) Order 1995

(18) Regulation 7(3) is substituted by regulation 5 of S.I. 2005/704

(19) Regulation 12 was amended by regulation 5(6) of S.R. 2002 No. 109

- (b) such an increase shall be payable at the same rate, and to the same extent, as would be required under those provisions.”.

Discharge of liability: pensions under a relevant scheme

13. In regulation 11 of the Discharge of Liability Regulations⁽²⁰⁾ (conditions on which liability to provide pensions under a relevant scheme may be discharged) –

- (a) in paragraph (3) –
 - (i) for sub-paragraph (c) there shall be substituted the following sub-paragraph –
 - “(c) payments to a beneficiary, or to his widow or widower, under the policy or contract which derive from a pension or accrued rights under the relevant scheme shall be subject to such increase (if any) as is required by paragraph (4A);”, and
 - (ii) sub-paragraph (e)(ii) shall be omitted;
- (b) after paragraph (4) there shall be inserted the following paragraph –
 - “(4A) For the purposes of paragraph (3)(c) –
 - (a) an increase is required if Articles 51 and 52, and regulations made under those Articles, would apply to payments under the policy or contract if those payments were benefits payable under an occupational pension scheme, and
 - (b) such an increase shall be payable at the same rate, and to the same extent, as would be required under those provisions.”;
- (c) in paragraph (6) for “For the purposes of paragraph (3)(e)” there shall be substituted “For the purposes of paragraphs (3)(e) and (4A)”.

Personal and Occupational Pension Schemes (Miscellaneous Amendments) Regulations

Indexation: treatment of salary-related death benefits in certain schemes

14. In regulation 2 of the Personal and Occupational Pension Schemes (Miscellaneous Amendments) Regulations (Northern Ireland) 1997⁽²¹⁾ (occupational pension schemes providing salary-related death benefits) –

- (a) the existing text shall be numbered paragraph (1);
- (b) after paragraph (1) as so numbered there shall be added the following paragraph –
 - “(2) But paragraph (1) does not apply in relation to the provision by an occupational pension scheme of a pension to which regulation 2 of the Personal and Occupational Pension Schemes (Indexation and Disclosure of Information) (Miscellaneous Amendments) Regulations (Northern Ireland) 2005 applies (removal of indexation: money purchase benefits provided under a hybrid occupational pension scheme).”.

Pension Credit Benefit Regulations

Indexation: changes to maximum percentage

15. In regulation 32 of the Pension Credit Benefit Regulations (increase of relevant pension) –

⁽²⁰⁾ Regulation 11 was amended by regulation 13 of S.R. 1999 No. 486

⁽²¹⁾ S.R. 1997 No. 160

- (a) in paragraph (1) for sub-paragraph (b) there shall be substituted the following sub-paragraph –
- “(b) the maximum percentage.”;
- (b) in paragraph (2) after the definition of “appropriate percentage” there shall be inserted the following definitions –
- ““maximum percentage” means –
- (a) 5 per cent. in a case where –
- (i) the pension is in payment before 6th April 2005, or
- (ii) the pension is not in payment before 6th April 2005 but the entitlement to the relevant pension credit arose before that day, and
- (b) 2.5 per cent. in a case where the entitlement to the relevant pension credit arises on or after 6th April 2005;
- “relevant pension credit” means the pension credit to which eligible pension credit rights are (directly or indirectly) attributable;”.

Eligible pension credit rights

16. For regulation 35 of the Pension Credit Benefit Regulations (definition of eligible pension credit rights) there shall be substituted the following regulation –

“Definition of eligible pension credit rights

35.—(1) For the purposes of Article 37(3) of the 1999 Order⁽²²⁾, pension credit rights are eligible if they fall within paragraph (2) and are not excluded by paragraph (3).

- (2) Pension credit rights are within this paragraph if –
- (a) they are derived from rights attributable to pensionable service on or after 6th April 1997 of the member whose pension rights were the subject of a pension sharing order or provision, or
- (b) they are safeguarded rights.
- (3) Excluded pension credit rights are –
- (a) rights to pensions which are money purchase benefits and which become pensions in payment on or after 6th April 2005, or
- (b) rights derived from additional voluntary contributions.”.

PART 3

AMENDMENTS RELATING TO DISCLOSURE OF INFORMATION

Disclosure of Information Regulations

Increase in maximum level of civil penalties

17. For regulation 11 of the Disclosure of Information Regulations⁽²³⁾ (penalties) there shall be substituted the following regulation –

⁽²²⁾ Article 37 is amended by Article 257 of the Pensions (Northern Ireland) Order 2005 (S.I. 2005/255 (N.I. 1))

⁽²³⁾ Regulation 11 was amended by regulation 13(3) of S.R. 1999 No. 486

“Civil penalties

11. Where any person fails, without reasonable excuse, to comply with any requirement imposed under these Regulations, the Regulatory Authority may require that person to pay within 28 days a penalty which shall –

- (a) in the case of an individual, not exceed £5,000, and
- (b) in any other case, not exceed £50,000.”.

Choice of annuities: members

18. For paragraph 7 of Schedule 2 to the Disclosure of Information Regulations⁽²⁴⁾ (information as to options under scheme to be made available to members) there shall be substituted the following paragraph –

“7.—(1) The options available to the member within the scheme rules.

(2) Sub-paragraph (3) applies in relation to a member who, under an option within sub-paragraph (1), has an opportunity to select an annuity.

(3) The information to be provided under sub-paragraph (1) must include –

- (a) a statement that the member may select the annuity (including, where the member has an opportunity to select the provider, a statement to that effect);
- (b) a statement that different annuities have different features and different rates of payment;
- (c) a statement that these include, by way of example –
 - (i) annuities that provide payments that do not vary from year to year and annuities that provide payments that increase from year to year;
 - (ii) annuities that cover a single life and annuities that make provision for a spouse or partner;
 - (iii) annuities that may be with or without guarantee on the early death of the member;
- (d) general information explaining characteristic features of the types of annuities outlined in the examples in head (c);
- (e) a statement that the member should consider taking advice as to which annuity is most suitable for him.

(4) The provision of approved information shall be taken to satisfy the requirements of sub-paragraph (3)(d).

(5) “Approved information” means information contained in guidance material published for the purposes of sub-paragraph (3)(d) which –

- (a) is prepared, and from time to time revised, by the Regulatory Authority, and
- (b) is for the time being approved by the Department.”.

Choice of annuities: benefit payable on death of member or beneficiary

19. For paragraph 11 of Schedule 2 to the Disclosure of Information Regulations (information as to rights, options and procedures on death of member or beneficiary) there shall be substituted the following paragraph –

⁽²⁴⁾ Information as to the matters specified in paragraph 7 of must be sent to members and pension credit members of schemes that make provision for money purchase benefits (see regulation 5(6) and (6A) of those Regulations). Regulation 5(6A) of those Regulations was inserted by regulation 5(3)(c) of [S.R. 2000 No. 335](#)

“**11.**—(1) The rights and options (if any) on the death of the member or beneficiary and the procedures for exercising them.

(2) Paragraph 7(3) to (5) also applies in relation to a person who, under an option within sub-paragraph (1), has an opportunity to select an annuity (and, for that purpose, any reference in paragraph 7(3) to ‘the member’ is to be read as a reference to the person with that opportunity).”.

Minor amendments

20.—(1) The Disclosure of Information Regulations shall be amended in accordance with paragraphs (2) and (3).

(2) In regulation 1(2), in the definition of “Regulatory Authority” for “the Occupational Pensions Regulatory Authority” there shall be substituted “the Pensions Regulator”.

(3) In Schedule 1 paragraph 24 shall be omitted.

PART 4 REVOCATIONS

Revocations

21. The following provisions are hereby revoked –

- (a) regulation 13(3) of the Personal and Occupational Pension Schemes (Miscellaneous Amendments) Regulations (Northern Ireland) 1999(**25**);
- (b) regulation 5(4) of the Occupational and Personal Pension Schemes (Contracting-out) (Miscellaneous Amendments) Regulations (Northern Ireland) 2002(**26**).

Sealed with the Official Seal of the Department for Social Development on 25th March 2005.

L.S.

John O'Neill
A senior officer of the
Department for Social Development

(25) S.R. 1999 No. 486
(26) S.R. 2002 No. 109

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations reflect amendments made by Articles 255 to 257 of the Pensions (Northern Ireland) Order 2005 (“the 2005 Order”) to provisions that require increases in the rate of certain pensions. They also introduce requirements under the Occupational Pension Schemes (Disclosure of Information) Regulations (Northern Ireland) 1997 (“the Disclosure of Information Regulations”) for trustees of occupational pension schemes to provide information about the selection of annuities when benefits under a scheme become payable. A number of other amendments to those Regulations are made in consequence of provisions of the 2005 Order.

Regulation 1 provides for citation, commencement and interpretation.

Regulation 2 modifies Article 51 of the Pensions (Northern Ireland) Order 1995 (“the 1995 Order”) in its application to pensions under occupational pension schemes which provide both defined benefits and money purchase benefits. The regulation excludes from the scope of the indexation requirement so much of the pension as is money purchase benefit.

Regulations 3 to 7 amend the Occupational Pension Schemes (Indexation) Regulations (Northern Ireland) 1997 so as to restrict the application of the indexation requirements in respect of transfers made to occupational pension schemes. The changes apply in relation to rights which are allowed by a scheme to a member by reference to transfers or payments from another pension scheme, or from a policy of insurance or annuity contract, and apply only where the transfer or payment is made on or after 6th April 2005. Indexation will only be required for such part of the pension payable by the receiving scheme as is attributable to accrued rights which become section 5(2B) rights in that scheme or which are determined by reference to rights that were subject to indexation in the transferring scheme or under the policy of insurance or contract.

Regulations 8, 9 and 11 restrict the application of certain provisions of the Personal and Occupational Pension Schemes (Protected Rights) Regulations (Northern Ireland) 1997 (“the Protected Rights Regulations”). The provisions affected are those requiring pensions or annuities which are derived from protected rights accruing before 6th April 1997 to be index-linked. As a result of the amendments made by these Regulations, increases in the rate of payment are only required for pensions or annuities which come into payment before 6th April 2005.

Regulation 10 amends regulation 7 of the Protected Rights Regulations so that separate actuarial tables will no longer be required in calculating payments to give effect to protected rights when payments are made under interim arrangements. From 6th April 2005, all rights held in an appropriate personal pension scheme will be treated in the same way for the purposes of calculating payments to be made under an interim arrangement.

Regulations 12 and 13 amend the Occupational Pension Schemes (Discharge of Liability) Regulations (Northern Ireland) 1997. They amend the requirements applying to policies of insurance and annuity contracts for the purposes of discharging liability. The question whether indexation of payments is required for payments under those policies or contracts will depend on whether Article 51 of the 1995 Order would apply to those payments if they were benefits under an occupational pension scheme.

Regulation 14 amends regulation 2 of the Personal and Occupational Pension Schemes (Miscellaneous Amendments) Regulations (Northern Ireland) 1997. This allows for the application of Article 51 of the 1995 Order to death benefits in cases where those benefits are the only benefits provided under a hybrid occupational pension scheme which are not money purchase benefits.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Regulations 15 and 16 amend the Pension Sharing (Pension Credit Benefit) Regulations (Northern Ireland) 2000 so as to implement changes to indexation which were made in Article 257 of the 2005 Order. The relevant changes restrict indexation to rights to pensions which are not money purchase benefits where the pension comes into payment on or after 6th April 2005. They also reduce the overall maximum levels of indexation.

Regulations 18 and 19 amend paragraphs 7 and 11 of Schedule 2 to the Disclosure of Information Regulations. In any case where a person has the opportunity to select an annuity, trustees of occupational schemes are required to provide certain information relevant to the choice, including general information explaining the different characteristics of different kinds of annuities. The requirements apply whether benefits under the scheme are payable to members or are payable on the death of a member or beneficiary.

Regulations 17 and 20 make consequential amendments to the Disclosure of Information Regulations which result from provisions corrected in the 2005 Order.

Regulation 21 makes consequential revocations.

As these Regulations make, in so far as they are made under Part II of the 1995 Order in relation to Northern Ireland only provision corresponding to provision contained in regulations made by the Secretary of State for Work and Pensions in relation to Great Britain, the requirement for consultation under Article 117(1) of 1995 Order does not apply by virtue of paragraph (2)(e) of that Article.

Article 51(5) of the 1995 Order and Article 37(1) and (3) of the 1999 Order, some of the enabling provisions under which these Regulations are made, are amended respectively by Articles 255(6) and 257(2) and (5) of the 2005 Order. The Pensions (2005 Order) (Commencement No. 2 and Transitional Provisions) Order (Northern Ireland) 2005 ([S.R. 2005 No. 166 \(C. 12\)](#)) provides for the coming into operation of Articles 255(6) and 257(2) and (5) of the 2005 Order, for the purpose only of authorising the making of regulations, on 25th March 2005 and the Pensions (2005 Order) (Commencement No. 1 and Consequential and Transitional Provisions) Order (Northern Ireland) 2005 ([S.R. 2005 No. 48 \(C. 5\)](#)) provides for the coming into operation of those Articles fully on 6th April 2005.