
STATUTORY RULES OF NORTHERN IRELAND

2011 No. 113

PENSIONS

**The Pension Protection Fund (Pension
Compensation Sharing and Attachment on
Divorce etc.) Regulations (Northern Ireland) 2011**

Made - - - - *16th March 2011*

Coming into operation *6th April 2011*

The Department for Social Development makes the following Regulations in exercise of the powers conferred by Articles 152A, 188(4)(a), 189 and 287(1) to (3) of the Pensions (Northern Ireland) Order 2005(1) and sections 86(2), 90, 92(3), 93(1)(b)(ii) and (4), 94(6) and (8)(b), 95(1), (2)(b) and (c), 96, 97 and 113(2) of, and paragraphs 5(4), 7(5), 9(1), (2) and (6), 10(1), 17(6), 18 and 19 of Schedule 4 to, the Pensions (No. 2) Act (Northern Ireland) 2008(2).

PART 1 **N.I.**

General

Citation, commencement and interpretation **N.I.**

1.—(1) These Regulations may be cited as the Pension Protection Fund (Pension Compensation Sharing and Attachment on Divorce etc.) Regulations (Northern Ireland) 2011 and shall come into operation on 6th April 2011.

(2) In these Regulations—

“the Act” means the Pensions (No. 2) Act (Northern Ireland) 2008;

“the 2005 Order” means the Pensions (Northern Ireland) Order 2005;

“admissible rules” has the same meaning as in paragraph 35(3) of Schedule 6 to the 2005 Order;

“child of the family” means—

(a) a child of the transferee, or

(1) S.I. 2005/255(N.I. 1); Article 152A is inserted by section 99 of the Pensions (No. 2) Act (Northern Ireland) 2008 (c. 13 (N.I.))

(2) 2008 c. 13 (N.I.)

(3) Paragraph 35(2) and (3) was amended by paragraphs 17 and 18 of Schedule 6 to the Pensions (No. 2) Act (Northern Ireland) 2008

- (b) any other child who has been treated by the transferee as a child of the family, other than a child placed with the transferee as a foster parent in accordance with Part II of the Foster Placement (Children) Regulations (Northern Ireland) 1996(4);

“compensation cap” has the same meaning as in paragraph 26(7) of Schedule 6 to the 2005 Order;

“member” means the party who is entitled to present or future payment of PPF compensation under the pension compensation provisions and includes a pension compensation credit member;

“pension compensation attachment order” means an order made under any of the provisions specified in regulation 15(1)(a) to (e);

“pension compensation credit member” means a person who has rights to PPF compensation which are attributable to a pension compensation credit;

“pension compensation debit” means a debit of the appropriate amount, to be applied to the transferor’s shareable rights to PPF compensation, on the taking effect of a pension compensation sharing order or provision (see section 89);

“PPF” means the Pension Protection Fund;

“qualifying course” means a full time educational or vocational course at a recognised educational establishment where, in pursuit of that course, the time spent receiving instruction or tuition, undertaking supervised study, examination or practical work or taking part in any exercise, experiment or project for which provision is made in the curriculum of the course, exceeds 12 hours per week in normal term time, and includes any gaps between the ending of one course and the commencement of another, where the person is enrolled on and commences the latter course;

“relevant compensation” means the payments to which the member is entitled (or will become entitled on attaining normal pension age) under the pension compensation provisions by virtue of the member’s shareable rights to PPF compensation that derive from rights under a specified scheme;

“relevant partner” means a person of either sex who was not married to, or in a civil partnership with, the transferee [^{F1}but who was living with the transferee as if spouses of each other];

“surviving dependant” means—

- (a) a child of the family who was financially dependent on the transferee at the time of the transferee’s death and who is aged less than 18;
- (b) a child of the family who was financially dependent on the transferee at the time of the transferee’s death, who is aged less than 23 and who is—
- (i) attending a qualifying course, or
 - (ii) incapable of engaging in full time paid employment due to a condition that falls within the definition of a disability under section 6 of the Equality Act 2010(5), or
- (c) a child of the transferee who is born after the transferee’s death;

“surviving partner” means the surviving widow, widower or civil partner of a deceased transferee;

“valid nomination” means a signed written notice.

- (3) “Day”, in regulations 3, 5, 7, 9, 10, 15 and 16, means any day other than—
- (a) Christmas Day or Good Friday, or

(4) S.R. 1996 No. 467

(5) 2010 c. 15

- (b) a day which is, or is to be observed as, a bank holiday under Schedule 1 to the Banking and Financial Dealings Act 1971(6),

and where the Board receives a request or order to provide information, an order or provision, a notification or other documents on a day which falls on one of the days specified in [F2sub-paragraph (a)] or (b), any period of time specified in regulation 3, 5, 7, 9, 10, 15 or 16 is to run from the next day after the day of receipt which is not a day specified in sub-paragraph (a) or (b).

(4) Without prejudice to any other method of service authorised under section 24 of the Interpretation Act (Northern Ireland) 1954(7), the requirement to send any document under these Regulations may be met by sending it by ordinary post.

(5) In these Regulations—

- (a) any reference to a numbered section is a reference to the section of the Act bearing that number, and
- (b) any reference to Schedule 4 is a reference to Schedule 4 to the Act.

Textual Amendments

- F1** Words in [reg. 1\(2\)](#) substituted (13.1.2020) by [The Marriage \(Same-sex Couples\) and Civil Partnership \(Opposite-sex Couples\) \(Northern Ireland\) Regulations 2019 \(S.I. 2019/1514\)](#), regs. 1(2), **111** (with regs. 6-9)
- F2** Words in [reg. 1\(3\)](#) substituted (30.4.2013) by [The Pension Protection Fund and Occupational and Personal Pension Schemes \(Miscellaneous Amendments\) Regulations \(Northern Ireland\) 2013 \(S.R. 2013/95\)](#), regs. 1(2), **10(2)**

Commencement Information

- I1** Reg. 1 in operation at 6.4.2011, see [reg. 1\(1\)](#)

PART 2 **N.I.**

Shareable rights

Rights to PPF compensation which are not shareable **N.I.**

2. Any right of a person to PPF compensation is not shareable if—
- (a) the compensation is in payment, and
- (b) the compensation is derived directly or indirectly from the rights of a deceased person by virtue of being the surviving partner or surviving dependant of that person.

Commencement Information

- I2** Reg. 2 in operation at 6.4.2011, see [reg. 1\(1\)](#)

(6) [1971 c. 80](#); paragraph 2 of Schedule 1 was amended by section 1 of the St Andrew's Day Bank Holiday (Scotland) Act [2007 \(asp 2\)](#)

(7) [1954 c. 33 \(N.I.\)](#)

PART 3 **N.I.**

Supply of information about pension compensation in relation to divorce etc.

Basic information about pension compensation and divorce or dissolution of a civil partnership **N.I.**

3.—(1) The requirements imposed on the Board for the purposes of section 96(1)(a) (supply of information about pension compensation in relation to divorce etc.) are that the Board must supply—

- (a) on request from a member, the information specified in paragraphs (2) and (3)(b) and (c);
- (b) on request from the spouse or civil partner of the member, the information specified in paragraph (3), and
- (c) pursuant to an order of the court, the information specified in paragraph (2), (3), or (4),

to the member, the spouse or civil partner of the member, or, as the case may be, to the court.

(2) The information specified in this paragraph is a valuation of the member's rights to PPF compensation and (if not the same as the member's rights to PPF compensation) a valuation of the member's rights to relevant compensation.

(3) The information specified in this paragraph is—

- (a) a statement that on request from the member, or pursuant to an order of the court, a valuation of the member's rights to PPF compensation and to relevant compensation (if not the same as the member's rights to PPF compensation), will be supplied to the member, or, as the case may be, to the court;
- (b) a statement summarising the way in which the valuations referred to in paragraph (2) and sub-paragraph (a) are calculated;
- (c) a schedule of the charges that the Board will impose in accordance with regulation 16, and the method by which those charges may be recovered;
- (d) a statement that a person entitled to a pension compensation credit against the Board will be entitled to periodic compensation calculated in accordance with Schedule 4 (pension compensation payable on discharge of pension compensation credit).

(4) The information specified in this paragraph is any other information about the calculation and payment of PPF compensation relevant to any power exercisable under the provisions specified in section 96(1)(a).

(5) Where the member's request or the court order for the provision of information includes a request or an order for provision of a valuation under paragraph (2), the Board must supply all the information in that request or order within—

- (a) 3 months, beginning with the day that the Board receives the request or order for the provision of information;
- (b) 6 weeks, beginning with the day that the Board receives the request or order for the provision of information, where the member or the court has notified the Board on the date of the request or order that the information is needed in connection with proceedings commenced under any of the provisions specified in section 96(1)(a), or
- (c) any shorter period where the court specifies such a period in an order requiring the Board to supply a valuation in accordance with paragraph (2).

(6) Where—

- (a) the member's request or the court order for supply of information does not include a request or an order for provision of a valuation under paragraph (2), or
- (b) the member's spouse or civil partner requests the information specified in paragraph (3),

the Board must supply that information within one month beginning with the day that the Board receives the request or the court order for the provision of the information.

Commencement Information

I3 Reg. 3 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Valuation of relevant compensation for the purposes of an application for financial relief or financial provision **N.I.**

4.—(1) Where the Board is notified that—

- (a) an application for financial relief or financial provision under any of the provisions specified in section 96(1)(a) (supply of information about pension compensation in relation to divorce etc.) has been made or is in contemplation, or
- (b) a qualifying agreement containing provision corresponding to provision which may be made by an order under section 8 of the Family Law (Scotland) Act 1985⁽⁸⁾ (orders for financial provision) is to be made or is in contemplation,

the value of the PPF compensation or relevant compensation to which the member is entitled or will become entitled must be calculated and verified for the purposes of section 96(1)(b), or of regulation 3(2), in accordance with paragraphs (2) and (3).

(2) The value of the PPF compensation or relevant compensation is the cash equivalent of the amount that would be required to make provision for the member's entitlement to PPF compensation or relevant compensation under the pension compensation provisions.

(3) The cash equivalent of the PPF compensation or relevant compensation must be calculated and verified—

- (a) in accordance with actuarial assumptions approved by the Board, and
- (b) on the assumption that the date on which the valuation is carried out is the date that the Board received the request for the valuation.

Commencement Information

I4 Reg. 4 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Provision of information in response to a notification that a pension compensation sharing order etc. may be made **N.I.**

5.—(1) On a direction from the court or a request from the member, the Board must supply the information specified in paragraph (2) to the member or to the court, as the case may be—

- (a) within 21 days beginning with the day that the Board received the notification that a pension compensation sharing order, a pension compensation attachment order, or a qualifying agreement containing provision equivalent to such orders, may be made, or
- (b) if the court has specified a date which is before or after the 21 day period specified in subparagraph (a), by that date.

(2) The information referred to in paragraph (1) is—

⁽⁸⁾ 1985 c. 37; section 8 is amended for the purposes of pension compensation on divorce etc. by paragraphs 1 and 2 of Schedule 7 to the Pensions Act 2008 (c. 30)

- (a) the full name and address of the person to whom any order or provision specified in section 88 (activation of pension compensation sharing) should be sent;
- (b) whether the Board is aware that the member's rights to PPF compensation are subject to any, and if so, which, of the following—
 - (i) any order or provision specified in section 88;
 - (ii) any order or provision specified in Article 25(1) of the Welfare Reform and Pensions (Northern Ireland) Order 1999⁽⁹⁾ (activation of pension sharing);
 - (iii) an order under Article 25 of the Matrimonial Causes (Northern Ireland) Order 1978⁽¹⁰⁾ (financial provision orders in connection with divorce proceedings, etc.), which includes provision made by virtue of Article 27B⁽¹¹⁾ (pensions) or 27C (pensions: lump sums) of that Order;
 - (iv) an order under Part 1 of Schedule 15 to the Civil Partnership Act 2004⁽¹²⁾ (financial provision in connection with dissolution, nullity or separation), which includes provision made by virtue of Part 5⁽¹³⁾ of that Schedule (making of Part 1 orders having regard to pension benefits);
 - (v) an order under Article 25 of the Matrimonial Causes (Northern Ireland) Order 1978, which includes provision made by virtue of Article 27F⁽¹⁴⁾ of that Order (attachment of pension compensation);
 - (vi) an order under Part 1 of Schedule 15 to the Civil Partnership Act 2004, which includes provision made by virtue of paragraph 29A⁽¹⁵⁾ of Part 6 of that Schedule (attachment of PPF compensation);
 - (vii) an order under section 23 of the Matrimonial Causes Act 1973⁽¹⁶⁾ (financial provision orders in connection with divorce proceedings, etc.), which includes provision made by virtue of section 25B⁽¹⁷⁾ (pensions) or 25C (pensions: lump sums) of that Act;
 - (viii) an order under Part 1 of Schedule 5 to the Civil Partnership Act 2004 (financial provision in connection with dissolution, nullity or separation), which includes provision made by virtue of Part 6 of that Schedule (making of Part 1 orders having regard to pension benefits);
 - (ix) an order under section 23 of the Matrimonial Causes Act 1973, which includes provision made by virtue of section 25F⁽¹⁸⁾ of that Act (attachment of pension compensation);

⁽⁹⁾ S.I. 1999/3147 (N.I. 11); Article 25(1) was amended by paragraph 110 of Schedule 29 to the [Civil Partnership Act 2004 \(c. 33\)](#)

⁽¹⁰⁾ S.I. 1978/1045 (N.I. 15); Article 25 was amended by Article 5 of the Matrimonial and Family Proceedings (Northern Ireland) Order 1989 (S.I. 1989/677 (N.I. 4))

⁽¹¹⁾ Articles 27B and 27C were inserted by Article 162(1) of the Pensions (Northern Ireland) Order 1995 (S.I. 1995/3213 (N.I. 22)); Article 27B was amended by paragraph 1 of Schedule 4 to the Welfare Reform and Pensions (Northern Ireland) Order 1999 (S.I. 1999/3147 (N.I. 11)) and is modified, in cases where the Board becomes involved with or assumes responsibility for a scheme, by S.R. 2006 No. 310; Article 27C was amended by paragraph 2 of Schedule 4 to the Welfare Reform and Pensions (Northern Ireland) Order 1999

⁽¹²⁾ 2004 c. 33

⁽¹³⁾ Parts 5 and 6 were amended by paragraph 75(3) and (4) of Schedule 18 to [S.I. 2010/976](#)

⁽¹⁴⁾ Article 27F is inserted by paragraph 7 of Schedule 5 to the Pensions (No. 2) Act (Northern Ireland) 2008

⁽¹⁵⁾ Paragraph 29A is inserted by paragraph 17(3) of Schedule 5 to the Pensions (No. 2) Act (Northern Ireland) 2008

⁽¹⁶⁾ 1973 c. 18; section 23 was amended by section 16 of the Administration of Justice Act 1982 (c. 53)

⁽¹⁷⁾ Sections 25B and 25C were inserted by section 166(1) of the Pensions Act 1995; section 25B was amended by paragraph 1 of Schedule 4 to the Welfare Reform and Pensions Act 1999 (c. 30) and is modified, in cases where the Board becomes involved with or assumes responsibility for a scheme, by S.I. 2006/1932; section 25C was amended by paragraph 2 of Schedule 4 to the Welfare Reform and Pensions Act 1999

⁽¹⁸⁾ Section 25F is inserted by paragraph 7 of Schedule 6 to the Pensions Act 2008 (c. 30)

- (x) an order under Part 1 of Schedule 5 to the Civil Partnership Act 2004, which includes provision made by virtue of paragraph 34A(19) of Part 7 of that Schedule (attachment of PPF compensation);
- (xi) an order under section 8 of the Family Law (Scotland) Act 1985 (orders for financial provision), which includes provision made by virtue of section 12A(2) or (3)(20) (orders for payment of capital sum: pensions lump sums) or 12B(21) (order for payment of capital sum: pension compensation) of that Act;
- (xii) any provision corresponding to provision which may be made by such an order, and which is contained in a qualifying agreement between the parties to a marriage or the partners to a civil partnership;
- (xiii) a forfeiture order;
- (xiv) a bankruptcy order;
- (xv) an award of sequestration on a member's estate or the making of the appointment on the member's estate of a judicial factor under section 41 of the Solicitors (Scotland) Act 1980(22) (appointment of judicial factor);
- (c) whether the member's rights to PPF compensation include rights which are not shareable or cannot be subject to a pension compensation attachment order;
- (d) if such information has not already been supplied, details of any charges that the Board will impose in accordance with regulation 16 and the method by which they may be recovered, and
- (e) whether the Board requires any information additional to that specified in regulation 7 in order to implement the pension sharing order or provision.

Commencement Information

I5 Reg. 5 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Information to be provided by the Board to pension compensation credit members **N.I.**

6. The information to be provided by the Board to pension compensation credit members and to beneficiaries of pension compensation credit members is to be determined in accordance with the provisions of the Schedule.

Commencement Information

I6 Reg. 6 in operation at 6.4.2011, see [reg. 1\(1\)](#)

(19) Paragraph 34A is inserted by paragraph 17(3) of Schedule 6 to the Pensions Act 2008

(20) Section 12A was inserted by section 167(3) of the Pensions Act 1995 and subsections (2) and (3) were amended by paragraph 9(3) and (4) of Schedule 12 to the Welfare Reform and Pensions Act 1999, paragraph 19(3) and (4) of Schedule 28 to the Civil Partnership Act 2004 and paragraph 5(2) of Schedule 2 to the Family Law (Scotland) Act 2006 ([asp 2](#))

(21) Section 12B is inserted by paragraph 6 of Schedule 7 to the Pensions Act 2008

(22) 1980 c. 46; section 41 was amended by paragraph 19 of Schedule 1 to the Law Reform (Miscellaneous Provisions) (Scotland) Act 1985 (c. 73)

PART 4 **N.I.**

Implementation and discharge of liability

Information to be supplied in order for the implementation period to begin **N.I.**

7.—(1) Subject to paragraph (2), the information prescribed for the purposes of section 93(1)(b)(ii) (“implementation period”) is—

- (a) in relation to the transferor—
 - (i) all names by which the transferor is or has been known;
 - (ii) date of birth;
 - (iii) address;
 - (iv) national insurance number, and
 - (v) the name of the pension scheme for which the Board has assumed responsibility and to which the pension compensation sharing order or provision relates, or such other information as the Board may require to identify the pension scheme concerned;
- (b) in relation to the transferee—
 - (i) the name of the transferee and, if the transferee is or will be entitled to PPF compensation other than by reason of the pension compensation credit, all other names by which the transferee is or has been known;
 - (ii) date of birth;
 - (iii) address;
 - (iv) National Insurance number, and
 - (v) if the transferee is or will be entitled to PPF compensation other than by reason of the pension compensation credit, the name of the pension scheme or such other information as the Board may require to identify the pension scheme concerned.

(2) Where—

- (a) the Board has not received all the information specified in paragraph (1)(a), but
- (b) considers that it has sufficient information relating to the transferor to enable it to begin implementation of the pension compensation credit,

the prescribed information for the purposes of section 93(1)(b)(ii) is such information relating to the transferor as the Board considers sufficient.

(3) Where the Board is subject to a liability in respect of a pension compensation credit and the transferee dies before the implementation period has begun, the start of the implementation period is to be postponed until the Board has received notification of—

- (a) the date of the transferee’s death, and
- (b) the name and address of the executor or personal representative of the deceased transferee.

Commencement Information

I7 Reg. 7 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Extension of implementation period **N.I.**

8. The circumstances in which the implementation period for a pension compensation credit is extended for the purposes of section 92 (time for discharge of liability) are that—

- (a) the transferor or the transferee has not taken such steps as the Board can reasonably expect in order to satisfy it of any matter which falls to be established before it can discharge its liability for the pension compensation credit within the implementation period;
- (b) the Board has not been supplied with such information as it reasonably requires to discharge its liability for the pension compensation credit within the implementation period, or
- (c) the transferor or the transferee has disputed the amount of the cash equivalent calculated and verified for the purposes of section 89 (creation of pension compensation debits and credits).

Commencement Information

18 Reg. 8 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Postponement or cessation of implementation period when an application for leave to appeal out of time is made N.I.

9.—(1) Where a pension compensation credit depends on a pension compensation sharing order which is the subject of an application for leave to appeal out of time, the modifications to the effect of section 93 (“implementation period”) are—

- (a) where the implementation period has not commenced, its commencement is postponed, or
- (b) where the implementation period has commenced, its operation ceases.

(2) The postponement or cessation referred to in paragraph (1)(a) or (b) is to continue until the Board receives—

- (a) confirmation from the court that the order which was the subject of the application for leave to appeal out of time has not been varied, discharged or recalled, or
- (b) a copy of the varied pension compensation sharing order.

(3) If the Board—

- (a) has already discharged its liability in respect of the pension compensation credit which depends on a pension compensation sharing order, and
- (b) subsequently receives notification of an application for leave to appeal out of time in respect of that order,

it must inform the court, within 21 days from the date on which the notification was received, that the Board’s liability in respect of that pension compensation credit has been discharged.

Commencement Information

19 Reg. 9 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Notification about the implementation period by the Board N.I.

10.—(1) Within a period of 21 days beginning on the day on which the implementation period begins in accordance with section 93(1), the Board must notify the transferor and transferee of the date that the implementation period began.

(2) Where the implementation period cannot begin because the Board has not received all of the documents or information specified in section 93(1)(b)(i) and regulation 7(1) or (3), the Board

must, as soon as practicable after becoming aware that it has not received all such documents and information—

- (a) notify the transferor and the transferee, or (in cases where the transferee has died before the implementation period has begun) the executor or personal representative of the transferee, that the start of the implementation period is delayed because the Board has not been supplied with relevant information, and
 - (b) specify the information required and (if applicable) the date on which it was requested.
- (3) Where the implementation period—
- (a) is extended in accordance with regulation 8, or
 - (b) is postponed or ceases to operate in accordance with regulation 9,

the Board must, within 21 days of the date of the extension, postponement or cessation of the implementation period, notify the transferor and transferee of the reasons for that extension, postponement or cessation, including details of any information which the Board requires in order to complete implementation.

(4) If any charges imposed by the Board in accordance with regulation 16 are due or will become due to be paid, the Board must notify the transferor and transferee of—

- (a) the amount of the charges;
- (b) the party who, in accordance with section 95(3), is responsible for paying the charges;
- (c) the date on which the charges were due or will become due to be paid;
- (d) the method, in accordance with regulation 16(4), by which the charges may be recovered if not paid by the date specified in sub-paragraph (c), and
- (e) the date, calculated in accordance with regulation 16(6)(e), on or after which the Board may recover the charges if not paid by the date specified in sub-paragraph (c).

Commencement Information

I10 Reg. 10 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Calculation and verification of cash equivalent **N.I.**

11.—(1) For the purposes of calculating the appropriate amount in accordance with section 89 (creation of pension compensation debits and credits), the cash equivalent of the relevant compensation is the amount that immediately before the transfer day would be required to make provision for the member's entitlement to relevant compensation under the pension compensation provisions.

(2) The cash equivalent must be calculated and verified in accordance with actuarial assumptions approved by the Board.

Commencement Information

I11 Reg. 11 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Determination of cash equivalent value of pension compensation credit **N.I.**

12. The Board must calculate the cash equivalent value of the compensation to which the transferee becomes entitled on the sending of a notice under section 94(3) (discharge of liability) using actuarial assumptions which are consistent with the actuarial assumptions used to calculate and

verify the cash equivalent of the member's entitlement to relevant compensation under the pension compensation provisions.

Commencement Information

I12 Reg. 12 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Discharge of liability where the transferee dies before the Board has discharged liability for a pension compensation credit **N.I.**

13.—(1) This regulation applies where—

- (a) the Board is subject to a liability in respect of a pension compensation credit, and
- (b) the transferee dies before liability in respect of that pension compensation credit has been discharged.

(2) The Board must discharge the liability by sending a notice to the personal representative or executor of the deceased.

(3) On the sending of the notice—

- (a) either—
 - (i) where regulation 18 does not apply, a surviving partner is entitled to compensation calculated in accordance with regulation 19, or
 - (ii) a relevant partner is entitled to compensation in the circumstances prescribed in regulation 20(2), and
- (b) a surviving dependant is entitled to compensation in the circumstances prescribed in regulation 20(5).

Commencement Information

I13 Reg. 13 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Notification of discharge of liability **N.I.**

14.—(1) Where the Board discharges liability in respect of a pension compensation credit in accordance with section 94, it must also supply—

- (a) to the transferor—
 - (i) in a case where the transferor has not attained pension compensation age before or on the transfer day, the information specified in paragraphs (2) and (3), or
 - (ii) in a case where the transferor has attained pension compensation age before or on the transfer day, the information specified in paragraphs (2) and (4);
- (b) to the transferee—
 - (i) in a case where the transferee has not attained pension compensation age before or on the transfer day, the information specified in paragraphs (5) and (6), or
 - (ii) in a case where the transferee has attained pension compensation age before or on the transfer day, the information specified in paragraphs (5) and (7), or
- (c) in a case where the transferee has died prior to discharge of liability by the Board, to the personal representative or executor of the transferee, the information specified in

paragraphs (5) (with the exception of the information specified in [^{F3} paragraph (5)(e)]) and (8).

(2) The information specified in this paragraph is—

- (a) the cash equivalent value as at the valuation day of the transferor's entitlement to relevant compensation;
- (b) the cash equivalent value of the pension compensation debit;
- (c) the transfer day;
- (d) any charges which may be deducted in accordance with regulation 16 from the transferor's remaining rights to relevant compensation (if any), and
- (e) the cash equivalent value of the transferor's rights to relevant compensation (if any) immediately after the relevant compensation is reduced in accordance with section 91 and after any deduction in respect of charges owed.

(3) The information specified in this paragraph is the annual rate of PPF compensation which would be payable if the transferor had reached pension compensation age immediately after the relevant compensation is reduced in accordance with section 91 and after the deduction of any charges owed.

(4) The information specified in this paragraph is the annual rate of the PPF compensation which is payable to the transferor—

- (a) immediately before, and
- (b) immediately after,

the relevant compensation is reduced in accordance with section 91 and any charges owed are deducted.

(5) The information specified in this paragraph is—

- (a) the cash equivalent value of the pension compensation credit;
- (b) the transfer day;
- (c) any charges which may be deducted in accordance with regulation 16 from the transferee's entitlement to compensation;
- (d) the cash equivalent value of the pension compensation credit following the deduction of any charges owed, and
- (e) the date at which payment of PPF compensation will commence.

(6) The information specified in this paragraph is an estimate of the annual rate of PPF compensation which is likely to be payable to the transferee on reaching pension compensation age.

(7) The information specified in this paragraph is the annual rate of compensation which is payable to the transferee from the transfer day.

(8) The information specified in this paragraph is the fact that compensation may be payable to a surviving partner, relevant partner or surviving dependant in accordance with Part 6.

Textual Amendments

F3 Words in [reg. 14\(1\)\(c\)](#) substituted (30.4.2013) by [The Pension Protection Fund and Occupational and Personal Pension Schemes \(Miscellaneous Amendments\) Regulations \(Northern Ireland\) 2013 \(S.R. 2013/95\)](#), regs. 1(2), **10(3)**

Commencement Information

I14 Reg. 14 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Provision of information after receipt of a pension compensation attachment order or provision **N.I.**

15.—(1) The Board must, within 21 days beginning with the day that it receives—

- (a) an order under Article 25 of the Matrimonial Causes (Northern Ireland) Order 1978 (financial provision orders in connection with divorce proceedings, etc.), which includes provision made by virtue of Article 27F of that Order (attachment of pension compensation);
- (b) an order under Part 1 of Schedule 15 to the Civil Partnership Act 2004 (financial provision in connection with dissolution, nullity or separation), which includes provision made by virtue of paragraph 29A of Part 6 of that Schedule (attachment of PPF compensation);
- (c) an order under section 23 of the Matrimonial Causes Act 1973 (financial provision orders in connection with divorce proceedings, etc.), which includes provision made by virtue of section 25F of that Act (attachment of pension compensation);
- (d) an order under Part 1 of Schedule 5 to the Civil Partnership Act 2004 (financial provision in connection with dissolution, nullity or separation), which includes provision made by virtue of paragraph 34A of Part 7 of that Schedule (attachment of PPF compensation);
- (e) an order under section 8 of the Family Law (Scotland) Act 1985 (orders for financial provision) containing provision made by virtue of section 12B(2) of that Act (order for payment of capital sum: pension compensation), or
- (f) a qualifying agreement containing provision equivalent to such an order,

issue to the member and to the person entitled to payments by virtue of the pension compensation attachment order or provision (“the other party”) a notice which includes the information specified in paragraphs (2) and (4), or (2), (3) and (4), as the case may be.

(2) Where an order or provision specified in paragraph (1) is made in relation to relevant compensation that is not in payment, the notice issued by the Board to the member and to the other party must include—

- (a) the cash equivalent value of the relevant compensation;
- (b) the first date when a payment pursuant to the order or provision is to be made, and
- (c) a list of any changes in circumstances which, under the terms of the order or provision, the member or the other party must notify to the Board.

(3) Where an order or provision specified in paragraph (1) is made in relation to relevant compensation that is in payment, the notice issued by the Board to the member must, in addition to the items specified in paragraph (2), include—

- (a) the annual rate of the relevant compensation payable to the member immediately before implementation of the order or provision, and
- (b) the annual rate of relevant compensation which will be payable to the member and to the other party immediately after implementation of the order or provision.

(4) Where an order or provision specified in paragraph (1) is made (whether or not in relation to relevant compensation that is in payment), the notice issued by the Board to the member and to the other party must include—

- (a) the amount of any charges made in accordance with regulation 16(2)(d) which remain unpaid;
- (b) the date by which payment in whole or in part is required;
- (c) the amount of the charges which are attributable to the member and to the other party, and
- (d) whether the charges may be set off, in accordance with regulation 16(4)(c), against payments made to the member or the other party.

Commencement Information

I15 Reg. 15 in operation at 6.4.2011, see **reg. 1(1)**

PART 5 **N.I.**

Charges in respect of pension compensation sharing costs etc.

Charges in respect of pension compensation sharing costs etc. recoverable by the Board **N.I.**

16.—(1) Subject to paragraph (3), the Board may recover from a party to proceedings or to a qualifying agreement under any of the provisions specified in section 96(1)(a) (“a party”) charges of the description specified in paragraph (2).

(2) The charges that the Board may recover are those in respect of—

- (a) provision of information or a valuation in accordance with regulation 3, 4 or 5;
- (b) the reasonable costs of implementing and discharging liability for a pension compensation credit;
- (c) any other reasonable costs associated with pension compensation sharing activity in relation to the parties, and
- (d) those charges which represent the reasonable administrative expenses which the Board incurs by reason of a pension compensation attachment order or provision.

(3) The Board must not recover charges in relation to the costs specified in paragraph (2) if it is required to supply the same information to a member by regulations made under Article 185 of the 2005 Order (provision of information to members of schemes etc.) or to a pension compensation credit member by regulation 6.

(4) Subject to paragraph (3), the Board may recover charges in relation to the costs specified in paragraph (2)(a) to (c) by—

- (a) requiring payment of charges to be made by any specified date on or after the date that the costs giving rise to the charges were incurred;
- (b) where compensation is not in payment, making a deduction from a member’s future entitlement to relevant compensation, or from a transferee’s future entitlement to compensation (calculated in accordance with paragraph 6 of Schedule 4), or
- (c) where—
 - (i) relevant compensation is in payment to a member, or
 - (ii) compensation is in payment to a transferee in accordance with paragraph 4 of Schedule 4,

setting off the charges owed against such payments.

(5) Subject to paragraph (3), the Board may recover charges in relation to the costs specified in paragraph (2)(d) by either of the methods specified in paragraph (4)(a) and (c).

(6) The Board must not recover charges in relation to the costs specified in paragraph (2) by either of the methods specified in paragraph (4)(b) and (c) unless—

- (a) there are charges which are unpaid;
- (b) the party from whose entitlement the Board intends to make the deduction is liable to pay those charges;

- (c) the Board has notified the parties of the charges which the Board will impose in accordance with regulation 3(3)(c), 5(2)(d), 10(4) or 15(4), as the case may be;
- (d) the Board has notified the party liable to pay the charges of the method by, and the date on, which the charges may be recovered, and
- (e) a period of 21 days from the date that the charges were due to be paid has elapsed.

Commencement Information

I16 Reg. 16 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Reimbursement between parties to pension compensation sharing **N.I.**

17. A payment in respect of charges in accordance with regulation 16 made by one of the parties to pension compensation sharing on behalf of the other party is recoverable as a debt by the party who made the payment from that other party.

Commencement Information

I17 Reg. 17 in operation at 6.4.2011, see [reg. 1\(1\)](#)

PART 6 **N.I.**

Compensation for survivors

Circumstances where a surviving partner is not entitled to periodic compensation **N.I.**

18. A surviving partner is not entitled to periodic compensation under paragraph 5 or 7 of Schedule 4 (compensation payable to widow, widower or surviving civil partner) or under regulation 13(3)(a)(i) where there is—

- (a) a valid nomination in favour of a relevant partner made by the transferee in accordance with either—
 - (i) the admissible rules of the scheme, or
 - (ii) regulation 20(3)(a), or
- (b) no provision to pay a survivor's pension under the admissible rules of the scheme.

Commencement Information

I18 Reg. 18 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Compensation payable on discharge of liability under regulation 13 in the case of surviving partners **N.I.**

19. Where a surviving partner is entitled to compensation under regulation 13(3)(a)(i), the annual rate and duration of the periodic compensation payable to the surviving partner is to be calculated—

- (a) where the transferee, had that transferee not died, would have become entitled to periodic compensation under paragraph 4 of Schedule 4 commencing on the transfer day, in accordance with paragraph 5(2) and (3) of Schedule 4;

- (b) where the transferee, had that transferee not died, would have become entitled to periodic compensation under paragraph 6 of Schedule 4 commencing at pension compensation age, in accordance with paragraph 7(2) and (3) of Schedule 4.

Commencement Information

I19 Reg. 19 in operation at 6.4.2011, see **reg. 1(1)**

Compensation payable in the case of relevant partners and surviving dependants **N.I.**

20.—(1) This regulation applies where the transferee—

- (a) was before death entitled to present or future payment of periodic compensation calculated in accordance with paragraph 4 or 6 of Schedule 4, or
- (b) would have become so entitled had the transferee not died before the Board discharged liability for a pension compensation credit.

(2) Subject to paragraph (4), a relevant partner is entitled to periodic compensation in the circumstances prescribed in paragraph (3).

(3) The circumstances are where there is provision to pay a survivor's pension to a relevant partner under the admissible rules of the scheme (whether discretionary or otherwise) and—

- (a) the transferee—
- (i) has supplied the Board with a valid nomination in favour of the relevant partner, and
- (ii) the relevant partner has demonstrated to the satisfaction of the Board that the relevant partner was living with the transferee at the date of the transferee's death, or
- (b) where the transferee has not supplied the Board with a valid nomination in accordance with [^{F4}sub-paragraph (a)(i)], the relevant partner supplies evidence to the satisfaction of the Board that, at the date of the transferee's death the relevant partner was—
- (i) financially dependent or interdependent, on the transferee, and
- (ii) living with the transferee.

(4) No compensation may be paid under paragraph (2) where the transferee had a civil partner or a spouse at the date of the transferee's death and there is no valid nomination in favour of the relevant partner.

(5) A surviving dependant is entitled to periodic compensation in the circumstances prescribed in paragraph (6).

(6) In the case of a surviving dependant, the circumstances are where there is supplied to the Board—

- (a) in the case of a natural child of the transferee, a birth certificate or other evidence demonstrating to the satisfaction of the Board that the child is the natural child of the transferee;
- (b) in the case of an adopted child of the transferee, the adoption certificate demonstrating that the child is the adopted child of the transferee, or
- (c) in the case of any other surviving dependant, evidence demonstrating to the satisfaction of the Board that the surviving dependant is a dependant of the transferee.

Textual Amendments

- F4** Words in [reg. 20\(3\)\(b\)](#) substituted (30.4.2013) by [The Pension Protection Fund and Occupational and Personal Pension Schemes \(Miscellaneous Amendments\) Regulations \(Northern Ireland\) 2013 \(S.R. 2013/95\)](#), regs. 1(2), **10(4)**

Commencement Information

- I20** Reg. 20 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Amount and duration of periodic compensation that can be paid in the case of a relevant partner **N.I.**

21.—(1) Where a relevant partner is entitled to payment of periodic compensation under regulation 20, compensation is to commence on the day following the transferee's death and is payable for life.

(2) The amount of periodic compensation payable is to be calculated—

- (a) where the transferee was entitled to payment of periodic compensation commencing on the transfer day, or would have become so entitled had that transferee not died, in accordance with paragraph 5(3) of Schedule 4, or
- (b) where the transferee was entitled to payment of periodic compensation commencing at pension compensation age, or would have become so entitled had that transferee not died, in accordance with paragraph 7(3) of Schedule 4.

Commencement Information

- I21** Reg. 21 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Amount of periodic compensation that can be paid in the case of a surviving dependant **N.I.**

22.—(1) Subject to paragraphs (2) and (3) and regulation 24, where a surviving dependant is entitled to periodic compensation under regulation 20(5) the amount is to be calculated—

- (a) where the transferee was entitled to payment of periodic compensation commencing on the transfer day, or would have become so entitled had that transferee not died, in accordance with paragraph 4 of Schedule 4 (including any increases under paragraph 17 of Schedule 4 to which the transferee would have been entitled), or
 - (b) where the transferee was entitled to payment of periodic compensation commencing at pension compensation age, or would have become so entitled had that transferee not died, in accordance with paragraph 6 of Schedule 4 (including any revaluation amount under paragraph 8 and any increases under paragraph 17 of Schedule 4 to which the transferee would have been entitled).
- (2) Where periodic compensation is also payable to a surviving partner or relevant partner and—
- (a) there is only one surviving dependant, the amount of periodic compensation is 25% of the amount calculated under paragraph (1), or
 - (b) there are two or more surviving dependants, the amount of periodic compensation is half of the amount calculated under paragraph (1), divided equally between the surviving dependants.
- (3) Where periodic compensation is not payable to a surviving partner or relevant partner and—

- (a) there is only one surviving dependant, the amount of periodic compensation is half of the amount calculated under paragraph (1);
- (b) there are two or more surviving dependants, the amount of periodic compensation is the amount calculated under paragraph (1), divided equally between the surviving dependants.

Commencement Information

I22 Reg. 22 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Period of payment **N.I.**

23.—(1) Except in the circumstances prescribed in paragraph (2), where periodic compensation is payable to a surviving dependant under regulation 20(5), it is payable from the day following the transferee's death.

(2) Where a surviving dependant—

- (a) is a child born after the transferee's death, periodic compensation is payable from the date of the child's birth;
- (b) has left a qualifying course, as a consequence of which payment of periodic compensation has ceased in accordance with paragraph (4)(a), but within one year begins another qualifying course before attaining the age of 23, periodic compensation is payable from the date that the later qualifying course begins, or
- (c) becomes disabled and is incapable of engaging in full time paid employment due to a condition that falls within the definition of a disability under section 6 of the Equality Act 2010(**23**), after attaining the age of 18 but before attaining the age of 23, periodic compensation is payable from the date that the surviving dependant became disabled.

(3) Except where paragraph (4) or (5) applies, periodic compensation is payable until the surviving dependant attains the age of 18.

(4) Where the surviving dependant is attending a qualifying course, periodic compensation is payable either—

- (a) until the surviving dependant leaves the course, or
- (b) until the surviving dependant attains the age of 23,

whichever is the earlier.

(5) Where the surviving dependant is incapable of engaging in full time paid employment due to a condition that falls within the definition of a disability under section 6 of the Equality Act 2010, periodic compensation is payable until the surviving dependant attains the age of 23.

Commencement Information

I23 Reg. 23 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Change of circumstances and backdating **N.I.**

24.—(1) The amount of periodic compensation payable to a surviving dependant under these Regulations may be varied where—

- (a) there is a change in the circumstances of a person to whom periodic compensation is payable, and
 - (b) that change would have resulted in—
 - (i) a different rate of periodic compensation being payable (including where a rate of nil may apply), or
 - (ii) periodic compensation being payable from a different date,and such a variation must take effect from the date that the change in circumstances occurred.
- (2) The amount of periodic compensation calculated under paragraph (1) must include any increases under paragraphs 17 and 20 of Schedule 4 (annual increase and Board’s power to alter rates of revaluation and indexation).
- (3) Where a person makes a claim for periodic compensation, the claim must be backdated to the date that the person became eligible to claim periodic compensation, or where that date is more than 5 years before the date of the claim, to a date 5 years before the date of the claim.

Commencement Information

I24 Reg. 24 in operation at 6.4.2011, see [reg. 1\(1\)](#)

PART 7 N.I.

Commutation of periodic compensation

Circumstances in which periodic compensation may be commuted N.I.

25.—(1) The circumstances prescribed for the purposes of paragraph 9(1) of Schedule 4 (commutation of periodic compensation) are specified in paragraph (2).

- (2) The circumstances are that—
- (a) the transferor must not have previously exercised an option to commute for a lump sum either—
 - (i) a portion of the pension from which the pension compensation credit was derived, or
 - (ii) a portion of the relevant pension compensation from which the pension compensation credit was derived;
 - (b) the transferee must not have previously exercised an option to commute for a lump sum a portion of the pension compensation credit in respect of which the transferee is entitled to periodic compensation, and
 - (c) the transferee exercises the option to commute within the period of 6 months beginning with the day on which payment of periodic compensation commences.

Commencement Information

I25 Reg. 25 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Circumstances in which the portion of compensation to be commuted may exceed 25% N.I.

26.—(1) The prescribed circumstances for the purposes of paragraph 9(2) of Schedule 4 (commutation of periodic compensation) are that—

- (a) the transferee must have attained the age of 60 but not have attained the age of 75 on the date specified in paragraph (4), and
- (b) the portion to be commuted is a PPF trivial commutation lump sum.

(2) A payment is a PPF trivial commutation lump sum if—

- (a) either—
 - (i) no trivial commutation lump sum or PPF trivial commutation lump sum has previously been paid to the transferee by either a registered pension scheme, or the Board, or
 - (ii) if such a lump sum has previously been paid, the PPF trivial commutation lump sum is paid before the end of the commutation period;
- (b) on the nominated date the value of the transferee’s pension rights and entitlement to PPF compensation does not exceed the commutation limit;
- (c) it is paid when all or part of the transferee’s standard lifetime allowance is available, and
- (d) it extinguishes the transferee’s entitlement to PPF compensation.

(3) “The commutation period” is the period beginning with the day on which a trivial commutation lump sum or PPF trivial commutation lump sum was first paid to the transferee and ending 12 months after that day.

(4) The nominated date is—

- (a) a date nominated by the transferee which is within the period of 3 months ending with the day on which the transferee proposes to exercise the option to commute, or
- (b) if no date is nominated by the transferee, a date within that period nominated by the Board.

(5) The commutation limit is 1% of the standard lifetime allowance on the nominated date.

(6) For the purposes of paragraph (2)(b)—

- (a) the value of the transferee’s pension rights is the aggregate of—
 - (i) the value of the transferee’s relevant crystallised pension rights (calculated in accordance with paragraph 8 of Schedule 29 to the Finance Act), and
 - (ii) the value of the transferee’s uncrystallised rights (calculated in accordance with paragraph 9 of Schedule 29 to the Finance Act), and
- (b) the value of the transferee’s entitlement to PPF compensation is the aggregate of—
 - (i) any entitlement to lump sum compensation under the pension compensation provisions, and
 - (ii) any entitlement to periodic compensation under the pension compensation provisions.

(7) For the purposes of paragraph (6)(b)—

- (a) the value of any entitlement to lump sum compensation is the full amount of lump sum compensation to which the transferee is entitled on the nominated date, and
- (b) the value of periodic compensation is to be calculated by multiplying the annual periodic compensation to which the transferee [^{F5}is] entitled on the nominated date by 20.

(8) In this regulation—

“the Finance Act” means the Finance Act 2004(24);

“registered pension scheme” has the same meaning as in section 150(2) of the Finance Act (meaning of “pension scheme”);

“standard lifetime allowance” means the amount specified in the relevant order for the tax year, made under section 218(3) of the Finance Act (individual’s lifetime allowance and standard lifetime allowance);

“tax year” has the same meaning [^{F6}as in section 4(2), (3) and (4) of the Income Tax Act 2007 (income tax an annual tax);]

“trivial commutation lump sum” has the same meaning as in paragraph 7 of Schedule 29 to the Finance Act.

Textual Amendments

F5 Word in reg. 26(7)(b) substituted (30.4.2013) by [The Pension Protection Fund and Occupational and Personal Pension Schemes \(Miscellaneous Amendments\) Regulations \(Northern Ireland\) 2013 \(S.R. 2013/95\)](#), regs. 1(2), **10(5)(a)**

F6 Words in reg. 26(8) substituted (30.4.2013) by [The Pension Protection Fund and Occupational and Personal Pension Schemes \(Miscellaneous Amendments\) Regulations \(Northern Ireland\) 2013 \(S.R. 2013/95\)](#), regs. 1(2), **10(5)(b)**

Commencement Information

I26 Reg. 26 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Manner in which an option to commute may be exercised **N.I.**

27.—(1) The manner in which an option to commute periodic compensation under paragraph 9 of Schedule 4 may be exercised is specified in paragraphs (2) to (4).

(2) A transferee may only exercise an option to commute a portion of the periodic compensation to which the transferee is entitled by giving notice to the Board in writing.

(3) A notice given under paragraph (2) must include—

(a) the name, address, date of birth and national insurance number of the transferee, and

(b) the percentage of the periodic compensation which the transferee opts to commute.

(4) The Board may require a transferee exercising an option to commute to produce any document or provide any other information relevant to the Board’s functions in relation to the transferee’s request for commutation.

Commencement Information

I27 Reg. 27 in operation at 6.4.2011, see [reg. 1\(1\)](#)

PART 8 **N.I.**

Early payment of periodic compensation

Circumstances where a transferee is entitled to early payment of periodic compensation **N.I.**

28.—(1) The conditions under which, by virtue of paragraph 10 of Schedule 4 (early payment of compensation), a transferee may become entitled to early payment of lump sum compensation (by virtue of paragraph 9 of Schedule 4 and regulation 25 or 26) and periodic compensation under paragraph 6 of Schedule 4, are specified in paragraph (2).

(2) Those conditions are that —

- (a) the transferee has given notice to the Board, in accordance with paragraph (3), that the transferee wishes to receive periodic compensation or lump sum compensation before attaining pension compensation age, and
- (b) the transferee has attained the age of 55 on the date on which the transferee would like the periodic compensation or lump sum compensation to be paid.

(3) The notice referred to in paragraph (2)(a) must include—

- (a) the transferee's name, address, date of birth and national insurance number, and
- (b) the date on which the transferee would like the periodic compensation or lump sum compensation to become payable.

Commencement Information

I28 Reg. 28 in operation at 6.4.2011, see [reg. 1\(1\)](#)

[^{F7}PART 8A **N.I.**

Postponement of compensation

Textual Amendments

F7 Pt. 8A inserted (30.4.2013) by [The Pension Protection Fund and Occupational and Personal Pension Schemes \(Miscellaneous Amendments\) Regulations \(Northern Ireland\) 2013 \(S.R. 2013/95\)](#), regs. 1(2), [10\(6\)](#)

Postponing compensation **N.I.**

28A. A person who becomes entitled to periodic compensation under paragraph 4 or 6 of Schedule 4 (compensation payable to transferee) may elect to postpone the commencement of periodic compensation under that paragraph—

- (a) in any of the circumstances prescribed in regulation 28B, and
- (b) subject to all of the conditions prescribed in regulation 28C.

Circumstances in which periodic compensation can be postponed **N.I.**

28B.—(1) The circumstances referred to in regulation 28A(a) are as follows.

(2) The first circumstance is where the person has not attained pension compensation age on the transfer day.

(3) The second circumstance is where, on the transfer day, the person—

- (a) has attained pension compensation age, and
- (b) is not in receipt of periodic compensation in respect of the pension compensation credit.

Conditions subject to which periodic compensation can be postponed N.I.

28C.—(1) The conditions referred to in regulation 28A(b) are as follows.

(2) The first condition is that the person on and from the transfer day is not and has not been in receipt of any periodic compensation or lump sum compensation payment in respect of the pension compensation credit.

(3) The second condition is that for each election to postpone, the person must have sent a written notice to the Board in accordance with paragraph (4) that the person wishes to postpone periodic compensation, before the person receives payment in respect of the pension compensation credit.

(4) The notice referred to in paragraph (3) must include—

- (a) the person's name, address, date of birth and national insurance number;
- (b) the name of the scheme for which the Board has assumed responsibility, and
- (c) the date on which the person would like the commencement of periodic compensation to cease to be postponed, which must be a date before the person attains the age of 75.

Date on which postponement ceases N.I.

28D.—(1) Periodic compensation ceases to be postponed on the date elected in regulation 28C(4) (c) unless the person has further elected an earlier date or a later date (which must be a date before the person attains the age of 75).

(2) A person who wishes to make a further election under this regulation must send a written notice to the Board before the date notified (or most recently notified) under regulation 28C(4)(c).

(3) The notice referred to in paragraph (2) must include the information set out in regulation 28C(4).]

PART 9 N.I.

Annual increase in periodic compensation

Determination of indexed proportion N.I.

29. In any case where it is unclear whether the pension compensation credit or any part of it is derived from rights of the transferor relating to pensionable service (whether actual or notional) occurring—

- (a) before 6th April 1997, or
- (b) on or after 6th April 1997,

the Board may determine as best as it is able, having regard to the admissible rules of the scheme and all the circumstances of the case, how much of the service or notional service of the transferor should be treated for the purposes of paragraph 17 of Schedule 4 (annual increase in periodic compensation) as having occurred before 6th April 1997 and how much should be treated as having occurred on or after that date.

Commencement Information

I29 Reg. 29 in operation at 6.4.2011, see [reg. 1\(1\)](#)

PART 10 **N.I.**

Compensation cap

Restriction of amount of compensation payable **N.I.**

30.—(1) This regulation applies where, in respect of a pension compensation credit—

- (a) the transferee becomes entitled to payment of compensation under paragraph 4 or 6 of Schedule 4, and
- (b) on the transfer day the transferor was not entitled to present payment of relevant compensation.

(2) Except where regulation 31 applies, where the annual value of the periodic compensation payable to the transferee under paragraph 4 or 6 of Schedule 4 in respect of that pension compensation credit exceeds the compensation cap, the amount of compensation payable to the transferee is restricted in accordance with paragraph (3).

(3) Where compensation payable to the transferee is required to be restricted in accordance with this paragraph, the compensation payable is the cap fraction of the amount which would otherwise be payable to the transferee, in respect of that pension compensation credit, under paragraph 4 or 6 of Schedule 4.

(4) The annual value of the periodic compensation payable to the transferee under paragraph 4 or 6 of Schedule 4 in respect of a pension compensation credit is to be determined in accordance with this paragraph—

- (a) where no portion of the compensation to which the transferee is entitled under the pension compensation credit has been commuted, the annual value of the periodic compensation is the annual value of the compensation to which the transferee is entitled in respect of that credit, or
- (b) where a portion of the compensation to which the transferee is entitled under the pension compensation credit has been commuted, the annual value of the periodic compensation is the amount which would have been the annual value of the periodic compensation in respect of that credit, had a portion not been commuted.

(5) In this regulation “the cap fraction” means C/V , where C is the compensation cap and V is the annual value of the periodic compensation payable under the pension compensation credit.

Commencement Information

I30 Reg. 30 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Application of compensation cap where compensation becomes payable on different dates **N.I.**

31.—(1) This regulation applies where—

- (a) the transferee becomes entitled to payment of compensation in accordance with paragraph 4 or 6 of Schedule 4, and

- (b) the transferee has previously become entitled to payment of compensation, in accordance with either of those paragraphs, which is derived from the rights of the same transferor under the same or a connected scheme.
- (2) For the purposes of paragraph (1), a scheme is a connected scheme if the same person is or was the employer in relation to both schemes.
- (3) Where this regulation applies, the amount of compensation payable to the transferee in accordance with paragraph 4 or 6 of Schedule 4 is to be restricted in accordance with paragraph (4) or (5).
- (4) If the previous cap percentage is or exceeds 100, the compensation payable in respect of a subsequent tranche of compensation is nil.
- (5) If the previous cap percentage is less than 100, the amount of compensation payable in respect of the previous and subsequent tranches of compensation is restricted in accordance with paragraph (8).
- (6) “The previous cap percentage” is the cap percentage for the previous tranche of compensation.
- (7) “The cap percentage” means $(AAV \times 100)/ACC$, where AAV is the appropriate annual value of the previous or, as the case may be, a subsequent tranche of compensation at the time when each tranche first becomes payable and ACC is the appropriate compensation cap at that time.
- (8) Where paragraph (5) applies—
- (a) the amount of a subsequent tranche of compensation is restricted in accordance with paragraph (3) of regulation 30, but taking the reference to the cap fraction in that paragraph as a reference to the revised cap fraction, and
- (b) the amount of the previous tranche of compensation is restricted to the revised cap fraction of the amount that would be payable apart from this sub-paragraph.
- (9) “The revised cap fraction” means $100/\text{the aggregate cap percentage}$.
- (10) “The aggregate cap percentage” means the aggregate of the cap percentages for the previous and subsequent tranches of compensation.

Commencement Information

I31 Reg. 31 in operation at 6.4.2011, see [reg. 1\(1\)](#)

PART 11 **N.I.**

Amendment of Schedule 8 to the 2005 Order

Amendment of Schedule 8 to the 2005 Order **N.I.**

32. In Schedule 8 to the 2005 Order (reviewable matters) after paragraph 16B(25) insert—

“**16C** Any determination by the Board of a person’s entitlement to compensation under Chapter 1 of Part 3 of the Pensions (No. 2) Act (Northern Ireland) 2008 (pension compensation sharing on divorce etc.) or the failure in any case to make such a determination.

Changes to legislation: There are currently no known outstanding effects for the The Pension Protection Fund (Pension Compensation Sharing and Attachment on Divorce etc.) Regulations (Northern Ireland) 2011. (See end of Document for details)

16D A determination by the Board that any right of a person to PPF compensation is or is not “shareable” for the purposes of Chapter 1 of Part 3 of the Pensions (No. 2) Act (Northern Ireland) 2008.

16E A determination by the Board that the implementation period for a pension compensation credit (within the meaning of Chapter 1 of Part 3 of the Pensions (No. 2) Act (Northern Ireland) 2008) is or is not extended for the purposes of section 92 of that Act (time for discharge of liability).

16F The recovery of a charge from a person under regulation 16 of the Pension Protection Fund (Pension Compensation Sharing and Attachment on Divorce etc.) Regulations (Northern Ireland) 2011 (charges in respect of pension compensation sharing costs etc. recoverable by the Board), the amount of the charge or the method of recovery.”.

Commencement Information

I32 Reg. 32 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Amendment of the Pension Protection Fund (Review and Reconsideration of Reviewable Matters) Regulations N.I.

33. In the Schedule to the Pension Protection Fund (Review and Reconsideration of Reviewable Matters) Regulations (Northern Ireland) 2005(**26**) (interested person(**27**)) after paragraph 16B(**28**) insert—

“16C. Paragraphs 16C, 16D, 16E and 16F	16C. Any person directly affected by the decision.”.
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Commencement Information

I33 Reg. 33 in operation at 6.4.2011, see [reg. 1\(1\)](#)

Sealed with the Official Seal of the Department for Social Development on 16th March 2011

(L.S.)

Anne McCleary
A senior officer of the Department for Social
Development

(26) S.R. 2005 No. 138; relevant amending Regulations are S.R. 2005 No. 357 and S.R. 2006 No. 156

(27) The definition of “interested person” in regulation 1(2) was amended by regulation 7(3)(c) of S.R. 2005 No. 357

(28) Paragraph 16B was inserted by regulation 4(3)(b) of S.R. 2006 No. 156

SCHEDULE **N.I.**

Regulation 6

Information to be provided by the Board

1. In this Schedule—

“beneficiary” means any person who is entitled to compensation as a surviving partner, relevant partner or other surviving dependant of a pension compensation credit member;

“interested person” has the same meaning as in Article 189(2) of the 2005 Order (review and reconsideration by the Board of reviewable matters);

“reviewable matter” has the same meaning as in Article 188(1) of the 2005 Order (meaning of “reviewable matters”).

Commencement Information

I34 Sch. para. 1 in operation at 6.4.2011, see [reg. 1\(1\)](#)

2. Information to be provided by the Board to pension compensation credit members and beneficiaries shall be determined in accordance with the provisions of the table of information to be provided by the Board set out below—

Table of information to be provided by the Board

<i>Description of person to whom information is to be provided</i>	<i>Description of information to be provided</i>	<i>Period during which the Board must provide information</i>
Any pension compensation credit member who makes a request in writing to the Board for it to provide a forecast of the pension compensation credit member’s entitlement to compensation.	A forecast, determined in accordance with the provisions of Schedule 4, of the pension compensation credit member.	The period of 28 days beginning on the day on which the Board receives the request.
Any pension compensation credit member who will attain pension compensation age on that member’s next birthday.	<ol style="list-style-type: none"> 1. A forecast, determined in accordance with the provisions of Schedule 4, of the compensation to be paid to the pension compensation credit member. 2. Details of any options to commute which may be exercised by the pension compensation credit member in accordance with paragraph 9 of Schedule 4 and regulations 25 and 26 and forecasts of— <ol style="list-style-type: none"> (a) the lump sum to be paid under any such option, and 	The period of 6 months beginning 12 months before the day on which the pension compensation credit member will attain pension compensation age.

Changes to legislation: There are currently no known outstanding effects for the The Pension Protection Fund (Pension Compensation Sharing and Attachment on Divorce etc.) Regulations (Northern Ireland) 2011. (See end of Document for details)

<i>Description of person to whom information is to be provided</i>	<i>Description of information to be provided</i>	<i>Period during which the Board must provide information</i>
	(b) the reduced level of annual compensation payment which the pension compensation credit member would receive if that member exercised any such option.	
<p>Any pension compensation credit member who makes a request in writing to the Board for it to provide—</p> <p>(i) information about any options to commute which may be exercised by the pension compensation credit member in accordance with paragraph 9 of Schedule 4 and regulations 25 and 26, or</p> <p>(ii) a forecast of the lump sum payable to the pension compensation credit member on the exercise of any such option.</p>	<p>Details of any options to commute available to the pension compensation credit member, and forecasts of—</p> <p>(a) the lump sum to be paid to the pension compensation credit member under any such option, and</p> <p>(b) the reduced level of annual compensation payments which the pension compensation credit member would receive if that member exercised such an option.</p>	<p>The period of 28 days beginning on the day on which the Board receives the request.</p>
<p>Any pension compensation credit member who makes a request in writing to the Board for it to provide information about any entitlement the pension compensation credit member may have to early payment of compensation under paragraph 10 of Schedule 4 (early payment of compensation) and regulation 28.</p>	<p>Details of any entitlement the pension compensation credit member may have to early payment of compensation and of any lump sum payment payable to the pension compensation credit member.</p>	<p>The period of 28 days beginning on the day on which the Board receives the request.</p>
<p>All pension compensation credit members, surviving or relevant partners or dependants of such members.</p>	<p>Details of any variation in the amount of compensation payable where the variation will result from the operation of paragraph 27 of Schedule 6 to the 2005 Order, or paragraph 17</p>	<p>Not less than 28 days before the operative date.</p>

Changes to legislation: There are currently no known outstanding effects for the The Pension Protection Fund (Pension Compensation Sharing and Attachment on Divorce etc.) Regulations (Northern Ireland) 2011. (See end of Document for details)

<i>Description of person to whom information is to be provided</i>	<i>Description of information to be provided</i>	<i>Period during which the Board must provide information</i>
	or 20 of Schedule 4, and the date when the variation will become effective (“the operative date”).	
[^{F8} Any pension compensation credit member who makes a request in writing to the Board for it to postpone to a date specified in the request, commencement of the periodic compensation under paragraph 16A of Schedule 4.	A forecast to the date specified in the request, determined in accordance with Schedule 4, of the periodic compensation payable to the pension compensation credit member under Schedule 4.	The period of 28 days beginning on the day on which the Board receives the request.
Any pension compensation credit member who has elected to postpone the commencement of the periodic compensation under paragraph 16A of Schedule 4.	1. A forecast to the date the periodic compensation ceases to be postponed, determined in accordance with Schedule 4, of the periodic compensation payable to the pension compensation credit member under Schedule 4. 2. Details of any options to commute which may be exercised by the pension compensation credit member in relation to the periodic compensation in accordance with paragraph 9 of Schedule 4 and forecasts to the date the periodic compensation ceases to be postponed, determined in accordance with Schedule 4, of— (a) the lump sum to be paid to that member under any such options, and (b) the reduced level of annual compensation payments which that member would receive if that member exercised any such option.	The period of 6 months beginning 12 months before the day on which the commencement of the periodic compensation ceases to be postponed.]
Any pension compensation credit member who is an interested person in relation to a particular reviewable matter.	A statement describing how an application may be made to the Board for the review of the reviewable matter, how the	The period of 28 days beginning on the day on which the Board knew or ought to have known

Changes to legislation: There are currently no known outstanding effects for the The Pension Protection Fund (Pension Compensation Sharing and Attachment on Divorce etc.) Regulations (Northern Ireland) 2011. (See end of Document for details)

<i>Description of person to whom information is to be provided</i>	<i>Description of information to be provided</i>	<i>Period during which the Board must provide information</i>
	application will be considered and the Board’s powers on making a review decision.	that the reviewable matter had occurred.
Any pension credit member who is either a party to matrimonial or civil partnership proceedings, or may be a party to such proceedings, who makes a request in writing to the Board for information about that member’s compensation entitlement.	A statement, determined in accordance with Schedule 4, of the compensation to be paid to the pension credit member.	The period of 3 months beginning on the day on which the Board receives the request, or by the date that the Board must comply with a court order to provide such information, whichever is the sooner.

Textual Amendments

F8 Words in Sch. para. 2 Table inserted (30.4.2013) by [The Pension Protection Fund and Occupational and Personal Pension Schemes \(Miscellaneous Amendments\) Regulations \(Northern Ireland\) 2013 \(S.R. 2013/95\)](#), regs. 1(2), **10(7)**

Commencement Information

I35 Sch. para. 2 in operation at 6.4.2011, see [reg. 1\(1\)](#)

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations implement the provisions of Chapter 1 and (in part) Chapter 2 of Part 3 of the Pensions (No. 2) Act (Northern Ireland) 2008 (“the Act”), which permit the courts to make pension compensation sharing orders and attachment orders in relation to Pension Protection Fund compensation in proceedings related to divorce, dissolution of a civil partnership, or in cases of annulment. Pension compensation sharing and attachment orders may be made in relation to the shareable rights to pension compensation of a Pension Protection Fund member (“member”) by the Board of the Pension Protection Fund (“the Board”) in accordance with Chapter 1 of Part 3 of the Act, Chapter 3 of Part III of the Pensions (Northern Ireland) Order 2005 (“the 2005 Order”) and, in Great Britain, any corresponding provision.

- Part 1 provides for citation, commencement and interpretation.
- Part 2 specifies rights to pension compensation which may not be shared.
- Part 3 specifies the information which the Board must supply, on request or pursuant to an order of the court, before the court makes a pension compensation sharing or attachment order. Regulation

6 and the Schedule set out information which must be supplied to a person entitled to pension compensation by virtue of a pension credit (“a pension compensation credit member”).

Part 4 prescribes the information which must be supplied to the Board before the implementation period can begin, and the circumstances in which the implementation period (see section 93 of the Act) is extended, postponed or ceases to operate. Regulations 11 and 12 make provision, respectively, for calculation of the cash equivalent of the member’s entitlement to pension compensation and the pension compensation credit member’s entitlement by virtue of a pension compensation credit. Regulation 13 provides for discharge of the Board’s liability for a pension compensation credit where the transferee has died before the Board has discharged its liability.

Part 5 specifies the costs in respect of which the Board may charge the parties to proceedings in relation to divorce or dissolution of a civil partnership, and specifies the circumstances in which, and the methods by which, the Board may recover the charges from the parties. This Part also allows a party to pension compensation sharing who has paid charges which were owed by the other party to recover the money from the party who owed the charges.

Part 6 deals with pension compensation for survivors of a deceased transferee. Regulation 18 provides that a widow, widower or civil partner of a deceased transferee (“a surviving partner”) is not entitled to pension compensation when the deceased transferee has nominated a relevant partner (see regulation 1(2)) as beneficiary in the event of their death, or where the rules of the scheme from which the pension compensation credit was derived did not make provision for a survivor’s pension. Regulation 19 sets out the annual rate and duration of pension compensation payable to a surviving partner. Regulations 20 to 23 specify the circumstances in which a relevant partner and a surviving dependant of a deceased transferee may be entitled to pension compensation, the duration of payment and the method by which the amount payable to a surviving dependant is to be calculated. Regulation 24 deals with payment of pension compensation where there are changes in the circumstances of a surviving dependant.

Part 7 sets out the circumstances in which periodic compensation may be commuted for a lump sum, the circumstances in which the portion commuted may exceed 25% of the value of the pension compensation and the manner in which an option to commute may be exercised.

Part 8 specifies the conditions under which a transferee may become entitled to early payment of pension compensation.

Part 9 provides that, for the purpose of determining the annual increase in periodic compensation, the Board may determine (in cases where this is unclear) how much of the service or notional service of the transferor should be treated as having occurred before 6th April 1997 and how much on or after that date.

Part 10 sets out the circumstances in which the compensation payable to the transferee may be subject to the compensation cap (see regulation 1(2)) and the method by which the amount payable is to be determined.

Part 11 inserts paragraphs 16C to 16F into Schedule 8 to the 2005 Order so as to enable review and reconsideration of determinations about entitlement to pension compensation under Chapter 1 of Part 3 of the Act and certain other determinations made by the Board in relation to pension compensation sharing. This Part also amends the Pension Protection Fund (Review and Reconsideration of Reviewable Matters) Regulations (Northern Ireland) 2005 so as to provide that a person who is directly affected by a reviewable decision of the Board is an “interested person” for the purposes of an application for a review of a decision made by the Board.

The [Pensions \(2008 No. 2 Act\) \(Commencement No. 5\) Order \(Northern Ireland\) 2011 \(S.R. 2011 No. 108 \(C. 7\)\)](#) provides for the coming into operation of section 99 of the Act, which inserts Article 152A into the 2005 Order, one of the enabling provisions under which these Regulations are made, for the purpose only of conferring power to make regulations, on 16th March 2011. It also provides for the coming into operation of sections 86 to 97 and 99 of, and Schedule 4 (except paragraph 11) to, the Act, in so far as they are not already in operation, on 6th April 2011.

Changes to legislation: *There are currently no known outstanding effects for the The Pension Protection Fund (Pension Compensation Sharing and Attachment on Divorce etc.) Regulations (Northern Ireland) 2011. (See end of Document for details)*

As these Regulations, in so far as they are made under the 2005 Order, make 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 to consult under Article 289(1) of the 2005 Order does not apply by virtue of paragraph (2)(e) of that Article.

An assessment of the impact of the legislative changes made by Part 3 of the Act is included in the Regulatory Impact Assessment which accompanied the Act, a copy of which has been laid in the Business Office and the Library of the Northern Ireland Assembly. Copies of that assessment are available from the Department for Social Development, Social Security Policy and Legislation Division, Level 1, James House, 2-4 Cromac Avenue, Gasworks Business Park, Ormeau Road, Belfast BT7 2JA or from the website: <http://www.dsdni.gov.uk/index/ssa/ssani-publications/ssani-pensions-publications.htm>.

Changes to legislation:

There are currently no known outstanding effects for the The Pension Protection Fund (Pension Compensation Sharing and Attachment on Divorce etc.) Regulations (Northern Ireland) 2011.