
STATUTORY RULES OF NORTHERN IRELAND

2015 No. 121

The Health and Personal Social Services (Superannuation Scheme, Additional Voluntary Contributions and Injury Benefits), Health and Social Care (Pension Scheme) (Amendment) Regulations (Northern Ireland) 2015

PART 5

Amendment of the Health and Personal Social Services (Superannuation) (Additional Voluntary Contributions) Regulations (Northern Ireland) 1999

Substitution of regulation 11

54. For regulation 11 (Retirement and dependants' pensions) substitute—

“Retirement and dependants' benefits

11.—(1) A participator may apply some or all of the proceeds of an investment made under regulation 7(1), 8(2) or 9(4) to arrange with an insurer for—

- (a) payment of a lifetime annuity;
- (b) payment of a lifetime annuity and a pension commencement lump sum;
- (c) a lump sum commutation payment that—
 - (i) reflects the value of the benefits referred to in paragraph (1)(a) or (b), and
 - (ii) meets the requirements of regulations 11 and 12 of the 2009 Regulations;
- (d) as from the 6th April 2015, any payment to the participator or a dependant of the participator, that complies with the requirements of the 2014 Act.

This is subject to paragraphs (10) to (13) and regulation 15(10) and (11).

(2) An authorised provider selected by the Department, must provide a participator with an option to receive benefits under paragraph 1(a) to (c).

This is subject to paragraph (3) and (4).

- (3) Any annuity payable in accordance with paragraph (1)(a) or (b) must—
 - (a) be incapable, in whole or in part, of surrender, assignment or commutation;
 - (b) commence not earlier than the participator's date of retirement for the purposes of, as the case may be, the 1995 Regulations, the 2008 Regulations or 2015 Regulations;
 - (c) be payable to the participator for life;

(4) Any dependant's pension which is payable in respect of a participator is payable only on the death of the participator after the participator's retirement and is payable to the dependant for life: this is subject to paragraph (6).

(5) A lump sum commutation payment referred to in paragraph (1)(c) may be paid in respect of benefits payable under paragraph (1)(a), (b) or (d).

(6) In the case of a person who is a child to whom—

- (a) Part III of the 1995 Regulations (Child allowance) applies;
- (b) regulation 75 or 202 of the 2008 Regulations applies (Meaning of dependant child), or
- (c) regulation 121 of the 2015 Regulations (Eligible child) applies,

a pension referred to in paragraph (4) ceases to be payable when that person ceases to be a dependant child within the meaning of whichever of those Regulations applies.

(7) An authorised provider selected by the Department, in addition to providing a participator with benefits options required under paragraph (2), may from the 6th April 2015 provide a participator or a participator's dependant with alternative benefit options under paragraph (1)(d).

(8) A participator must, not earlier than 3 months before the date from which the participator wishes those benefits under the Regulations to be provided, make a benefits election to the Department specifying—

- (a) whether and which benefits are to be provided under paragraph (3) or, alternatively, paragraph (7);
- (b) the authorised provider who is to provide each benefit;
- (c) for whom, if anyone, a dependant's benefit is to be provided;
- (d) if more than one benefit is to be provided; either—
 - (i) the proportion of the amount secured by the total investments made under regulation 7(1), 8(2) or 9(4) that is to be applied to the purchase or arrangement of each of them; or
 - (ii) the dependants' benefits to be provided expressed as a percentage of the participator's benefits;
- (e) in respect of every annuity to be provided—
 - (i) the annual rate of the annuity;
 - (ii) whether it is to be payable for life or for a fixed period;
 - (iii) whether its rate is to be fixed or vary in accordance with the Index or increase yearly by a specified percentage or (if lower) increase by the increase in the Index for the year in question;
 - (iv) as from the 6th April 2015, whether the rate may reduce;
- (f) in the case of a participator who chooses a life-time annuity referred to in paragraph (1)(a) or (b) and who dies within the period of 5 years beginning with the date on which the annuity commences, whether, if the annuity had continued at the rate in force at the time of the participator's death, a lump sum is to be paid in accordance with regulation 15(3): the lump sum referred to in this subparagraph is a lump sum equal to the balance that would have been payable during the remainder of that period.

(9) More than one benefits election may be made under paragraph (8) and each such election must—

- (a) be in writing, and
- (b) contain such information as the Department requests.

(10) Upon receipt of a notice of election under paragraph (8), the Department must, as soon as reasonably practicable, realise the investments made under regulations 7(1), 8(2) or 9(4) and apply the proceeds in the manner specified in it.

(11) Where a participator dies before retirement or after retirement but before the benefits under this regulation are acquired, the investments made under regulation 7(1), 8(2) or 9(4) must be realised and are, subject to any limit imposed by regulation 13, payable as a lump sum in accordance with regulation 15(3).

(12) The Department may realise the investments made under regulation 7(1), 8(2) or 9(4) and apply the proceeds to the purchase of benefits under these Regulations from an insurer in the form as appear to the Department to be suitable where the conditions in paragraph (13) are satisfied.

(13) Those conditions are—

- (a) the participator's retirement date falls on or after 1st December 1999; and
- (b) the participator has attained the age of 75 and has not given a notice of election under paragraph (8) before doing so.

(14) Paragraph (12) applies notwithstanding that benefits are payable to the participator under—

- (a) Part III or regulation 49 of the 1995 regulations (Benefits for members and preserved pensions);
- (b) regulation 45, 48, 49, 52, 54, 55, 176, 179, 180, 182, or 184 of the 2008 Regulations (Normal retirement pensions, actuarially reduced pensions, ill health pensions and early retirement pensions), or
- (c) regulation 72, 78, 80, 81, 83, 89 or 93 of the 2015 Regulations (age retirement, early retirement, premature retirement, partial retirement and ill-health pensions)."