
STATUTORY RULES OF NORTHERN IRELAND

2015 No. 126

The Teachers' Pensions (Miscellaneous Amendments) Regulations (Northern Ireland) 2015

Insertion of new Schedule 4 (Scheme valuation and employer cost cap)

25. After Schedule 3, insert—

“SCHEDULE 4

Regulation 225

Scheme valuation and employer cost cap

Scheme valuation report

1. The Department must commission the scheme actuary to carry out a valuation of this scheme (“scheme valuation”) and any connected scheme, and to prepare a scheme valuation report, in accordance with, and by reference to the effective dates defined and set out in Department of Finance and Personnel directions under section 11 of the Public Service Pensions Act (Northern Ireland) 2014, referred to in this Schedule as “Department of Finance and Personnel directions”.

Employer cost cap

2. The employer cost cap for this scheme is 13.2% of the pensionable earnings of members of this scheme.

Breach of employer cost cap margins

3. If the scheme actuary reports in a valuation report that the cost cap cost of the scheme, calculated following a valuation in accordance with Department of Finance and Personnel directions, has gone beyond the margins specified in Department of Finance and Personnel directions under section 12 of the Public Service Pensions Act (Northern Ireland) 2014, paragraph 4 applies.

Northern Ireland Teachers' Pension Scheme Advisory Board Report

4. Where this paragraph applies, the Department must request the Northern Ireland Teachers' Pension Scheme Advisory Board constituted under Part 2 of these Regulations to report, within six months of the request—

- (a) whether there is agreement between the employer representatives and the member representatives on a recommended procedure for aligning the cost cap cost of the scheme with the employer cost cap; and
- (b) if there is such agreement, the procedure which the board is in agreement to recommend.

Action by the Department

5. On receipt of the Northern Ireland Teachers' Pension Scheme Advisory Board's report, the Department, in consultation with the scheme actuary and with such persons as the Department considers appropriate, must—

- (a) review any recommendations put forward in that report; and
- (b) either—
 - (i) if agreement has been reached, and the Department accepts the proposed procedure, implement the procedure agreed between the members of the Northern Ireland Teachers' Pension Scheme Advisory Board; or
 - (ii) if the Department does not agree with any agreement reached, or if agreement has not been reached, make such change to the standard accrual rate as in the opinion of the scheme actuary is necessary to bring the cost cap cost of the scheme into line with the employer cost cap.

Timescale for action

6. Any changes to the scheme made as a result of paragraph 5 are to take effect within four years of the effective date as at which the cost cap cost of the scheme was evaluated in the scheme actuary's valuation report.”.