
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make miscellaneous amendments to three sets of Regulations relating to automatic enrolment.

Regulation 2 amends the Occupational and Personal Pension Schemes (Automatic Enrolment) Regulations (Northern Ireland) 2010 (“the Automatic Enrolment Regulations”).

Regulation 2(2) amends regulation 5E of the Automatic Enrolment Regulations whereby the employer duty to automatically enrol or re-enrol a worker or jobholder is turned into a discretion where a worker has received a winding-up lump sum in the previous 12 months. The amendment clarifies that the duty is lifted where a worker receives a winding-up lump sum, ceases to be employed and is re-employed by the same employer but becomes eligible for automatic enrolment or re-enrolment during the 12-month period.

Regulation 2(3) inserts regulations 5EA and 5EB into the Automatic Enrolment Regulations, which turn the employer’s duty to automatically enrol or re-enrol a jobholder into a discretion where the jobholder is a director of the company by which that jobholder is employed, or a member of a limited liability partnership and not treated for income tax purposes as being employed by the partnership.

Regulation 2(4) amends regulation 5F of the Automatic Enrolment Regulations so that anything done by the employer when exercising the discretion under regulations 5EA and 5EB is treated as being done in exercise of the duty to automatically enrol or re-enrol a jobholder.

Regulation 2(5) amends regulation 32M of the Automatic Enrolment Regulations, which provides employers with an alternative quality requirement for UK defined benefit schemes based on the costs of accruals, to provide an alternative test for a limited period on the ending of contracting out.

Regulation 3 amends regulations 3 and 4 of the Employers’ Duties (Implementation) Regulations (Northern Ireland) 2010. The amendments remove the requirement on an employer to secure the agreement of the trustees or managers of a pension scheme that it can be used from an early automatic enrolment date where, on the date the employer notifies the Pensions Regulator (“the Regulator”) of the early automatic enrolment date, that employer has no jobholder who qualifies for automatic enrolment. They also allow an employer to notify the Regulator of the early automatic enrolment date at any time on or before that early automatic enrolment date, and allow an employer to choose any date prior to that employer’s staging date as the early automatic enrolment date, where the employer has no jobholder to automatically enrol on the date he notifies the Regulator of the early automatic enrolment date.

Regulation 4 amends the Employers’ Duties (Registration and Compliance) Regulations (Northern Ireland) 2010 so that information can be provided to the Regulator on the staging date, as well as after, and the time at which an employer sends the information required to the Regulator is the same whether or not an employer has any jobholders to re-enrol on the automatic re-enrolment date.

Regulation 5 makes a consequential revocation.