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STATUTORY RULES OF NORTHERN IRELAND

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**2016 No. 158**

**The Pensions (2015 Act) (Abolition of Contracting-out for Salary Related Pension Schemes) (Consequential Amendments and Savings) Order (Northern Ireland) 2016**

**PART 2**

Amendments coming into operation on 6th April 2016

**Amendment of the Contracting-out (Transfer and Transfer Payment) Regulations**

**5.—**(1) The Contracting-out (Transfer and Transfer Payment) Regulations (Northern Ireland) 1996(1) are amended in accordance with paragraphs (2) to (11).

(2) In regulation 1(2) (interpretation)—

(a) in the definition of “connected employer transfer” and “connected employer transfer payment”(2)—

(i) omit “and in this definition “salary related contracted-out scheme” includes a scheme which was formerly a salary related contracted-out scheme”;

(ii) before “salary related contracted-out scheme”, in each of the remaining places where it occurs, insert “scheme that was a”;

(b) in the definition of “overseas scheme”(3)—

(i) before “ salary-related contracted-out scheme” insert “scheme that was a”;

(ii) omit “nor one in respect of which section 49 (supervision: former contracted-out schemes) applies by virtue of section 48(1) (supervision of schemes which have ceased to be certified)”;

(c) in the definition of “the principal appointed day”, for “3(2B)” substitute “176(1)(4)”;

(d) in the opening words omit the definition of “salary related contracted-out scheme(5)”;

(e) for the definition of “section 5(2B) rights”(6) substitute—

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- (1) [S.R. 1996 No. 618](#); relevant amending provisions are [S.R. 1997 No. 160](#), [S.R. 1999 No. 486](#), [S.R. 2007 Nos. 185 and 457](#) and [S.R. 2012 Nos. 120 and 124](#)
- (2) The definition of “connected employer transfer” and “connected employer transfer payment” was substituted by regulation 4(2) of [S.R. 2013 No. 72](#)
- (3) The definition of “overseas scheme” was substituted by regulation 6 of [S.R. 2007 No. 185](#) and amended by regulation 8(b) of [S.R. 2007 No. 457](#)
- (4) The definition of “the principal appointed day” in section 176(1) of the Pension Schemes (Northern Ireland) Act 1993 was substituted by paragraph 42(9) of Schedule 13 to the Pensions Act (Northern Ireland) 2015
- (5) See sections 3B and 176(1) of the Pension Schemes (Northern Ireland) Act 1993 as inserted and amended respectively by paragraphs 6 and 42(2) of Schedule 13 to the Pensions Act (Northern Ireland) 2015
- (6) The definition of “section 5(2B) rights” was substituted by paragraph 10(2)(b) of the Schedule to [S.R. 1997 No. 160](#) and amended by regulation 8 of [S.R. 1999 No. 486](#) and Article 13(2)(b) of [S.R. 2012 No. 124](#)

““section 5(2B) rights” has the meaning given in regulation 2(1) of the Occupational Pension Schemes (Schemes that were Contracted-out) Regulations (Northern Ireland) 2016(7);”.

(3) In regulation 3 (transfers of guaranteed minimum pensions to salary related contracted-out schemes)—

- (a) in the heading, before “salary related” insert “schemes that were”;
- (b) in the opening words before “salary related” insert “scheme that was a”;
- (c) in paragraph (c) omit “in the case of a transfer of the accrued rights of an earner who is not in employment which is contracted-out by reference to the receiving scheme,”.

(4) In regulation 5(8) (transfer payments in respect of guaranteed minimum pensions to occupational and personal pension schemes) omit “a salary related contracted-out scheme,”.

(5) In regulation 7(1)(a) and (b)(9) (transfers of liability in respect of section 5(2B) rights – general)—

- (a) after “from a” insert “scheme that was a”;
- (b) omit “(or a scheme which was formerly a salary related contracted-out scheme)”.

(6) In regulation 8 (transfer payments to salary related contracted-out schemes in respect of section 5(2B) rights)—

- (a) in the heading, before “salary related” insert “schemes that were”;
- (b) in the opening words for “salary related contracted-out scheme” substitute “scheme that was a salary related contracted-out scheme which was contracted-out by virtue of section 5(2B)”;
- (c) in paragraph (c)(10) for the words from “which is contracted-out” to the end of that paragraph substitute “which was contracted-out in relation to the receiving scheme on or after the principal appointed day.”.

(7) In regulation 12 (modifications of Part III of the 1993 Act on transfers of, and transfer payments in respect of, guaranteed minimum pensions from occupational pension schemes)—

- (a) before “salary related contracted-out scheme” insert “scheme that was a”;
- (b) subject to Article 6(1), omit paragraph (a);
- (c) subject to Article 6(1), in paragraph (b) for “any other” substitute “a”.

(8) In regulation 13 (modifications of Part III of the 1993 Act on transfers from policies of insurance or annuity contracts)—

- (a) before “salary related contracted-out scheme” insert “scheme that was a”;
- (b) subject to Article 6(2), omit paragraph (a);
- (c) subject to Article 6(2), in paragraph (b) omit the words from the beginning to “to the receiving scheme,”.

(9) Omit regulation 13A(11) (modification of section 8C where transfer payments are made to salary related contracted-out schemes).

(10) In Schedule 1 (further conditions for transfers of guaranteed minimum pensions)—

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(7) [S.R. 2016 No. 107](#)

(8) Regulation 5 was substituted by regulation 7(3) of [S.R. 2012 No. 120](#)

(9) Regulation 7(1) was amended by paragraph 10(4) of the Schedule to [S.R. 1997 No. 160](#)

(10) Regulation 8(c) was amended by paragraph 10(5) of the Schedule to [S.R. 1997 No. 160](#)

(11) Regulation 13A was inserted by paragraph 10(6) of the Schedule to [S.R. 1997 No. 160](#) and amended by Article 13(3) of [S.R. 2012 No. 124](#)

- (a) for the heading to Part I substitute “Further Conditions for Transfer to a Scheme that was a Salary Related Contracted-out Scheme of Accrued Rights to Guaranteed Minimum Pensions”;
  - (b) in paragraph 2, omit sub-paragraph (a) and the “but” immediately following it;
  - (c) for the heading to Part II substitute “Further Conditions for Transfer from an Appropriate Policy to a Scheme that was a Salary Related Contracted-out Scheme of Accrued Rights to Guaranteed Minimum Pensions”.
- (11) In Schedule 2 (modifications of Part III of the 1993 Act)—
- (a) in paragraphs 1 and 6(12) in the definition of “guaranteed minimum pension” for “by an occupational pension scheme” substitute “by a scheme that was a salary related contracted-out scheme”;
  - (b) in paragraph 2 for “is contracted-out” substitute “was contracted-out”;
  - (c) subject to Article 6(1) and (2), omit paragraph 2.