
STATUTORY RULES OF NORTHERN IRELAND

2016 No. 172

The Pension Sharing (Miscellaneous Amendments) Regulations (Northern Ireland) 2016

Amendment of the Pension Sharing (Valuation) Regulations

4.—(1) The Pension Sharing (Valuation) Regulations (Northern Ireland) 2000⁽¹⁾ are amended in accordance with paragraphs (2) to (5).

(2) In regulation 1(2) (interpretation) omit the definition of “initial cash equivalent”⁽²⁾.

(3) In regulation 2(1) (rights under a pension arrangement which are not shareable)—

(a) in sub-paragraph (b)—

(i) for head (iv)⁽³⁾ substitute—

“(iv) dependants’, nominees’ or successors’ income withdrawal within the meaning of, as the case may be, paragraph 21, 27D or 27J of Schedule 28 to the Finance Act 2004⁽⁴⁾,”;

(ii) after “surviving civil partner”⁽⁵⁾ insert “, nominee, successor”;

(iii) for “arrangement, and” substitute “arrangement.”;

(b) after sub-paragraph (b) insert—

“(ba) any rights relating to sums and assets held for the purposes of—

(i) a dependant’s drawdown pension fund or flexi-access drawdown fund within the meaning of, as the case may be, paragraph 22 or 22A⁽⁶⁾ of Schedule 28 to the Finance Act 2004;

(ii) a nominee’s or successor’s flexi-access drawdown fund within the meaning of, as the case may be, paragraph 27E or 27K⁽⁷⁾ of Schedule 28 to the Finance Act 2004 (nominee’s flexi-access drawdown fund and successor’s flexi-access drawdown fund).”;

(c) in sub-paragraph (c)⁽⁸⁾ for “service.” substitute “service, and”;

(d) after sub-paragraph (c) add—

(1) S.R. 2000 No. 144; relevant amending provisions are S.I. 2006/744, S.R. 2005 No. 536 and S.R. 2008 No. 370

(2) The definition of “initial cash equivalent” was inserted by paragraph 5(2)(e) of Schedule 2 to S.R. 2008 No. 370

(3) Head (iv) was substituted by Article 36(3)(a) of S.I. 2006/744

(4) 2004 c. 12; paragraph 21 was substituted by paragraph 15 of Schedule 16 to the Finance Act 2011 (c. 11) and amended by paragraph 20 of Schedule 1 to the Taxation of Pensions Act 2014 (c. 30); paragraphs 27A to 27K were inserted by paragraph 3(1) of Schedule 2 to the Taxation of Pensions Act 2014

(5) The words “surviving civil partner” were inserted by paragraph 3 of Schedule 1 to S.R. 2005 No. 536

(6) Paragraph 22 was amended by paragraph 21 of Schedule 10 to the Finance Act 2005 (c. 7), paragraph 16 of Schedule 16 to the Finance Act 2011 and paragraph 21 of Schedule 1 to the Taxation of Pensions Act 2014. Paragraph 22A was inserted by paragraph 4(1) of Schedule 1 to the Taxation of Pensions Act 2014

(7) Paragraphs 27E and 27K were amended by paragraphs 13(4) to (6) of Schedule 4 to the Finance Act 2015 (c. 11)

(8) Sub-paragraph (c) was substituted by Article 36(3)(b) of S.I. 2006/744

“(d) any rights in respect of a cash transfer sum or contribution refund that the member would be entitled to under section 97AB(9) (right to cash transfer sum and contribution refund) if pensionable service were to be terminated.”.

(4) For regulation 4(10) (manner of calculation and verification of cash equivalents: occupational pension schemes) substitute—

“Manner of calculation and verification of cash equivalents: occupational pension schemes

4.—(1) Subject to this regulation, where a person with pension rights is, for the purposes of Part 2 of the Pensions Order, an active member, a deferred member or a pensioner member of an occupational pension scheme, or where a person with pension rights attains, or is over, normal pension age and is not in receipt of the pension, the value of rights in relation to a category of benefits referred to in section 89(6)(11) (scope of Chapter 1) must be calculated and verified in accordance with regulations 7 to 7C and 7E(1) to (3) of the Transfer Values Regulations (manner of calculation of cash equivalents, initial cash equivalents etc), as if—

- (a) in the case of benefits other than money purchase benefits, the member has made an application for a statement of entitlement under section 89A (right to statement of entitlement: benefits other than money purchase), or
- (b) in the case of money purchase benefits, the member has made an application under section 91(12) (ways of taking right to cash equivalent) to use the cash equivalent of those benefits.

(2) Where a person with pension rights is continuing to accrue rights to benefits in the category of benefits to be valued, paragraph (1) applies as if the person had ceased to accrue rights in that category of benefits on the valuation day.

(3) Where a person with pension rights is entitled to present payment of the pension, but the pension is not yet in payment, the cash equivalent must be calculated and verified on the assumption that the pension comes into payment on the transfer day.

(4) When calculating and verifying the cash equivalent, regulations 7 to 7C and 7E(1) to (3) of the Transfer Values Regulations are to be read as if—

- (a) in regulation 7—
 - (i) in paragraph (1)(a) the words “and then making any reductions in accordance with regulation 7D” were omitted;
 - (ii) in paragraph (1)(b) for “regulation 7E” there were substituted “regulation 7E(1) to (3)”;
- (b) in regulation 7A(2) for “guarantee date” there were substituted “valuation day”;
- (c) in regulation 7C(2) for “at the date of calculation” there were substituted “on the valuation day”;
- (d) “valuation day” has the meaning given by Article 26(7) of the 1999 Order (meaning of valuation day).”.

(5) In regulation 5(13) (manner of calculation and verification of cash equivalents: other relevant arrangements)—

(9) Sections 97AA to 97AI were inserted by Article 241 of the Pensions (Northern Ireland) Order 2005

(10) Regulation 4 was substituted by paragraph 5(3) of Schedule 2 to [S.R. 2008 No. 370](#)

(11) Section 89 was substituted by paragraph 54 of Schedule 4 to the Pension Schemes Act 2015

(12) section 91 was amended by paragraph 55 of Schedule 4 to the Pension Schemes Act 2015

(13) Regulation 5 was substituted by paragraph 5(3) of Schedule 2 to [S.R. 2008 No. 370](#)

- (a) in paragraph (1) for “7 to 7E of the Transfer Values Regulations” substitute “7 to 7C and 7E(1) to (3) of the Transfer Values Regulations, as if the person with the pension rights had made a valid application under section 91 (ways of taking right to cash equivalent) to use the cash equivalent of the rights to benefits”;
- (b) in paragraph (2) before sub-paragraph (a) insert—
 - “(za) in regulation 7(1)(a) the words “, and then making any reductions in accordance with regulation 7D” were omitted;
 - (zb) in regulation 7(1)(b) for “regulation 7E” there were substituted “regulation 7E(1) to (3)”;
- (c) in paragraph (3) for “Chapter IV of Part IV of the Pension Schemes Act by section 89(1) (b) (scope of Chapter IV)” substitute “Chapter 1 of Part 4ZA of the Pension Schemes Act by section 89(5)(b) (scope of Chapter 1)”.