
STATUTORY RULES OF NORTHERN IRELAND

2018 No. 53

PENSIONS

**The Occupational Pension Schemes
(Administration and Disclosure) (Amendment)
Regulations (Northern Ireland) 2018**

Made - - - - 15th March 2018

Coming into operation in accordance with regulation 1

The Department for Communities makes the following Regulations in exercise of the powers conferred by sections 109(1), (2A), (3) and (5) to (7), 177(2) to (4) and 178(1) of the Pension Schemes (Northern Ireland) Act 1993⁽¹⁾ and now vested in it⁽²⁾.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Occupational Pension Schemes (Administration and Disclosure) (Amendment) Regulations (Northern Ireland) 2018 and, except as provided for in paragraphs (2) and (3), shall come into operation on 6th April 2018.

(2) The amendments made by regulation 3(3), (7) and (8), in so far as it relates to the insertion of paragraph 5A into Schedule 6 to the Disclosure Regulations, shall come into operation on 6th April 2019.

(3) Where the most recent scheme year for a relevant scheme ends before 6th April 2018, the amendments made by regulations 2 and 3(2), (4) to (6) and (8), in so far as they relate to the insertion of paragraph 5B into Schedule 6 to the Disclosure Regulations, shall come into operation for such a scheme on the last day of the first scheme year for that scheme to end on or after 6th April 2018.

(4) For the purposes of this regulation, “relevant scheme”⁽³⁾ and “scheme year” have the same meaning as in regulation 1(2) of the Administration Regulations.

(5) In these Regulations—

(1) 1993 c. 49; section 109(1) was amended by section 48(1) of the Child Support, Pensions and Social Security Act (Northern Ireland) 2000 (c. 4 (N.I.)); section 109(2A) was inserted by section 38(4) of the Pension Schemes Act (Northern Ireland) 2016 (c. 1 (N.I.)); section 109(5) to (7) was inserted by section 43 of the Pensions Act (Northern Ireland) 2015 (c. 5 (N.I.)); section 178(1) was amended by Parts 3 and 4 of Schedule 5 to the Pensions (Northern Ireland) Order 1995 (S.I. 1995/3213 (N.I. 22))

(2) See Article 8(b) of S.R. 1999 No. 481 and section 1(7) of the Departments Act (Northern Ireland) 2016 (c. 5 (N.I.))

(3) The definition of “relevant scheme” was inserted by regulation 14(a) of S.R. 2015 No. 309

“the Administration Regulations” means the Occupational Pension Schemes (Scheme Administration) Regulations (Northern Ireland) 1997⁽⁴⁾;

“the Disclosure Regulations” means the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations (Northern Ireland) 2014⁽⁵⁾.

(6) The Interpretation Act (Northern Ireland) 1954⁽⁶⁾ shall apply to these Regulations as it applies to an Act of the Assembly.

Amendment of the Administration Regulations

2. In regulation 23⁽⁷⁾ of the Administration Regulations (annual statement regarding governance)—

(a) in paragraph (1)—

(i) in sub-paragraph (c) for heads (i) and (ii) substitute—

“(i) state the level of charges and transaction costs applicable to each default arrangement during the scheme year;

(ii) state the levels of charges and transaction costs applicable to each fund which members are able to select and in which assets relating to members are invested during the scheme year;”;

(ii) after sub-paragraph (c) insert—

“(ca) include, in relation to the charges and transaction costs which trustees or managers are required to calculate in accordance with regulation 25⁽¹⁾(a)⁽⁸⁾, an illustrative example of the cumulative effect over time of the application of those charges and costs on the value of a member’s accrued rights to money purchase benefits;”;

(b) after paragraph (1) insert—

“(1A) In complying with the requirements imposed by paragraph (1)(c)(i) and (ii) and (ca), the trustees or managers must have regard to guidance prepared from time to time by the Department.”.

Amendment of the Disclosure Regulations

3.—(1) The Disclosure Regulations are amended in accordance with paragraphs (2) to (8).

(2) In regulation 4⁽¹⁾⁽⁹⁾ (application of the Regulations) after “and 25” insert “and, where the scheme is a relevant scheme within the meaning of the Occupational Pension Schemes (Scheme Administration) Regulations (Northern Ireland) 1997, regulation 29A⁽¹⁰⁾”.

(3) After regulation 12 (annual report) insert—

“Additional information available on request: pooled funds

12A.—(1) Where the scheme is a relevant scheme within the meaning of the Occupational Pension Schemes (Scheme Administration) Regulations (Northern Ireland) 1997, a statement containing the information listed in paragraph 35⁽¹¹⁾ of Schedule 3 must be given on request

(4) S.R. 1997 No. 94

(5) S.R. 2014 No. 79

(6) 1954 c. 33 (N.I.)

(7) Regulation 23 was added by regulation 17(1) of S.R. 2015 No. 309 and amended by regulation 5 of S.R. 2016 No. 192

(8) Regulation 25 was added by regulation 19 of S.R. 2015 No. 309

(9) Regulation 4 was amended by regulation 4 of S.R. 2015 No. 154

(10) Regulation 29A is inserted by regulation 3(6) of these Regulations

(11) Paragraph 35 is inserted by regulation 3(7) of these Regulations

to a member, or to a recognised trade union on behalf of the member, in accordance with this regulation.

(2) The statement must be given within 2 months of the date the request is made and it must be given in accordance with regulation 26.

(3) A statement is not required to be given where the request is made—

(a) less than 6 months after the last occasion on which information was given to or in respect of the member under this regulation, or

(b) by a recognised trade union unless it is relevant to the rights of a member who is in that recognised trade union.”.

(4) In regulation 26 (giving information and documents) after paragraph (4) insert—

“(4A) The provisions of paragraph (4) do not apply where regulation 29A applies to the information.”.

(5) In regulation 27(1) (provision of information on a website) for “Where a website” substitute “Except where regulation 29A provides otherwise, where a website”.

(6) After regulation 29 (giving information and documents in certain cases) insert—

“Publishing charges and transaction costs

29A.—(1) Where the scheme is a relevant scheme within the meaning of the Occupational Pension Schemes (Scheme Administration) Regulations (Northern Ireland) 1997, the information specified in paragraph (2) must be made publicly available free of charge on a website in accordance with this regulation.

(2) The specified information is the information which must be included in the most recent statement prepared under regulation 23 of those Regulations (annual statement regarding governance) in accordance with the following paragraphs of that regulation—

(a) paragraph (1)(a);

(b) paragraph (1)(c), and

(c) paragraph (1)(ca)(**12**).

(3) Where this regulation applies—

(a) a notification need not be given under regulation 27 in relation to the information on the website where information is given to the person in accordance with paragraph 5B(a)(**13**) of Schedule 6;

(b) the trustees or managers of the scheme must have regard to guidance prepared from time to time by the Department concerning the publication of the information.

(4) Where a person requests the trustees or managers of the scheme to provide the information referred to in paragraph (2) in hard copy form, the trustees or managers of the scheme must give that information to the person in hard copy form only where the trustees or managers are satisfied that it would be unreasonable for that person to obtain it from the website on which it is published.

(5) Where information is required to be given in hard copy form in accordance with paragraph (4), it must be given within 2 months of the date the request is made.”.

(7) In Schedule 3 (information to be given on request) after Part 5 (information that applies to the scheme) add—

(12) Sub-paragraph (ca) is inserted by regulation 2(a)(ii) of these Regulations

(13) Paragraph 5B is inserted by regulation 3(8) of these Regulations

“PART 6

Information to be given about pooled funds

35.—(1) A statement identifying in relation to the provision of money purchase benefits to the member—

- (a) the international securities identification number (“the ISIN”) allocated in accordance with ISO 6166 (1st edition) published by the International Organisation for Standardisation on 31st August 2013⁽¹⁴⁾ in relation to each collective investment scheme in which assets are directly invested on behalf of that member on the relevant date;
- (b) in the case of each unit-linked contract entered into by, or on behalf of, the trustees or managers which is in force on the relevant date in relation to that member, the ISIN (where present) relating to each collective investment scheme directly attributable to that contract, and
- (c) the name given by the manager of the collective investment scheme to the scheme to which an ISIN provided in accordance with head (a) or (b) relates.

(2) In this paragraph—

“collective investment scheme” has the meaning given in regulation 1(2) of the Occupational Pension Schemes (Investment) Regulations (Northern Ireland) 2005⁽¹⁵⁾;

“the relevant date” means—

- (a) the date the request is made under regulation 12A⁽¹⁶⁾, or
- (b) such earlier date as the trustees or managers of the scheme may specify which meets the following conditions—
 - (i) the date must be no more than 6 months before the date of the request, and
 - (ii) the trustees or managers of the scheme must be satisfied that the investment options in which the assets of the member were invested on the date specified are the same as those in which the member is invested on the date of the request.”.

(8) In Schedule 6⁽¹⁷⁾ (statements of benefits: money purchase benefits and cash balance benefits) in Part 1 (information for all money purchase members) after paragraph 5 insert—

“**5A.** Where the scheme is a relevant scheme within the meaning of the Occupational Pension Schemes (Scheme Administration) Regulations (Northern Ireland) 1997, details of how the member may obtain on request the information specified in paragraph 35 of Schedule 3.

5B. In relation to the information that must be published on a website in accordance with regulation 29A(2)—

- (a) the information specified in sub-paragraphs (a) to (d) of regulation 27(2), and
- (b) a statement explaining the circumstances in which the information will be provided on request in hard copy form.”.

⁽¹⁴⁾ ISBN 978 0 580 62836 8. Copies may be obtained from BSI Customer Services, 389 Chiswick High Road, London, W4 4AL or from <https://shop.bsigroup.com>

⁽¹⁵⁾ S.R. 2005 No. 569 to which there are amendments not relevant to these Regulations

⁽¹⁶⁾ Regulation 12A is inserted by regulation 3(3) of these Regulations

⁽¹⁷⁾ The heading to Schedule 6 was amended by regulation 73(7) of S.R. 2014 No. 204

Sealed with the Official Seal of the Department for Communities on 15th March 2018

(L.S.)

Anne McCleary
A senior officer of the Department for
Communities

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations impose obligations on trustees or managers of certain occupational pension schemes in relation to the disclosure of information about transaction costs and charges imposed on members by those schemes. These Regulations implement the duty on the Department for Communities (“the Department”) imposed by section 109 of the Pension Schemes (Northern Ireland) Act 1993 (“the 1993 Act”), as amended by section 43 of the Pensions Act (Northern Ireland) 2015 (“the 2015 Act”), to make regulations requiring the giving and publication of information about administration charges and transaction costs. In addition, they impose obligations concerning the disclosure of information about the pooled funds in which assets are invested by the scheme on behalf of members.

Regulation 1 deals with the coming into operation of these Regulations. In particular, it provides for these Regulations to come into operation from a later date in certain cases where the scheme year ends before 6th April 2018.

Regulation 2 amends regulation 23 of the Occupational Pension Schemes (Scheme Administration) Regulations (Northern Ireland) 1997 (“the Administration Regulations”) which relates to the annual statement regarding governance. The effect of the amendments is to require the trustees or managers of a relevant pension scheme to provide information, in so far as the information relates to the provision of money purchase benefits, about the level of costs and transaction charges applicable to each default arrangement and each fund which members are able to select and in which assets relating to members are invested during the scheme year. A relevant scheme is defined in regulation 1(2) of the Administration Regulations and (with certain exceptions) means an occupational pension scheme which provides money purchase benefits. The trustees or managers of the scheme are also required to provide an illustrative example of the compounding effect of such charges and transaction costs. In complying with these requirements, the trustees or managers must have regard to guidance published from time to time by the Department.

Regulation 3 amends the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations (Northern Ireland) 2014 (“the Disclosure Regulations”). The principal effect of these amendments is to require the trustees or managers of a relevant scheme to publish the information which must be included in the annual statement relating to the default arrangement and charges and transaction costs free of charge on a publicly available website (regulation 3(6)). This includes information about the extent to which the trustees or managers consider the charges and transaction costs represent good value for money. The information must be published in accordance with guidance published from time to time by the Department. It must, however, be given in hard copy form if the trustees or managers are satisfied that it would be unreasonable to require the person to obtain it via the website chosen by the trustees or managers of the scheme.

Regulation 3(3) inserts regulation 12A into the Disclosure Regulations and regulation 3(7) amends Schedule 3 to those Regulations to add to the information that trustees or managers of a relevant pension scheme are required to provide on request. In the case of a relevant scheme, it requires the international securities identification numbers (“the ISIN”) to be provided to members and recognised trade unions in relation to certain securities in which funds are invested by the scheme on behalf of the member to provide money purchase benefits.

Regulation 3(8) adds to the information that trustees or managers of a relevant scheme are required to include in an annual statement of money purchase benefits (see regulation 17 of, and Part 1 of Schedule 6 to, the Disclosure Regulations). It requires the trustees or managers to give the member

certain information about where the additional information required to be disclosed as a result of these Regulations can be obtained.

The Pensions (2015 Act) (Commencement No. 6) Order (Northern Ireland) 2018 (S.R. 2018 No. 41 (C. 4)) provides for the coming into operation of section 43 of the 2015 Act, which inserts section 109(5) to (7) into the 1993 Act, some of the enabling provisions under which these Regulations are made, on 9th March 2018.

The Pension Schemes (2016 Act) (Commencement No. 1) Order (Northern Ireland) 2018 (S.R. 2018 No. 43 (C. 5)) provides for the coming into operation of section 38(4) of the Pension Schemes Act (Northern Ireland) 2016, which inserts section 109(2A) into the 1993 Act, another of the enabling provisions under which these Regulations are made, on 9th March 2018.

An assessment of the impact of these Regulations is detailed in a Regulatory Impact Assessment, a copy of which is laid in the Business Office and the Library of the Northern Ireland Assembly and is also annexed to the Explanatory Memorandum which is available alongside this Statutory Rule on the website: <http://www.legislation.gov.uk/nisr>. Copies of the Assessment and the Guidance “Cost and charge reporting: guidance for trustees and managers of occupational schemes” are available from the Department for Communities, Social Security Policy and Legislation Division, Level 8, Causeway Exchange, 1-7 Bedford Street, Belfast BT2 7EG or from the website: <https://www.communities-ni.gov.uk/articles/pension-information>.