

These notes refer to the Pensions (2) Act (Northern Ireland) 2008 (c.13)

EXPLANATORY NOTES

PENSIONS (2) ACT (NORTHERN IRELAND) 2008

INTRODUCTION

BACKGROUND AND POLICY OBJECTIVES

CONSULTATION

OPTIONS CONSIDERED

OVERVIEW

COMMENTARY ON SECTIONS

PART 1 – PENSION SCHEME MEMBERSHIP FOR JOBHOLDERS

CHAPTER 1 – Employers’ Duties

Section 1: Jobholders

Section 2: Continuity of scheme membership

Section 3: Automatic enrolment

Section 4: Postponement of automatic enrolment

Section 5: Automatic re-enrolment

Section 6: Timing of automatic re-enrolment

Section 7: Jobholder’s right to opt in

Section 8: Jobholder’s right to opt out

Section 9: Workers without qualifying earnings

Section 10: Information to be given to workers

Section 11: Information to be given to the Pensions Regulator

Section 12: Introduction of employers' duties

Section 13: Qualifying earnings

Section 14: Review of qualifying earnings band

Section 15: Pay reference period

Section 16: Qualifying schemes

Section 17: Automatic enrolment schemes

Section 18: Occupational pension schemes

Section 19: Personal pension schemes

Section 20: Quality requirement: UK money purchase schemes

Section 21: Quality requirement: UK defined benefits schemes

Section 22: Test scheme standard

Section 23: Test scheme

Section 24: Quality requirement: UK hybrid schemes

Section 25: Quality requirement: non-UK occupational pension schemes

Section 26: Quality requirement: UK personal pension schemes

Section 27: Quality requirement: other personal pension schemes

Section 28: Sections 20, 24 and 26: certification that quality requirement is satisfied.

Section 29: Transitional periods for money purchase and personal pension schemes

Section 30: Transitional period for defined benefits and hybrid schemes

Section 31: Effect of freezing order or assessment period

Section 32: Power of trustees to modify by resolution

Section 33: Deduction of contributions

CHAPTER 2 – Compliance

Section 34: Effect of failure to comply

Section 35: Compliance notices

Section 36: Third party compliance notices

Section 37: Unpaid contributions notices

Section 38: Calculation and payment of contributions

Section 39: Meaning of “relevant contributions”

Section 40: Fixed penalty notices

Section 41: Escalating penalty notices

Section 42: Penalty notices: recovery

Section 43: Review of notices

Section 44: References to the Pensions Regulator Tribunal

Section 45: Offences of failing to comply

Section 46: Offences by bodies corporate

Section 47: Offences by partnerships and unincorporated associations

Section 48: Offences of providing false or misleading information

Section 49: Monitoring of employers’ payments to personal pension schemes

CHAPTER 3 - Safeguards: Employment and pre-employment

Section 50: Prohibited recruitment conduct

Section 51: Compliance notices

Section 52: Penalty notices

Section 53: Review of notices and references to the Pensions Regulator Tribunal

Section 54: Inducements

Section 55: The right not to suffer detriment

Section 56: Enforcement of the right

Section 57: Right of employee not to be unfairly dismissed

Section 58: Restrictions on agreements to limit operation of this Part

CHAPTER 4 – Supplementary provision about compliance and information-sharing

Section 59: Requirement to keep records

Section 60: Powers to require information and to enter premises

Section 61: Disclosure of tax information

Section 62: Penalty for disclosure

Section 63: Objectives of the Regulator

Section 64: Functions of the Pensions Ombudsman

CHAPTER 5 – Personal Accounts Delivery Authority

Section 65: Functions and winding up

Section 66: Principles

Section 67: Directions and guidance

Section 68: Disclosure of information by the Pensions Regulator

CHAPTER 6 – Stakeholder Pension Schemes

Section 69: Stakeholder pension schemes

CHAPTER 7 – Application and interpretation

Section 70: “Employer”, “worker” and related expressions

Section 71: Agency workers

Section 72: Directors

Section 73: Crown employment

Section 74: Armed Forces

Section 75: Police

Section 76: Persons working on vessels

Section 77: Extension of definition of worker

Section 78: Interpretation of Part

PART 2 - SIMPLIFICATION

Section 79: Abolition of safeguarded rights

Section 80: Revaluation of accrued benefits

Section 81: Consolidation of additional pension

Section 82: Effect of entitlement to guaranteed minimum pension

Section 83: Additional State Pension : minor and consequential amendments

Section 84: State pension credit: extension of assessed income period for those aged 75 or over

Section 85: Contracting-out: abolition of all protected rights

PART 3 – PENSION COMPENSATION

Chapter 1 - Pension compensation on divorce

Section 86: Scope of mechanism

Section 87: Interpretation

Section 88: Activation of pension compensation sharing

Section 89: Creation of pension compensation debits and credits

Section 90: Cash equivalents

Section 91: Reduction of compensation

Section 92: Time for discharge of liability

Section 93: “Implementation period”

Section 94: Discharge of liability

Section 95: Charges in respect of pension compensation sharing costs

Section 96: Supply of information about pension compensation in relation to divorce

Section 97: Supply of information about pension compensation sharing

Section 98: Pension compensation sharing and attachment on divorce

Chapter 2 – other provision about pension compensation

Section 99: Charges in respect of pension sharing

Section 100: Amendments of Schedule 6 to the Pensions (Northern Ireland) Order 2005

Section 101: Consequential amendments

PART 4 – ADDITIONAL PENSIONS

Section 102: Additional pension: upper accrual point to replace upper earnings limit from 2009-10.

PART 5 - MISCELLANEOUS

Section 103: Amendments of provisions of the 2005 Order relating to contribution notices or financial support directions.

Section 104: Interest on late payment of levies

Section 105: Payments to employers

Section 106: Appointment of trustees

Section 107: Intervention by the Regulator where scheme's technical provisions improperly determined

Section 108: Delegation of powers by the Regulator

Section 109: Exclusion of transfers out in certain cases

Section 110: Official pensions: adjustment of increases in survivors' pensions

Section 111: Disclosure of information relating to state pension credit recipients

PART 6 – GENERAL

Section 112: Orders and regulations

Section 113: Orders and regulations: supplementary

Section 114: Further provision

Section 115: Pre-consolidation amendments

Section 116: Repeals

Section 117: Interpretation

Section 118: Commencement

Section 119: Short title

Schedule 1: Revaluation of accrued benefits

PART 1

PART 2

PART 3

Schedule 2: Additional Pension Consolidation

Schedule 3: Additional State Pension : minor and consequential amendments

Schedule 4: Pension compensation payable on discharge of pension
compensation credit

**PART 2: TRANSFEREE ATTAINS PENSION COMPENSATION
AGE BEFORE OR ON TRANSFER DAY**

**PART 3: TRANSFEREE ATTAINS PENSION COMPENSATION
AGE AFTER TRANSFER DAY**

**PART 4: PROVISIONS APPLICABLE IRRESPECTIVE OF AGE
ON TRANSFER DAY**

Schedule 5: Pension compensation on divorce

Schedule 6: Amendments of Schedule 6 to the Pensions (Northern Ireland)
Order 2005

Schedule 7: Additional Pension: Consequential Amendments

Schedule 8: Contribution notices and financial support directions under 2005
Order

Schedule 9: Interest on late payment of levies

These notes refer to the Pensions (2) Act (Northern Ireland) 2008 (c.13)

Schedule 10: Repeals

HANSARD REPORTS