

*These notes refer to the Superannuation Act (Northern Ireland)
2013 (c.1) which received Royal Assent on 9 January 2013*

Superannuation Act (Northern Ireland) 2013

EXPLANATORY NOTES

INTRODUCTION

1. **These Explanatory Notes relate to the Superannuation Act (Northern Ireland) 2013 which received Royal Assent on 9 January 2013. They have been prepared by the Department of Finance and Personnel in order to assist the reader in understanding the Act. They do not form part of the Act and have not been endorsed by the Assembly.**
2. **The notes need to be read in conjunction with the Act. They are not, and are not meant to be, a comprehensive description of the Act. So where a section or part of a section or Schedule does not seem to require any explanation or comment, none is given.**

BACKGROUND AND POLICY OBJECTIVES

3. **The Department of Finance and Personnel has authority under the provisions of the Superannuation (Northern Ireland) Order 1972 to make, maintain and amend pension and compensation schemes for Northern Ireland civil servants and other employments listed at Schedule 1 to the Superannuation (Northern Ireland) Order 1972.**
4. **The Act removes the requirement which currently exists in the Superannuation (Northern Ireland) Order 1972 whereby the Department of Finance and Personnel must secure the consent of trade unions to introduce detrimental changes to the Civil Service Compensation Scheme (Northern Ireland). The Act also introduces new requirements for the Department of Finance and Personnel to report on the consultation it has engaged in with trade unions with the aim of reaching agreement on detrimental changes. Under the new requirement the Department must lay a report before the Assembly describing the consultation processes it has undertaken on proposed changes which would have the effect of reducing the level of compensation payable to civil servants on redundancy.**
5. **The Superannuation Act 2010 removed the requirement in the Superannuation Act 1972 for trade union consent to detrimental changes to the compensation scheme for the Home Civil Service in Great Britain.**

CONSULTATION

6. **The Department of Finance and Personnel consulted with civil service unions at the Pension Forums which commenced on 25 October 2011.**

OVERVIEW

7. **The Act consists of 4 sections. The sections are:**

Section 1: Consents required for civil service compensation scheme modifications.

Section 2: Consultation in relation to civil service compensation scheme modifications.

Section 3: Interpretation

Section 4: Short title and commencement

COMMENTARY ON SECTIONS

Section 1: Consents required for civil service compensation scheme modifications.

This section removes the requirement in Article 4 of the Superannuation (Northern Ireland) Order 1972 to obtain the consent of civil service trade unions for reductions in benefits provided under the Civil Service Compensation Scheme (Northern Ireland). The removal of this requirement does not apply to benefits provided in respect of an exit which is the consequence of a notice of dismissal given, or an agreement made, before the scheme making the reductions comes into effect. (See subsections (1) to (3)).

Subsection (4) provides that the removal of the requirement for trade union consent applies to reductions given effect by a scheme made after the coming into force of section 1.

Subsections (5) and (6) provide that where a scheme under Article 3 of the Superannuation (Northern Ireland) Order 1972 is made after the time when this section comes into force and consultation on the proposed scheme took place before that time, the fact that the amendments made by this section were not in force when the consultation took place does not affect whether the consultation met the requirements of Article 3(2) of that Order. In other words, that consultation is not to be regarded as ineffective just because the amendments were not yet the law when it took place.

Section 2: Consultation in relation to civil service compensation scheme modifications.

This section augments the requirement on the Department of Finance and Personnel to carry out consultation with the civil service trade unions, through amendment of Article 4 of the Superannuation (Northern Ireland)

Order 1972. It also subjects any scheme, which would have the effect of reducing the amount of a compensation benefit, to negative resolution.

Subsection (2) has the effect of requiring the Department of Finance and Personnel to consult with a view to reaching agreement on any provision of a scheme made under Article 3 of the 1972 Order that would reduce the amount of a compensation benefit. ('Compensation benefit' is defined in the new Article 4(3B) of the 1972 Order inserted by [section 1\(3\)](#)).

Subsection (3) introduces a requirement for the Department of Finance and Personnel to lay before the Assembly a report on the consultation relating to such a provision before the scheme comes into operation, and specifies what that report must include. It also subjects any such scheme to the negative resolution Assembly control procedure.

Subsection (4) provides that the changes made by [section 2](#) in relation to consultation apply to reductions given effect by a scheme made after the coming into force of [section 2](#).

Section 3: Interpretation

This section states that in the Act "the 1972 Order" means the Superannuation (Northern Ireland) Order 1972.

Section 4: Short title and commencement

This section sets out the title of the Act and when the provisions of the Act come into force.

HANSARD REPORTS

8. The following table sets out the dates of the Hansard reports for each stage of the Act's passage through the Assembly.

<i>Stage</i>	<i>Date</i>
Introduction of the Act to the Committee for Finance and Personnel	7 March 2012
Introduction to the Assembly	12 March 2012
Second Stage debate	26 March 2012
Committee Stage – evidence from Trade Union Officials	27 March 2012
Committee Stage-evidence from Equality Commission for Northern Ireland and Northern Ireland Human Rights Commission	9 May 2012
Committee Stage – evidence from Trade Union Officials	4 July 2012

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<i>Stage</i>	<i>Date</i>
Committee Stage – evidence from Department of Finance and Personnel Officials	4 July 2012
Committee Stage – evidence from Department of Finance and Personnel Officials	5 September 2012
Committee Stage – consideration of all Sections	12 September 2012
Committee’s report on the Act – Report number NIA 73/11-15	26 September 2012
Consideration Stage in the Assembly	22 October 2012
Further Consideration Stage	6 November 2012
Final Stage	19 November 2012
Royal Assent	9 January 2013