

These notes refer to the Public Service Pensions Act (Northern Ireland) 2014 (c.2) which received Royal Assent on 11 March 2014

Public Service Pensions Act (Northern Ireland) 2014

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Public body pension schemes

Section 31: New public body pension schemes

There are defined benefits pension schemes for those in public service aside from the main schemes for civil servants, local government workers, health service workers, teachers, police, fire and rescue services, and devolved judiciary.

These are pension schemes run for the staff and office holders of non-departmental public bodies, arms-length bodies and similar bodies and offices ('public bodies').

Where it is not possible or appropriate for these schemes to be reformed by moving the staff and office holders into one of the new schemes established under section 1 of the Act, public bodies may be allowed to reform their current schemes or to set up new bespoke pension schemes along reformed lines. This section deals with the latter situation.

The section imposes constraints on the design of new pension schemes that may be created under the power in section 32 for those bodies and offices whose pension schemes are restricted for future accrual and whose members cannot join one of the schemes established under section 1. It also governs the design of pension schemes that are set up in the future or established under future legislation for public bodies (unless future legislation makes specific, different provision).

Subsection (1) identifies the provisions of the Act which apply to new public body pension schemes. These provisions ensure that such schemes contain the same core design, cost control and governance features of the schemes established under section 1.

Subject to that, the rules of such schemes can make such provision as the public authority establishing the scheme considers appropriate, because section 3(1) is applied to them by this subsection.

Subsection (2) clarifies that where the provisions identified in subsection (1) apply to a new public body, references to scheme regulations in those provisions are to be read as references to the rules of the scheme; and references to the responsible authority are to be read as references to the public authority which established the scheme.

Subsection (3) requires the Department of Finance and Personnel to consent to the establishment of a new public body pension scheme after this section is commenced, or the subsequent variation of the rules of such a scheme.

Subsection (4) sets out the meaning of ‘public body pension scheme’ and ‘new public body pension scheme’.