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STATUTORY INSTRUMENTS

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**1999 No. 3147**

**The Welfare Reform and Pensions  
(Northern Ireland) Order 1999**

**PART III**

**PENSIONS: GENERAL**

*Miscellaneous*

**Compensating occupational pension schemes**

**16.**—(1) In paragraph (1)(d) of Article 79 of the Pensions Order (compensation not payable by the Pensions Compensation Board unless assets of salary related trust scheme worth less than 90 per cent. of its liabilities), for “90 per cent. of the amount of the liabilities of the scheme” there shall be substituted “the protection level”.

(2) After paragraph (2) of that Article there shall be inserted—

“(2A) In paragraph (1)(d) “the protection level” means the aggregate of—

- (a) the amount of the liabilities of the scheme to, or in respect of, its pensioner members and such other of its members as fall within a prescribed class or description,
- (b) 90 per cent. of the amount of the liabilities of the scheme to, or in respect of, any other members of the scheme, and
- (c) the amount of the liabilities of the scheme which are not liabilities to, or in respect of, its members;

and references in this paragraph to liabilities to, or in respect of, members of the scheme are references to liabilities in respect of pensions or other benefits.”.

(3) Article 81 of that Order (amount of compensation) shall be amended as follows.

(4) In paragraph (3)(a) (compensation not to exceed 90 per cent. of shortfall), the words “90 per cent. of” shall be omitted.

(5) In paragraph (3)(b) (compensation not to cause value of salary-related trust scheme’s assets to exceed 90 per cent. of amount of its liabilities), for the words from “90 per cent.” onwards there shall be substituted “the aggregate of the protected liabilities”.

(6) After paragraph (3) there shall be added—

“(4) In paragraph (3) “the protected liabilities” means—

- (a) the amount on the settlement date of the liabilities of the scheme to, or in respect of, its pensioner members and such other of its members as fall within a prescribed class or description,
- (b) 90 per cent. of the amount on that date of the liabilities of the scheme to, or in respect of, any other members of the scheme, and

(c) the amount on that date of the liabilities of the scheme which are not liabilities to, or in respect of, its members;  
and references in this paragraph to liabilities to, or in respect of, members of the scheme are to liabilities in respect of pensions or other benefits.”.

**Miscellaneous amendments**

**17.** Schedule 2 (which contains amendments of the law relating to pensions) shall have effect.