Pensions (No. 2) Act (Northern Ireland) 2008

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

PART 1 – Pension Scheme Membership for Jobholders

CHAPTER 7 – Application and interpretation

Section 70: "Employer", "worker" and related expressions

This section defines the terms "employer", "worker" and other related expressions for Part 1 of the Act.

Section 71: Agency workers

This section provides that agency workers, who would not otherwise fall within the definition of "worker", are considered as workers for the purposes of the employer duty (automatic enrolment, automatic re-enrolment and opting in). The agency will be the relevant "employer" for agency workers for the purposes of the employer duty, or as a fall-back, either the agent or principal responsible for paying the worker, or if that cannot be determined, whichever one actually pays the worker.

Section 72: Directors

This section specifies the circumstances in which a company director is a worker for the purposes of this Part.

Section 73: Crown employment

Section 74: Armed Forces

Section 75: Police

These sections clarify how the provisions in Part 1 of the Act impact on some specific types of worker or employer.

Sections 73 and 75 set out specific classes of people who fall to be treated as workers for the purposes of these provisions. As such, the employer duty will apply to these specific groups in the same way as it applies in relation to other employment and other workers. The only exception is for employment by

or under the Crown, where there is no criminal liability placed on the Crown. However, the Pensions Regulator is enabled to apply to the High Court for a declaration that there has been a failure by the Crown to comply with duties in *section* 45(1) which, although not giving rise to criminal liability, is unlawful.

Section 74 sets out the specific exclusion of the armed forces from these provisions.

Section 76: Persons working on vessels

Section 76 initially excludes all persons employed in any capacity on board a ship from the provisions of the Act. This is subject to the power of the Secretary of State to make affirmative regulations under section 96 of the Pensions Act 2008 setting out those persons employed on a ship who will be included under this Part or the Pensions Act 2008.

Section 77: Extension of definition of worker

This section provides that the definition of "worker" may be extended to include individuals who are not currently caught. Such individuals would be deemed to be subject to a worker's contract of a prescribed kind and working for a person of a prescribed description, who would be deemed to be the employer for the purposes of automatic enrolment.

Section 78: Interpretation of Part

This section sets out the meaning of particular words and phrases used throughout this Part.