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*Changes to legislation: Pensions (No. 2) Act (Northern Ireland) 2008, Cross Heading: Transitional is up to date with all changes known to be in force on or before 17 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)*



## 2008 CHAPTER 13

### PART 1

#### PENSION SCHEME MEMBERSHIP FOR JOBHOLDERS

##### CHAPTER 1

##### EMPLOYERS' DUTIES

###### *Transitional*

#### **Transitional periods for money purchase and personal pension schemes**

**29.—**(1) During the first transitional period <sup>F1</sup>...—

- (a) sections 20(1)(b) and 26(4)(b) have effect as if for “3%” there were substituted “ 1% ”;
- (b) sections 20(1)(c) and 26(5)(b) have effect as if for “8%” there were substituted “ 2% ”.

(2) The first transitional period is a prescribed period of at least one year, beginning with the coming into operation of section 20.

(3) During the second transitional period <sup>F2</sup>...—

- (a) sections 20(1)(b) and 26(4)(b) have effect as if for “3%” there were substituted “ 2% ”;
- (b) sections 20(1)(c) and 26(5)(b) have effect as if for “8%” there were substituted “ 5% ”.

(4) The second transitional period is a prescribed period of at least one year, beginning with the end of the first transitional period.

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#### Textual Amendments

- F1** Words in s. 29(1) omitted (16.7.2015) by virtue of [Pensions Act \(Northern Ireland\) 2015 \(c. 5\), ss. 38\(5\), 53\(1\); S.R. 2015/307, art. 2\(1\)\(d\)](#)
- F2** Words in s. 29(3) omitted (16.7.2015) by virtue of [Pensions Act \(Northern Ireland\) 2015 \(c. 5\), ss. 38\(5\), 53\(1\); S.R. 2015/307, art. 2\(1\)\(d\)](#)

#### Commencement Information

- I1** S. 29 partly in force; s. 29 in force for certain purposes at Royal Assent see s. 118(2)
- I2** S. 29 in operation at 30.6.2012 in so far as not already in operation by [S.R. 2012/266, art. 2, Sch. Pt. 1](#)

### Transitional period for defined benefits and hybrid schemes

**30.—(1)** Subsection (3) applies if, in relation to a person who on the employer's first enrolment date is a jobholder to whom section 3 applies, the conditions in subsection (2) are satisfied, and continue to be satisfied during the transitional period for defined benefits and hybrid schemes.

(2) The conditions are that—

- (a) the jobholder has been employed by the employer for a continuous period beginning before the employer's first enrolment date,
- (b) at a time in that period before the employer's first enrolment date, the jobholder became entitled to become an active member of a defined benefits scheme or [<sup>F3</sup>a defined benefits member of a hybrid scheme],
- (c) the jobholder is, and has always since that time been, entitled to become an active member of a defined benefits scheme or [<sup>F4</sup>a defined benefits member of a hybrid scheme], and
- (d) the scheme to which that entitlement relates is a qualifying scheme, and any scheme to which it has related on or after the employer's first enrolment date has been a qualifying scheme.

(3) [<sup>F5</sup>If by the end of the prescribed period the employer has given the jobholder notice that the employer intends to defer automatic enrolment until the end of the transitional period for defined benefits and hybrid schemes ], section 3 has effect in relation to the jobholder with the substitution for subsection (2) of the following subsection—

“(2) The employer must make prescribed arrangements by which the jobholder becomes

- [<sup>F6</sup>(a)] an active member, with effect from the end of the transitional period for defined benefits and hybrid schemes, of an automatic enrolment scheme which is a defined benefits scheme [<sup>F7</sup>, or

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- (b) a defined benefits member, with effect from the end of that period, of an automatic enrolment scheme which is a hybrid scheme.”]

[<sup>F8</sup>A reference in this subsection to a scheme does not include a scheme to which section 30(11)(a) or (b) applies.]

(4) If [<sup>F9</sup>a notice is given under subsection (3) and at any later time] in the transitional period for defined benefits and hybrid schemes the condition in subsection (2)(c) or (d) ceases to be satisfied, subsection (5) applies instead of subsection (3) (and the day after the last day on which that condition is satisfied is referred to as “the closure date”).

(5) Where this subsection applies, section 3 has effect in relation to the jobholder with the substitution for subsection (2) of the following subsection—

“(2) The employer must make prescribed arrangements by which the jobholder either—

- (a) becomes an active member, with effect from the closure date, of an automatic enrolment scheme which is a defined benefits scheme [<sup>F10</sup>other than a scheme to which section 30(11)(a) applies] or

[<sup>F11</sup>(aa) becomes a defined benefits member, with effect from the closure date of an automatic enrolment scheme which is a hybrid scheme [<sup>F12</sup>other than a scheme to which section 30(11)(b) applies] ;]

- (b) becomes an active member, with effect from the automatic enrolment date, of an automatic enrolment scheme which is a money purchase scheme [<sup>F13</sup>or personal pension scheme].

[<sup>F14</sup>(c) becomes a money purchase member, with effect from the automatic enrolment date, of an automatic enrolment scheme which is a hybrid scheme.]

[<sup>F15</sup>(d) becomes an active member, with effect from the automatic enrolment date, of an automatic enrolment scheme which is a defined benefits scheme to which section 30(11)(b) applies, or

- (e) becomes a defined benefits member, with effect from the automatic enrolment date, of an automatic enrolment scheme which is a hybrid scheme to which section 30(11)(b) applies.”]

(6) If the jobholder becomes a member of a scheme under arrangements made under subsection (2)(b) of that section (as substituted by subsection (5))—

- (a) the employer's contributions are payable with effect from the automatic enrolment date;
- (b) any requirement of the scheme <sup>F16</sup>... for contributions to be payable by the jobholder does not apply in respect of the period of the jobholder's membership before the closure date;
- (c) regulations made for the purposes of section 3(2)(b) must secure that the jobholder may pay, within a period prescribed by the regulations, any

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contributions which would have been payable by the jobholder but for paragraph (b) of this subsection.

(7) Where subsection (3) or (5) [<sup>F17</sup>applies—

(a) section] 3(3) and (4) applies as if references to the automatic enrolment date were references to the [<sup>F18</sup>day with effect from which] arrangements would by virtue of this section fall to be made in respect of the jobholder.

[<sup>F19</sup>(b) section 4 applies as if—

(i) the reference in subsection (1) to the employer's staging date were a reference to the employer's first enrolment date;

(ii) in that subsection, for “the worker's automatic enrolment date is the deferral date” there were substituted “ the day with effect from which arrangements fall to be made by virtue of section 30 in respect of the jobholder is changed to the deferral date ”;

(iii) in subsections (4) to (6), references to the starting day were references to the day with effect from which arrangements would by virtue of this section fall to be made in respect of the jobholder.]

[<sup>F20</sup>(c) section 5(2) does not apply in relation to an automatic re-enrolment date that falls before the day with effect from which arrangements would by virtue of this section fall to be made in respect of the jobholder.]

[<sup>F21</sup>(7A) The Department may by regulations make provision about the form and content of a notice under subsection (3).]

(8) The transitional period for defined benefits and hybrid schemes is a prescribed period beginning with the day on which section 3 comes into operation.

(9) In this section, the “employer's first enrolment date” means the first day on which section 3 applies in the case of the employer (where that day falls within the transitional period for defined benefits and hybrid schemes).

[<sup>F22</sup>(10) For the purposes of this section—

(a) a person is a “money purchase member” of a hybrid scheme if—

(i) the person is an active member of the scheme, and

(ii) all the benefits accruing in respect of his or her membership are money purchase benefits, and

(b) a person is a “defined benefits member” of a hybrid scheme if the person is an active member of the scheme other than a money purchase member.]

[<sup>F23</sup>(11) In subsection (2) references to a scheme do not include—

(a) a defined benefits scheme that satisfies the quality requirement in relation to the jobholder by reason only of section 23A(1)(a), or

(b) a hybrid scheme if—

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- (i) the appropriate paragraph of section 24(1) for any provisions of the scheme is paragraph (b) (those provisions are referred to below as “the defined benefits section”),
- (ii) the defined benefits section satisfies section 23A(1)(a) as applied by section 24(1)(b), and
- (iii) the defined benefits section does not satisfy any of the other requirements mentioned in section 24(1)(b).]

#### Textual Amendments

- F3** Words in s. 30(2)(b) substituted (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\), ss. 39\(2\), 53\(1\); S.R. 2015/307, art. 2\(1\)\(e\)](#)
- F4** Words in s. 30(2)(c) substituted (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\), ss. 39\(2\), 53\(1\); S.R. 2015/307, art. 2\(1\)\(e\)](#)
- F5** Words in s. 30(3) substituted (2.6.2012 for specified purposes, 30.6.2012 in so far as not already in operation) by [Pensions Act \(Northern Ireland\) 2012 \(c. 3\), ss. 15\(2\), 34\(1\)\(3\); S.R. 2012/265, art. 2\(1\)\(d\)](#)
- F6** Word in s. 30(3) (in the substituted ss. (2)) inserted (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\), ss. 39\(3\)\(a\), 53\(1\); S.R. 2015/307, art. 2\(1\)\(e\)](#)
- F7** Words in s. 30(3) (in the substituted ss. (2)) substituted (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\), ss. 39\(3\)\(b\), 53\(1\); S.R. 2015/307, art. 2\(1\)\(e\)](#)
- F8** Words in s. 30(3) inserted (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\), ss. 38\(7\), 53\(1\); S.R. 2015/307, art. 2\(1\)\(d\)](#)
- F9** Words in s. 30(4) substituted (2.6.2012 for specified purposes, 30.6.2012 in so far as not already in operation) by [Pensions Act \(Northern Ireland\) 2012 \(c. 3\), ss. 15\(3\), 34\(1\)\(3\); S.R. 2012/265, art. 2\(1\)\(d\)](#)
- F10** Words in s. 30(5) (in the substituted ss. (2)) inserted (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\), ss. 38\(8\)\(a\), 53\(1\); S.R. 2015/307, art. 2\(1\)\(d\)](#)
- F11** Words in s. 30(5) (in the substituted ss. (2)) substituted (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\), ss. 39\(4\)\(a\), 53\(1\); S.R. 2015/307, art. 2\(1\)\(e\)](#)
- F12** Words in s. 30(5) (in the substituted ss. (2)) inserted (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\), ss. 38\(8\)\(b\), 53\(1\); S.R. 2015/307, art. 2\(1\)\(d\)](#)
- F13** Words in s. 30(5) (in the substituted ss. (2)) inserted (2.6.2012 for specified purposes, 30.6.2012 in so far as not already in operation) by [Pensions Act \(Northern Ireland\) 2012 \(c. 3\), ss. 16\(2\), 34\(1\)\(3\); S.R. 2012/265, art. 2\(1\)\(e\)](#)
- F14** Words in s. 30(5) (in the substituted ss. (2)) inserted (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\), ss. 39\(4\)\(b\), 53\(1\); S.R. 2015/307, art. 2\(1\)\(e\)](#)
- F15** Words in S. 30(5) (in the substituted ss. (2)) inserted (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\), ss. 38\(8\)\(c\), 53\(1\); S.R. 2015/307, art. 2\(1\)\(d\)](#)
- F16** Words in s. 30(6)(b) omitted (2.6.2012 for specified purposes, 30.6.2012 in so far as not already in operation) by virtue of [Pensions Act \(Northern Ireland\) 2012 \(c. 3\), ss. 16\(3\), 34\(1\)\(3\); S.R. 2012/265, art. 2\(1\)\(e\)](#)

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- F17** Words in s. 30(7) substituted (2.6.2012 for specified purposes, 30.6.2012 in so far as not already in operation) by [Pensions Act \(Northern Ireland\) 2012 \(c. 3\)](#), **ss. 7(6)(a)**, 34(1)(3); [S.R. 2012/265](#), art. 2(1)(b)
- F18** Words in s. 30(7) substituted (2.6.2012 for specified purposes, 30.6.2012 in so far as not already in operation) by [Pensions Act \(Northern Ireland\) 2012 \(c. 3\)](#), **ss. 7(6)(b)**, 34(1)(3); [S.R. 2012/265](#), art. 2(1)(b)
- F19** S. 30(7)(b) added (2.6.2012 for specified purposes, 30.6.2012 in so far as not already in operation) by [Pensions Act \(Northern Ireland\) 2012 \(c. 3\)](#), **ss. 7(6)(c)**, 34(1)(3); [S.R. 2012/265](#), art. 2(1)(b)
- F20** S. 30(7)(c) inserted (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\)](#), **ss. 36(3)**, 53(1); [S.R. 2015/307](#), art. 2(1)(b)
- F21** S. 30(7A) inserted (2.6.2012 for specified purposes, 30.6.2012 in so far as not already in operation) by [Pensions Act \(Northern Ireland\) 2012 \(c. 3\)](#), **ss. 15(4)**, 34(1)(3); [S.R. 2012/265](#), art. 2(1)(d)
- F22** S. 30(10) inserted (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\)](#), **ss. 39(5)**, 53(1); [S.R. 2015/307](#), art. 2(1)(e)
- F23** S. 30(11) added (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\)](#), **ss. 38(9)**, 53(1); [S.R. 2015/307](#), art. 2(1)(d)

#### **Modifications etc. (not altering text)**

- C1** S. 30(5)-(7) applied (with modifications) (conditional) (16.7.2015) by [Pensions Act \(Northern Ireland\) 2015 \(c. 5\)](#), **ss. 39(7)**, 53(1); [S.R. 2015/307](#), art. 2(1)(e)

#### **Commencement Information**

- I3** S. 30 partly in force; s. 30 in force for certain purposes at Royal Assent see s. 118(2)
- I4** S. 30 in operation at 30.6.2012 in so far as not already in operation by [S.R. 2012/266](#), art. 2, [Sch. Pt. 1](#)

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