



2012 CHAPTER 3

Part 2

Automatic Enrolment

Test scheme standard for schemes that produce sum of money for provision of benefits

12.—(1) In section 22 of the Pensions (No. 2) Act (Northern Ireland) 2008 (test scheme standard) after subsection (7) add—

“(8) In the case of a scheme under which a sum of money is made available for the provision of benefits to a relevant member, references in this section to pensions are to be read as references to such sums.”.

(2) For section 23 of the Pensions (No. 2) Act (Northern Ireland) 2008 (test scheme) substitute—

“23 Test scheme

- (1) A test scheme is an occupational pension scheme which satisfies—
 - (a) the requirement in subsection (2),
 - (b) the requirement in subsection (4) or requirements prescribed under subsection (6) (as appropriate), and
 - (c) any further requirements that are prescribed.
- (2) The scheme must either—
 - (a) provide for a member to be entitled to a pension commencing at the appropriate age and continuing for life, or

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Changes to legislation: There are currently no known outstanding effects for the Pensions Act (Northern Ireland) 2012, Section 12. (See end of Document for details)

- (b) provide for a sum of money to be made available for the provision of benefits to a member commencing at the appropriate age and continuing for life.
- (3) The appropriate age is 65 or any higher age prescribed.
- (4) In the case of a scheme that provides entitlement to a pension as mentioned in subsection (2)(a), the annual rate of the pension at the appropriate age must be—
- (a) $\frac{1}{120}$ th of average qualifying earnings in the last three tax years preceding the end of pensionable service,
- multiplied by
- (b) the number of years of pensionable service, up to a maximum of 40.
- (5) Section 13(1) (qualifying earnings) applies for the purposes of subsection (4) as if the reference to a pay reference period were a reference to a tax year.
- (6) In the case of a scheme that provides for a sum of money to be made available as mentioned in subsection (2)(b), regulations must prescribe requirements relating to that sum.”.

Commencement Information

- I1** [S. 12](#) partly in operation; [s. 12](#) in operation for certain purposes at 2.6.2012 see [s. 34\(1\)](#)
- I2** [S. 12](#) in operation at 30.6.2012 in so far as not already in operation by [S.R. 2012/265](#), [art. 2\(1\)\(c\)](#)

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