

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

Administration

Section 14: Information about benefits

Section 14 provides for scheme regulations to require scheme managers (for defined benefit schemes under section 1) to provide active pension scheme members with benefit information statements in accordance with the requirements of this section.

Subsection (2) sets out the matters that must be included in benefit information statements. Such statements would need to include details of the pension benefits that the person had earned in the scheme and any other information specified in a Department of Finance and Personnel directions.

Subsections (2)(b), (3) and (6) provide for Department of Finance and Personnel directions to specify requirements as to the information to be included, how that information is presented, and how that information is to be provided. The purpose of these directions is to ensure members of all pension schemes are provided with clear and comprehensive information to enable them to understand their pension benefits.

Subsections (4) and (5) set out when such statements must be provided.

Under section 17 of and Schedule 4 to the Act the Pensions Regulator has a role in overseeing the provision of benefit information statements. Benefit information statements are listed under paragraph 14 of Schedule 4 as a matter on which the Regulator must issue a code of practice. Additionally, they are also matters on which the Regulator can take enforcement action should schemes fail to comply with their duties.

This section also applies to new schemes set up for other public bodies (see section 31(1) (new public body pension schemes)).

Section 15: Information about schemes

Section 15 is concerned with the collection and publication of information about schemes under section 1. It allows the Department of Finance and Personnel to direct schemes to publish information or to provide information to the Department of Finance and Personnel, and to specify how and when that information is to be published or produced.

The purpose of this section is to improve the transparency of public service pension schemes. It is intended to be used to ensure that information is publicly available to allow comparisons to be made across schemes on: their financial position; costs to members and other taxpayers; their assets and liabilities (including how those are managed); membership demographics; and administration and governance standards. It is intended to allow for matters such as the format, methodology and data to be included in published information to be set centrally and applied consistently across all of the public service schemes governed by the Act. This is intended to ensure that information is produced to common standards and timing, which will make it easier to compare public service pension scheme information and for members and taxpayers to hold schemes to account.

Responsible authorities will continue to be able to publish information independently. This section is also intended to allow the Department of Finance and Personnel to collect centrally all of the information it requires to carry out its functions under the Act; for example, the setting of valuations methodologies under section 11.

Subsection (1) allows the Department of Finance and Personnel to direct scheme managers or a responsible authority to publish information themselves or to provide it to the Department of Finance and Personnel. Information provided to the Department of Finance and Personnel may be collated and published centrally.

Subsection (2) explains that the information referred to in subsection (1) relates to information about the scheme itself and other statutory schemes that are connected with it.

Subsection (3) gives example of the types of information which schemes may be directed to publish or provide. It includes, for example, scheme accounts and information about scheme membership.

Subsection (4) provides that a Department of Finance and Personnel direction may specify how and when information is to be published or provided.

Subsection (5) stipulates that a Department of Finance and Personnel direction cannot require schemes to publish or provide information that could not otherwise be lawfully provided. This protection means that schemes cannot be required to publish or provide information in breach of data protection obligations or the laws which govern the confidentiality of an individual's tax and social security affairs.

Section 16: Records

Section 16 allows the Department for Social Development to make regulations requiring scheme managers of pension schemes made under section 1 (and any connected schemes) to keep specified records. This will include, for example, information about contributions due to the scheme. The regulations may also cover new public body schemes (and any connected schemes) by virtue of the application of section 16 to such schemes by section 31. Regulations under this section are subject to the negative resolution.

Section 17: Regulatory oversight

Section 17 makes provision about the regulatory responsibility of the Pensions Regulator, established under the Pensions (Northern Ireland) Order 2005, in relation to the governance and administration of public service schemes made under the Act, connected schemes and other public service pension schemes (including, for example, certain existing public service schemes listed in Schedule 5 and new public body schemes which may be created after April 2015).

Subsection (1) introduces Schedule 4, which amends the 2005 Order to extend the Pensions Regulator's role in respect of those schemes.

Subsection (2) provides a power for the Department for Social Development by order to make provision consequential on the amendments set out in Schedule 4 and to make further or connected provision for the regulation of public service pension schemes within the meaning of the Pensions (Northern Ireland) Order 2005.

Subsection (3) provides that the power at subsection (2) includes a power to amend primary legislation (including this Act).

Subsection (4) allows for an order under this section to make different provision for different purposes, enabling the correct level of regulatory oversight to be applied in each individual circumstance, if required.

Subsection (5) provides that where such an order makes amendments to primary legislation, it will be subject to the confirmatory procedure. This means that the order:

- must be laid before the Assembly after being made; and
- takes effect on such date as may be specified in the order, but ceases to have effect upon the expiration of a period of 6 months from that date unless at some time before the expiration of that period the order is approved by a resolution of the Assembly.