
STATUTORY RULES OF NORTHERN IRELAND

2014 No. 204

**The Pensions (2012 Act)
(Transitional, Consequential and Supplementary Provisions)
Regulations (Northern Ireland) 2014**

PART 7

Revaluation, indexation and preservation of benefits

Revaluation of cash balance benefits etc: pensionable service before the appointed day

24.—(1) Where—

- (a) a member of an occupational pension scheme has, under the applicable rules, accrued rights to—
 - (i) cash balance benefits in respect of which the available sum is not calculated by reference to final salary;
 - (ii) a defined benefit minimum (in relation to money purchase underpin benefits or cash balance underpin benefits), or
 - (iii) top-up benefits;
- (b) the accrued rights to benefits specified in sub-paragraph (a) are attributable to periods of pensionable service before the appointed day, and
- (c) the trustees or managers of the scheme have before that day treated those benefits as if they were money purchase benefits,

if the trustees or managers of the scheme think it appropriate, those benefits or (as the case may be) the available sum in respect of which those benefits are calculated shall be revalued by the money purchase method.

(2) Where—

- (a) the conditions specified in paragraph (1)(a) and (c) are satisfied, and
- (b) the accrued rights to benefits specified in paragraph (1)(a) which were treated as money purchase benefits are attributable to periods of pensionable service falling partly before and partly on or after the appointed day,

if the trustees or managers of the scheme think it appropriate, so much of those benefits or of the available sum in respect of which those benefits are calculated as is attributable to periods of pensionable service before that day shall be revalued by the money purchase method.

(3) In this regulation—

“final salary”, in relation to a member to or in respect of whom benefits under a pension scheme are payable, means the member's pensionable earnings, or highest, average or representative pensionable earnings, in a specified period ending at, or defined by reference to, the time when the member's pensionable service in relation to that scheme ends;

“money purchase method” has the meaning given by Schedule 2 to the 1993 Act, except that it also includes the application to the benefits of a guaranteed notional interest rate or investment yield, in accordance with the rules of the scheme, to the benefits or to the available sum in respect of which the benefits are calculated;

“pensionable earnings”, in relation to a member of a pension scheme, means earnings by reference to which benefits under the scheme are calculated.

(4) Where the trustees or managers of the scheme determine that benefits should be revalued in accordance with this regulation, section 80 ^{F1} of the 1993 Act (basis of revaluation) applies in relation to those benefits revalued in accordance with this regulation as if they were money purchase benefits.

F1 [Section 80](#) was amended by Part 3 of Schedule 5 to the Pensions (Northern Ireland) Order 1995, Article 258 of the Pensions (Northern Ireland) Order 2005, section 20(1) to (3) of the Pensions Act (Northern Ireland) 2012 and paragraph 13 of the Schedule to S.R. [2005 No. 434](#)

Changes to legislation:

There are currently no known outstanding effects for the The Pensions (2012 Act) (Transitional, Consequential and Supplementary Provisions) Regulations (Northern Ireland) 2014, Section 24.