

1978 No. 230

**SOCIAL SECURITY****The Contracting-out and Preservation (Further Provisions) Regulations  
(Northern Ireland) 1978***Made* . . . . . 10th August 1978*Coming into operation* . . . . . 28th August 1978

The Department of Health and Social Services, in exercise of the powers conferred on it by Article 40(1) of, and paragraph 9 of Schedule 2 and paragraph 9(3) of Schedule 3 to, the Social Security Pensions (Northern Ireland) Order 1975(a) and of all other powers enabling it in that behalf, hereby makes the following regulations:

*Citation, commencement and interpretation*

1.—(1) These regulations may be cited as the Contracting-out and Preservation (Further Provisions) Regulations (Northern Ireland) 1978 and shall come into operation on 28th August 1978.

(2) In these regulations—

“administrator”, in relation to an occupational pension scheme, means the person or persons resident in the United Kingdom having the management of the scheme;

“the Board” means the Occupational Pensions Board;

“the Order” means the Social Security Pensions (Northern Ireland) Order 1975.

*Amendment of the Occupational Pension Schemes (Contracting-out)  
Regulations (Northern Ireland) 1976*

2. Regulation 5 of the Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1976(b) (transfer of accrued rights between schemes) shall be amended by substituting in paragraph (b) of that regulation “in the opinion of the trustees or administrator of the scheme from which the transfer is made” for “in the opinion of the trustees or administrator of that scheme”.

*Amendment of the Occupational Pension Schemes (Preservation of Benefit)  
Regulations (Northern Ireland) 1976*

3. The Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1976(c) shall be amended by substituting for paragraph (5) of regulation 7 the following paragraph—

“(5) A scheme rule may make provision—

(a) in any case where the Board consider it reasonable for such provision to be made, for any of the alternatives mentioned in paragraph (1)(a)(ii), (e) or (f) to be substituted for short service benefit without the member’s consent;

(a) S.I. 1975/1503 (N.I. 15)

(b) S.R. 1976 No. 29 (I, p. 114)

(c) S.R. 1976 No. 153 (I, p. 710)

- (b) for the alternative specified in paragraph 9(2)(a) of Schedule 3 (transfer of member's accrued rights to another scheme) to be provided by way of substitute for short service benefit without the member's consent in any case to which (without prejudice to regulation 19(2)) both heads (i) and (ii) apply—
- (i) where, by virtue of regulation 5(b) of the Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1976(d) as amended by regulation 2 of the Contracting-out and Preservation (Further Provisions) Regulations (Northern Ireland) 1978(e), provision is made in the scheme for the member's accrued rights to requisite benefits to be transferred to another scheme without his consent;
- (ii) where, in the opinion of the trustees or administrator of the scheme from which the transfer is made, the transfer credits acquired by the member under the other scheme are at least equal in value to the rights transferred.”

*Conditions in connection with alteration of rules of contracted-out schemes*

4.—(1) Where the consent of the Board is required by Article 51 of the Order (alteration of rules of contracted-out schemes), the Board may, as a condition of their consent, in the cases to which by virtue of paragraph (2) this regulation applies, require any employer of any member of the scheme to which the consent will relate to give notice of the intended alteration of the rules of the scheme in accordance with paragraphs (3) and (4).

(2) The cases to which this regulation applies are where the intended alteration of the rules or the scheme—

- (a) would have the effect of adding or removing the employment of any earner to or from the employments which are contracted-out employments by reference to that scheme, or
- (b) would, in the opinion of the Board, have the effect of significantly diminishing the requisite benefits provided by the scheme.
- (3) Where in accordance with this regulation the Board require notice to be given of the intended alteration of the rules of the scheme, such notice shall be given, in the manner specified in paragraph (7), to—
- (a) the earners affected by the intended alteration of the rules by virtue of being within either of the cases referred to in paragraph (2);
- (b) the trustees (if any) and administrator of the scheme to which the consent will relate;
- (c) where there is a policy of insurance or an annuity contract as a means of securing the guaranteed minimum pensions to be payable under the scheme, the insurance company or friendly society concerned; and
- (d) all independent trade unions recognised to any extent for the purpose of collective bargaining in relation to the earners to whom notice is required to be given.
- (4) Notices given under this regulation shall—
- (a) specify the purport of the intended alteration of the rules of the scheme and the date from which the alteration is intended to have effect, and give an explanation of such effect on the earners concerned;

(d) S.R. 1976 No. 29 (I, p. 114)

(e) S.R. 1978 No. 230

- (b) specify, by description or otherwise, a person or persons to whom representations may be made with respect to the matters included in the notice by or on behalf of the persons to whom the notice is given;
- (c) specify a date by which such representations may be made, so however that a date earlier than 3 months from the date of the giving of the notice may be specified only if approved by the Board and assented to by all trade unions to whom notice must be given in accordance with paragraph (3)(d); and
- (d) contain a statement that—
  - (i) such representations may also be made to the Board provided they are made not later than 14 days from the expiration of the period for making any representations in accordance with paragraph (4)(c) or within such shorter period as shall be approved by the Board;
  - (ii) the Board have power to consent or refuse to consent to the intended alteration of the rules of the scheme and that if the Board do not consent, the intended alteration will not be permitted to be made.

(5) An employer who has given such a notice as is mentioned in this regulation shall undertake consultations, if he has not already done so, about the matters covered by the notice with all independent trade unions recognised to any extent for the purpose of collective bargaining in relation to those earners to whom notice is required to be given by virtue of this regulation; and any question whether an employer has complied with this requirement may be referred to a tribunal established under section 13 of the Industrial Training Act (Northern Ireland) 1964(f).

(6) In these regulations "trade unions recognised to any extent" includes a trade union which is treated as recognised to any extent under Article 33(9) of the Order or under section 31(9) of the Social Security Pensions Act 1975(g).

(7) A notice under this regulation shall be given—

- (a) to any earner concerned by—
  - (i) sending or delivering it in writing to him; or
  - (ii) exhibiting it conspicuously at his place of work or employment so that it may be read conveniently by him and by drawing his attention to it in writing; or
  - (iii) giving it in such other manner as the Board may consider to be reasonable in the circumstances of the case;
- (b) to any other person or body, by sending or delivering it to that person or body in writing.

Sealed with the Official Seal of the Department of Health and Social Services for Northern Ireland on 10th August 1978.

(L.S.)

*T. M. Lyness*

Assistant Secretary

## EXPLANATORY NOTE

*(This note is not part of the regulations but is intended to indicate their general purport.)*

These regulations amend the Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1976 so as to provide that on a transfer of accrued rights between schemes without the member's consent the trustees or administrator of the transferring scheme must be of the opinion that the rights allowed in the other scheme are at least equal in value to the rights transferred.

They amend the Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1976 so as to permit a scheme to provide, by way of substitute for short service benefit, for the member's accrued rights to be transferred to another scheme without his consent in the cases prescribed.

They also provide that the Occupational Pensions Board may require, as a condition of their consent (under Article 51 of the Social Security Pensions (Northern Ireland) Order 1975) to the alteration of the rules of a contracted-out scheme, the specified notification and consultation procedures.