

1983 No. 135

SOCIAL SECURITY

The Contracting-out (Modification) Regulations
(Northern Ireland) 1983

Made	18th May 1983
Coming into operation	17th June 1983

The Department of Health and Social Services, in exercise of the powers conferred on it by Article 34(2)(a) of 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 (Modification) Regulations (Northern Ireland) 1983 and shall come into operation on 17th June 1983.

(2) In these regulations “the Pensions Order” means the Social Security Pensions (Northern Ireland) Order 1975 and references to Articles are to Articles of that Order.

Modification of Articles 35 to 41, other than Article 37

2.—(1) This regulation applies to any case in which, with the earner’s consent except where regulation 7(5) of the Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1976(b) (discretion for Occupational Pensions Board to dispense with consent requirement) applies, an occupational pension scheme provides an alternative to short service benefit (as defined for the purposes of Schedule 3 to the Pensions Order (preservation requirements)) which is permitted under any of sub-paragraphs (a) to (f), other than sub-paragraphs (c) and (d), of regulation 7(1) of those regulations (prescribed alternatives other than lump sums for, or linked to, service before 6th April 1975).

(2) In any case to which this regulation applies, Articles 35 to 41(c) (contracting-out requirements for earner’s and widow’s pensions), other than Article 37 (earner’s guaranteed minimum), shall have effect with the modification that, subject to any conditions which may be imposed by the Occupational Pensions Board in their discretion in any particular case or class of cases, to be contracted-out in relation to an earner’s employment—

(a) the scheme need not comply with—

(i) Articles 35(1)(a) and 36 (annual rate of earner’s pension to be not less than 1¼ per cent. of salary), or

(ii) Articles 38(2) and 39 (annual rate of widow’s pension to be not less than ⅝ths per cent. of earner’s salary);

(b) if the scheme does provide an earner’s or widow’s pension which exceeds the guaranteed minimum referred to in, as the case may be, Article 35(1)(b) or 38(3), it need not, in respect of the excess, comply with any other provision of

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

(b) S.R. 1976 No. 153; the relevant amending regulations are S.R. 1978 No. 230

(c) Articles 36 and 39 were amended by Article 16 of, and paragraphs 18 and 20 of Schedule 3 to, the Social Security (Northern Ireland) Order 1979 (S.I. 1979/396 (N.I. 5)); Article 40 was amended by Article 4(4) of the Social Security (Northern Ireland) Order 1980 (S.I. 1980/870 (N.I. 8))

Articles 35 to 41, other than Article 37 (and the provisions modified by sub-paragraph (a)), which applies to any part of a pension in excess of the guaranteed minimum.

Sealed with the Official Seal of the Department of Health and Social Services for Northern Ireland on 18th May 1983.

(L.S.)

A. N. Burns

Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These regulations modify certain provisions of Part IV of the Social Security Pensions (Northern Ireland) Order 1975 ("the Pensions Order") relating to earner's and widow's pensions with which an occupational pension scheme must comply if it is to be contracted-out in relation to an earner's employment. The provisions modified, so as not to require scheme compliance, are Articles 35(1)(a), 36, 38(2) and 39 (which relate to the rate of the earner's and widow's pensions other than the guaranteed minimum) and, in respect of any excess of the pensions over the guaranteed minimum, the remaining provisions of Articles 35 to 41, other than Article 37. The regulations apply where, generally only with the earner's consent, the scheme provides any alternative to short service benefit, other than a lump sum for, or linked to, service before 6th April 1975, which is prescribed for the purposes of the preservation provisions of the Pensions Order.

The regulations as the first to be made under Article 34(2)(a) of the Pensions Order are, by virtue of Article 34(7) (added by paragraph 13 of Schedule 4 to the Social Security (Northern Ireland) Order 1982 S.I. 1982/1084 (N.I. 16)), to be treated as in operation previously for the purpose of occupational pension schemes which did not satisfy Article 34(2)(a) (compliance with provisions relating to requisite benefits) but would have done so if the regulations had been in operation.