
STATUTORY RULES OF NORTHERN IRELAND

1996 No. 493

The Occupational Pension Schemes (Contracting-out) Regulations (Northern Ireland) 1996

Part VIII

Transitional Arrangements and Savings

Transitional requirements as to sufficiency of resources of salary related schemes

72.—(1) Except in cases to which regulation 73 applies (schemes which have begun winding up before the principal appointed day), for the purposes of section 5(2B)(c)(i) of the Act(1) (requirement as to the amount of the resources of the scheme) and section 21(2) of the Act(2) (scheme to comply with prescribed requirements in relation to securing that the resources of the scheme are brought to and maintained at satisfactory level in respect of any earner's service before the principal appointed day) at any time during the period of 10 years beginning with the principal appointed day or such longer period as the Department may specify in a particular case or class of case, the amount of resources of the scheme must be sufficient to meet the liabilities specified in paragraph (2).

(2) The liabilities referred to in paragraph (1) are any liability for—

- (a) pensions or other benefits which, in the opinion of the trustees, are derived from the payment by any member of the scheme of voluntary contributions;
- (b) where a person's entitlement to payment of a pension or other benefit has arisen, liability for that pension or benefit and for any pension or other benefit which will be payable to dependants of that person on his death and any increases to such pensions;
- (c) equivalent pension benefits, guaranteed minimum pensions and protected rights which have accrued to or in respect of any members of the scheme and any increases to such pensions;
- (d) pensions or other benefits which have accrued after the principal appointed day to or in respect of members whose employment is contracted out by reference to the scheme and any increases to such pensions, and
- (e) in respect of members with less than 2 years' pensionable service who are not entitled to accrued rights under the scheme, the return of contributions.

(3) Subject to paragraphs (4) and (5), the liabilities specified in paragraph (2) and the resources required to meet such liabilities shall be calculated, determined and verified in accordance with regulations made under Article 56(3) of the Order (minimum funding requirement).

(4) In calculating the amount of resources of a scheme for the purposes of paragraph (1) during the period of 5 years beginning with the principal appointed day there shall be excluded any employer-related investments within the meaning of Article 40 of the Order (other than any such investments to which the restrictions imposed by regulations made under that Article do not apply) which are—

(1) Section 5(2B) was substituted by Article 133(3) of the Pensions (Northern Ireland) Order 1995

(2) Section 21(2) was substituted by paragraph 26(b) of Schedule 3 to the Pensions (Northern Ireland) Order 1995

- (a) prohibited by regulations made under that Article, or
- (b) in excess of 5 per cent. of the current market value of the scheme's resources,

and at any later time, there shall be excluded from the amount of resources of a scheme any such employer-related investments which are excluded at that time from the calculation of the assets of a scheme for the purposes of the minimum funding requirement in accordance with regulations made under Article 56(3) of the Order.

(5) During the period beginning with the principal appointed day and ending on the date on which the first actuarial valuation is required to be obtained in relation to a scheme in accordance with regulations made under Article 57(1)(a) of the Order (minimum funding requirement: valuation and certification of assets and liabilities), the resources and liabilities specified in this regulation shall be calculated, determined and verified in a manner approved by the Department.

(6) This regulation does not apply to a public service pension scheme to which Article 56 of the Order does not apply.