
EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations concern the minimum funding requirement for occupational pension schemes under Articles 56 to 61 of the Pensions (Northern Ireland) Order 1995 (“the Order”) and ongoing actuarial valuations under Article 41 of the Order.

Regulations 1 and 2 provide for the citation, commencement and interpretation of the Regulations.

Regulations 3 to 9 make provision as to the method and assumptions to be adopted in determining the value of scheme liabilities and assets.

Regulation 10 specifies time limits within which minimum funding valuations must be obtained. Regulation 11 imposes a duty to obtain minimum funding valuations following events with significant effects on funding. Regulation 12 imposes a duty on trustees or managers to obtain minimum funding valuations where new serious underfunding is reported by the actuary. Regulation 13 imposes a duty on trustees or managers to obtain a minimum funding valuation in a multi-employer scheme where a debt may have arisen under Article 75 of the Order. Regulation 14 and Schedule 1 make provision as to the contents of the actuary’s report of such a valuation.

Regulations 15 to 19 and Schedules 2 and 3 make provision in relation to schedules of contributions and as to the certification of the adequacy of contributions and the keeping of records of contributions.

Regulations 20 and 21 make provision in relation to schedules of contributions and the requirement on trustees or managers to report in relation to inadequate funding. Regulation 22 and Schedule 4 make provision as to the permitted methods for securing the shortfall in a case of serious underprovision. Regulation 23 makes provision as to the notification to the Occupational Pensions Regulatory Authority (“the Authority”) and to members concerning failure to pay contributions.

Regulations 25 to 27 make provision in relation to the power of the Authority to extend the period for making payments.

Regulation 28 provides for exemptions to the minimum funding requirement.

Regulation 29 and Schedule 5 provide for modification of the requirement in the case of multi-employer schemes, frozen or paid-up schemes, schemes covering United Kingdom and foreign employment and schemes with a partial government guarantee.

Regulation 30 and Schedule 6 make provision for trustees or managers to obtain an ongoing actuarial valuation and for its format, content and frequency.

The Pensions (1995 Order) (Commencement No. 2) Order (Northern Ireland) 1996 ([S.R. 1996 No. 91 \(C. 4\)](#)) provides for the coming into operation of Articles 41, 49, 56 to 61, 68 and 75 of the Order, for the purpose only of authorising the making of regulations, Article 166 of the Order, in so far as it was not already in operation, and Article 116 of the Order, on 6th April 1996. The Pensions (1995 Order) (Commencement No. 5) Order (Northern Ireland) 1996 ([S.R. 1996 No. 534 \(C. 25\)](#)) provides for the coming into operation of Articles 115 and 122(3) of the Order, in so far as they were not already in operation, on 19th November 1996.

As these Regulations make in relation to Northern Ireland only provision corresponding to provision contained in regulations made by the Secretary of State for Social Security in relation to Great Britain, the requirement for consultation under Article 117(1) of the Order does not apply by virtue of paragraph (2)(e) of that Article.