
STATUTORY RULES OF NORTHERN IRELAND

1998 No. 229

PENSIONS

**The Occupational Pension Schemes (Scheme Administration)
(Amendment) Regulations (Northern Ireland) 1998**

Made - - - - *23rd June 1998*
Coming into operation *22nd July 1998*

The Department of Health and Social Services, in exercise of the powers conferred on it by Articles 47(5) and 166(3) of the Pensions (Northern Ireland) Order 1995(1) and of all other powers enabling it in that behalf, hereby makes the following Regulations:

Citation and commencement

1. These Regulations may be cited as the Occupational Pension Schemes (Scheme Administration) (Amendment) Regulations (Northern Ireland) 1998 and shall come into operation on 22nd July 1998.

Amendment of the Occupational Pension Schemes (Scheme Administration) Regulations

2. In regulation 3 of the Occupational Pension Schemes (Scheme Administration) Regulations (Northern Ireland) 1997(2) (exemptions from the professional advisers' requirements) after paragraph (4) there shall be added the following paragraphs—

“(5) Subject to paragraph (6), where the trustees or managers of a scheme appoint a custodian on terms—

- (a) which allow the custodian to use the services of an appointed person; and
- (b) which—

- (i) in the case of a custodian appointed before the relevant date, set out in writing; or

- (ii) in the case of a custodian appointed on or after the relevant date, specify that, before taking up the appointment the custodian must disclose in writing to the trustees or managers,

whether, and if so, the extent to which the custodian accepts liability in respect of functions exercised or exercisable on his behalf by an appointed person; and

(1) [S.I. 1995/3213 \(N.I. 22\)](#)

(2) [S.R. 1997 No. 94](#); regulation 3 was amended by [S.R. 1997 No. 160](#)

- (c) which require that, immediately upon any subsequent change in the extent of the liability accepted by the custodian in respect of functions exercised or exercisable on his behalf by an appointed person, the custodian must disclose in writing to the trustees or managers whether and, if so, the extent to which his liability has changed,

Article 47(3) shall not apply with respect to any reliance placed on the skill or judgement of the appointed person in the exercise of any of the functions given to the appointed person.

(6) In a case where—

- (a) sub-paragraph (b)(ii) of paragraph (5) applies; or
- (b) there has been a change of a kind mentioned in sub-paragraph (c) of that paragraph,

Article 47(3) shall not be disapplied by virtue of that paragraph unless the custodian has made the disclosure required by that sub-paragraph (b)(ii) or, as the case may be, that sub-paragraph (c).

(7) In paragraphs (5) and (6)—

“appointed person” means any person appointed by a custodian, or by any other person empowered by the terms of his own appointment to appoint another person, to exercise any of the functions given to the custodian;

“custodian” means a person appointed by the trustees or managers to exercise any of the functions set out in regulation 2(c) (custody of cash, securities, etc.), and

“relevant date” means 22nd July 1998.”

Sealed with the Official Seal of the Department of Health and Social Services on

L.S.

23rd June 1998.

John O'Neill
Assistant Secretary

EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations add paragraphs (5), (6) and (7) to regulation 3 of the Occupational Pension Schemes (Scheme Administration) Regulations (Northern Ireland) 1997 which provides for exceptions from certain requirements, in Article 47 of the Pensions (Northern Ireland) Order 1995 (“the Order”), as to the appointment of, and reliance on, professional advisers in relation to the management of occupational pension schemes. The paragraphs disapply Article 47(3) of the Order (which provides for sanctions against trustees or managers of schemes who rely on the skill or judgement of advisers whom they have not themselves appointed) where reliance is placed on certain persons exercising functions concerned with the custody of scheme assets.

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.