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## EXPLANATORY NOTE

*(This note is not part of the Regulations.)*

These Regulations amend regulations 1, 11, 12 and 15 of the Stakeholder Pension Schemes Regulations (Northern Ireland) 2000 (“the principal Regulations”). Regulation 11 of the principal Regulations requires the trustees or manager of a stakeholder scheme to appoint a reporting accountant and sets out the eligibility requirements for appointment as a reporting accountant. Regulation 12 of the principal Regulations provides for an annual declaration as to the arrangements made by the trustees or manager of a stakeholder scheme for ensuring the proper administration of the scheme and for those trustees or that manager to obtain statements from the scheme’s reporting accountant as to the reasonableness of the declaration. Regulation 15 of the principal Regulations sets out the conditions for the assets of a scheme to be invested in with-profits funds.

Regulation 1 provides for citation, commencement and interpretation. Regulation 2 makes a consequential amendment.

Regulation 3(2) removes certain eligibility requirements for appointment as a reporting accountant. Regulation 3(3) to (6) clarifies the drafting of regulation 11.

Regulation 4 substitutes regulation 12. Regulation 12(2) requires the trustees or manager of the scheme to make a declaration and obtain a reporting accountant’s statement within 6 months of the reporting date. Regulation 12(3) sets out how the reporting date is to be calculated. Regulation 12(4) sets out how the reporting period is to be calculated. Regulation 12(5) sets out the statements to be made by the trustees or manager in their declaration. Regulation 12(6) requires the trustees or manager to provide the reporting accountant with supporting documentation. Regulation 12(7) sets out the statement to be obtained by the trustees or manager from the reporting accountant. Regulation 12(8) requires the trustees or manager to send copies of the declaration and reporting accountant’s statement to members and beneficiaries on request. Regulation 12(9) provides that any statement obtained from a reporting accountant who is ineligible for such an appointment will not be regarded as satisfying the requirements of regulation 12(2)(b) or (8). Regulation 12(10) and (11) makes transitional provision relating to the time limits for the trustees or manager of the scheme to make their declaration and obtain a statement from the reporting accountant and to the determination of the reporting date and reporting period for schemes registered prior to or on 6th April 2001.

Regulation 5(2) amends regulation 15(3)(c) to require an insurance company managing with-profits funds for a scheme to pass various certificates to the trustees or manager. Regulation 5(3) removes the requirement for the certificate from the appointed actuary to the insurance company to be sent to the reporting accountant and allows the auditor, trustees or manager to require that the certificate be sent to the auditor.

Regulation 6 makes consequential revocations.

An assessment of the cost to business of these Regulations is detailed in a Regulatory Impact Assessment, copies of which have been laid in the Business Office and the Library of the Northern Ireland Assembly. Copies of the Assessment are available from the Department for Social Development, Social Security Policy and Legislation Division, Room 5, Block 5, Stormont Estate, Upper Newtownards Road, Belfast BT4 3SJ.