
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make provision relating to various requirements under Articles 137, 140 and 141 of the Pensions (Northern Ireland) Order 2005 (“the Order”) in relation to closed schemes.

Regulation 2 makes provision in respect of applications to the Board of the Pension Protection Fund (“the Board”) under Article 137 of the Order for authority for a scheme to continue as a closed scheme in circumstances where the trustees or managers of the scheme are unable to obtain a full buy-out quotation. It also makes provision in respect of the form and content of determination notices issued by the Board under that Article.

Regulation 3 provides that the trustees or managers of closed schemes must obtain an initial actuarial valuation under Article 140 of the Order of the scheme’s assets, full scheme liabilities and protected liabilities within a prescribed period. It also provides that such trustees or managers must obtain Article 140 actuarial valuations at least every three years after the initial such valuation.

Regulation 4 and the Schedule provide for how the assets, full scheme liabilities and the protected liabilities in relation to a closed scheme, and their amount or value, are to be determined, calculated and verified in accordance with Article 140 of the Order.

Regulation 5 prescribes the qualifications required of a person conducting an actuarial valuation under Article 140 of the Order.

Regulation 6 sets out the time limit for making applications to the Board under Article 141 of the Order in circumstances where a closed scheme has insufficient assets. It also makes provision in respect of the form and content of applications and notifications to the Board under that Article, and in respect of the form and content of notifications given by the Board under that Article.

Regulation 7 makes transitional provision in relation to the coming into operation of the definition of “relevant accounts”.

As these Regulations are made before the end of the period of six months beginning with the coming into operation of the provisions of the Order by virtue of which they are made, the requirement to consult under Article 289(1) of the Order does not apply by virtue of paragraph (2)(c) of that Article.

Changes to legislation:

There are currently no known outstanding effects for the The Pension Protection Fund (Closed Schemes) Regulations (Northern Ireland) 2007.