
STATUTORY RULES OF NORTHERN IRELAND

2015 No. 154

**The Occupational and Personal Pension Schemes
(Disclosure of Information) (Amendment)
Regulations (Northern Ireland) 2015**

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Occupational and Personal Pension Schemes (Disclosure of Information) (Amendment) Regulations (Northern Ireland) 2015 and shall come into operation on 6th April 2015.

(2) The Interpretation Act (Northern Ireland) 1954(1) shall apply to these Regulations as it applies to an Act of the Assembly.

Amendment of the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations

2. The Occupational and Personal Pension Schemes (Disclosure of Information) Regulations (Northern Ireland) 2014(2) are amended in accordance with regulations 3 to 13.

Amendment of regulation 2

3.—(1) In regulation 2(1) (interpretation)—

(a) after the definition of “the 2005 Order” insert—

““the 2014 Act” means the Public Service Pensions Act (Northern Ireland) 2014(3);”;

(b) for the definition of “cash balance benefit”(4) substitute—

““cash balance benefit” has the meaning given in section 75 of the Pension Schemes Act 2015(5);”;

(c) after the definition of “cash balance benefit” insert—

““drawdown pension” has the meaning given in paragraph 4 of Schedule 28 to the Finance Act 2004(6);”;

(d) after the definition of “excluded person” insert—

““flexible benefit” has the meaning given in section 74 of the Pension Schemes Act 2015;”;

(e) omit the definition of “funded”.

(f) after the definition of “HMRC” insert—

(1) 1954 c. 33 (N.I.)

(2) S.R. 2014 No. 79 as amended by S.R. 2014 No. 204

(3) 2014 c. 2 (N.I.)

(4) The definition of “cash balance benefit” was inserted by regulation 73(2) of S.R. 2014 No. 204

(5) 2015 c. 8

(6) 2004 c. 12; paragraph 4 of Schedule 28 was amended by paragraphs 2 and 3 of Schedule 16 to the Finance Act 2011 (c. 11)

- ““ill-health condition” has the meaning given in paragraph 1 of Schedule 28 to the Finance Act 2004;”;
- (g) after the definition of “member” insert—
- ““normal minimum pension age” has the meaning given in section 279(1) of the Finance Act 2004;
- “pensions guidance” means guidance given by a designated guidance provider (which has the meaning given in section 333E(1) of the Financial Services and Markets Act 2000(7) (designation of providers) for the purpose of helping a member of a pension scheme, or a survivor of a member of a pension scheme, to make decisions about what to do with the flexible benefits that may be provided to the member or survivor;”;
- (h) after the definition of “scheme year” insert—
- ““survivor” has the meaning given in section 76(1) of the Pension Schemes Act 2015 (interpretation of Part 4);”;
- (i) after the definition of “tax registered scheme” insert—
- ““transferrable rights” has the meaning given in section 89(11)(b)(8) of the 1993 Act (scope of Chapter 1);”;
- (2) After paragraph (1) insert—
- “(1A) In these Regulations—
- (a) a member has an opportunity to transfer flexible benefits where the member—
- (i) has transferrable rights in relation to flexible benefits;
- (ii) would have transferrable rights in relation to flexible benefits if the member stopped accruing rights to some or all of the flexible benefits (see sub-paragraph (b)), or
- (iii) has an opportunity to transfer accrued rights to flexible benefits out of the scheme under the scheme rules;
- (b) a member stops accruing rights to flexible benefits when there are no longer arrangements in place for the accrual of rights to those flexible benefits for or in respect of the member.”.

Amendment of regulation 4

- 4.—(1) Regulation 4 (application of these Regulations) is amended in accordance with paragraphs (2) to (5).
- (2) In paragraph (2)—
- (a) in sub-paragraph (b) after “,etc.)” insert “or it is a defined benefits scheme under section 1 of the 2014 Act (schemes for persons in public service) in relation to persons specified in subsection (2)(c) of that section”;
- (b) in sub-paragraph (c) for “is made under” substitute “is established under section 48 of the Northern Ireland Act 1998(9) (pensions of members), or was established under”.
- (3) In paragraph (5) for “to 19” substitute “, 18”.

(7) 2000 c. 8; section 333E was inserted by paragraph 2 of Schedule 3 to the Pension Schemes Act 2015

(8) Section 89 is substituted by paragraph 54 of Schedule 4 to the Pension Schemes Act 2015

(9) 1998 c. 47; section 48 was amended by section 7(2) of the Northern Ireland (Monitoring Commission etc.) Act 2003 (c. 25), section 2 of the Northern Ireland Assembly Members Act 2010 (c. 16) and Article 5(g) of S.I. 2011/978

(4) In paragraph (7) for “When” substitute “Except where information is given verbally in accordance with regulation 18B(3)(10), when”.

(5) After paragraph (7) add—

“(8) In this regulation “defined benefits scheme” has the meaning given in section 34 of the 2014 Act.”.

Amendment of regulation 16

5. In regulation 16(1) (statements of benefits: non-money purchase benefits)—

(a) in sub-paragraph (b) for “information, and” substitute “information;”;

(b) in sub-paragraph (c) for “request.” substitute “request, and”;

(c) after sub-paragraph (c) add—

“(d) in relation to active members, a benefit information statement has not been provided pursuant to section 14(1) of the 2014 Act (information about benefits) in the 12 months before the request in sub-paragraph (b).”.

Insertion of regulations 18A and 18B

6. After regulation 18 (lifestyling) insert—

“Information to be given on request and on a member providing certain information

18A.—(1) The information mentioned in paragraph (2) must be given in accordance with this regulation to a member who—

(a) has an opportunity to transfer flexible benefits;

(b) (i) requests information about what the member may do with the flexible benefits, or

(ii) informs the trustees or managers of the scheme that the member is considering, or has made a decision in relation to, what to do with the flexible benefits;

(c) (i) will reach normal minimum pension age within 4 months of making a request, or informing the trustees or managers of the scheme, in accordance with sub-paragraph (b);

(ii) has reached normal minimum pension age, or

(iii) meets the ill-health condition, and

(d) has not been given information under this regulation or regulation 19(2)(b)(ii)(11) in the previous 12 months.

(2) The information is—

(a) a statement of the options available to the member under the scheme rules, and

(b) that listed in Part 3(12) of Schedule 7 and in Schedule 9A(13).

(3) The information must be given within 2 months of the member making a request, or informing the trustees or managers of the scheme, in accordance with paragraph (1)(b).

(10) Inserted by regulation 6 of these Regulations

(11) Regulation 19(2) is substituted by regulation 7(3) of these Regulations

(12) Added by regulation 12(3) of these Regulations

(13) Inserted by regulation 13 of these Regulations

Information to be given on communicating with a member about what the member may do with flexible benefits

18B.—(1) Subject to paragraph (5), the information mentioned in paragraph (2) must be given to a member in accordance with this regulation where—

- (a) the member has an opportunity to transfer flexible benefits;
- (b) the trustees or managers of the scheme contact the member, or the member contacts the trustees or managers of the scheme, in connection with what the member may do with the flexible benefits, and
- (c) the member—
 - (i) will reach normal minimum pension age within 4 months of the date on which the contact mentioned in sub-paragraph (b) is made;
 - (ii) has reached normal minimum pension age, or
 - (iii) meets the ill-health condition.

(2) The information is—

- (a) that listed in paragraphs 1, 4 and 5 of Schedule 9A;
- (b) that listed in paragraphs 2 and 3 of Schedule 9A, unless the trustees or managers of the scheme—
 - (i) give information under this regulation verbally, and
 - (ii) offer to give the member information about how the member may access the pensions guidance and the offer is declined by the member, and
- (c) where information has not been given to the member under regulation 18A in the previous 12 months, a statement that—
 - (i) the member may request information about—
 - (aa) the flexible benefits that may be provided to the member;
 - (bb) the member’s opportunity to transfer those benefits, and
 - (cc) the options available to the member under the scheme rules, and
 - (ii) the information may help the member to decide what to do with the flexible benefits.

(3) The information may be given verbally unless the member requests that the information is given in writing.

(4) The information must be given within 20 days of the contact mentioned in paragraph (1)(b) or the request mentioned in paragraph (3), whichever is later.

(5) No information is required to be given under this regulation where—

- (a) the member informs the trustees or managers of the scheme that the member has accessed the pensions guidance in the previous 12 months;
- (b) the member informs the trustees or managers of the scheme that the member has received independent financial advice in the previous 12 months about what the member may do with the flexible benefits, or
- (c) the trustees or managers of the scheme—
 - (i) have given information to the member under regulation 18A in the 2 months immediately preceding the date on which the contact mentioned in paragraph (1)(b) is made, or

- (ii) are required to give information to the member under regulation 18A within 2 months of the date on which the contact mentioned in paragraph (1)(b) is made.”.

Amendment of regulation 19

7.—(1) Regulation 19(14) (first information on accessing benefits) is amended in accordance with paragraphs (2) to (4).

(2) In paragraph (1) for “rights to money purchase benefits or cash balance benefits” substitute “a right or entitlement to flexible benefits”.

(3) For paragraph (2) substitute—

“(2) The information is—

(a) where the member has been given information in accordance with regulation 18A in the 12 months before the date on which the trustees or managers of the scheme give information under this regulation—

(i) a statement that the member has been given information about—

(aa) the flexible benefits that may be provided to the member;

(bb) the member’s opportunity to transfer those benefits, and

(cc) the options available to the member under the scheme rules, and

(ii) that listed in paragraphs 1 to 9 of Schedule 9A, and

(b) in any other case—

(i) a statement of the options available to the member under the scheme rules, and

(ii) where the member has an opportunity to transfer flexible benefits, that listed in Part 3 of Schedule 7 and in Schedule 9A.”.

(4) In paragraph (4) for “10” substitute “20”.

Amendment of regulation 20

8.—(1) Regulation 20 (second information on accessing benefits) is amended in accordance with paragraphs (2) and (3).

(2) In paragraph (2)—

(a) in sub-paragraph (a) for “Schedule 7, and” substitute “Schedule 7;”;

(b) in sub-paragraph (b) for “member.” substitute “member, and”;

(c) after sub-paragraph (b) add—

“(c) in Part 1 of Schedule 9A where the person, under any rights and options in relation to the death of the member, has an opportunity to—

(i) transfer accrued rights to flexible benefits out of the scheme under the scheme rules;

(ii) apply sums or assets held for the purpose of providing flexible benefits for purchasing an annuity;

(iii) take payment of a lump sum in respect of flexible benefits, or

(iv) designate sums or assets held for the purpose of providing flexible benefits as available for the payment of drawdown pension.”.

(3) For paragraph (4) substitute—

“(4) Before benefit becomes payable—

- (a) the information mentioned in sub-paragraph (b) of paragraph (2) must be given to a person having the opportunity mentioned in that sub-paragraph;
- (b) the information mentioned in sub-paragraph (c) of paragraph (2) must be given to a person having an opportunity mentioned in that sub-paragraph.”.

Amendment of regulation 21

9. In regulation 21(2) (accessing benefits on the death of the member or beneficiary)—

- (a) in sub-paragraph (a) for “annuity, and” substitute “annuity;”;
- (b) in sub-paragraph (b) for “case.” substitute “case, and”;
- (c) after sub-paragraph (b) add—
 - “(c) Part 1 of Schedule 9A where the person has an opportunity to—
 - (i) transfer accrued rights to flexible benefits out of the scheme under the scheme rules;
 - (ii) apply sums or assets held for the purpose of providing flexible benefits for purchasing an annuity;
 - (iii) take payment of a lump sum in respect of flexible benefits, or
 - (iv) designate sums or assets held for the purpose of providing flexible benefits as available for the payment of drawdown pension.”.

Amendment of Schedule 2

10.—(1) Schedule 2 (basic information) is amended in accordance with paragraphs (2) to (9).

(2) In paragraphs 3 and 21 after “annuity” insert “, designated as available for the payment of drawdown pension”.

(3) After paragraph 4 insert—

“4A. Where the member has flexible benefits, a statement explaining the circumstances in which the member may transfer accrued rights to flexible benefits out of the scheme.

4B. Where the member has safeguarded benefits (which has the meaning given in section 51(8) of the Pension Schemes Act 2015 (independent advice in respect of conversions and transfers: Northern Ireland)), a statement that the member may be required to take independent advice before the member may—

- (a) convert any of the safeguarded benefits into different benefits that are flexible benefits under the scheme;
- (b) transfer safeguarded benefits to another pension scheme with a view to acquiring a right or entitlement to flexible benefits, and
- (c) withdraw an uncrystallised funds pension lump sum (which has the meaning given in paragraph 4A of Schedule 29 to the Finance Act 2004⁽¹⁵⁾) (uncrystallised funds pension lump sum).”.

(4) In paragraph 6 for “Chapters 4 and 5 of Part 4” substitute “Chapters 1 and 2 of Part 4ZA⁽¹⁶⁾”.

(5) In paragraph 16—

⁽¹⁵⁾ 2004 c. 12; paragraph 4A of Schedule 29 was inserted by paragraph 57 of Schedule 1 to the Taxation of Pensions Act 2014 (c. 30)

⁽¹⁶⁾ See paragraph 50 of Schedule 4 to the Pension Schemes Act 2015

- (a) after “contributions paid,” insert “any cost of exercising any right to transfer the benefits, any charges payable, the age at which the member accesses the benefits,”;
 - (b) for “investments and the” substitute “investments and any”.
- (6) In paragraph 16A(17)—
- (a) after “contributions paid,” insert “any cost of exercising any right to transfer the benefits, any charges payable, the age at which the member accesses the benefits,”;
 - (b) for “applied and the” substitute “applied and any”.
- (7) In paragraph 20 for “Chapters 4 and 5 of Part 4” substitute “Chapters 1 and 2 of Part 4ZA”.
- (8) After paragraph 22 insert—
- 22A.** Where the member has flexible benefits, a statement explaining the circumstances in which the member may transfer accrued rights to flexible benefits out of the scheme.
- 22B.** Where the member has safeguarded benefits (which has the meaning given in section 51(8) of the Pension Schemes Act 2015), a statement that the member may be required to take independent advice before the member may—
- (a) convert any of the safeguarded benefits into different benefits that are flexible benefits under the scheme;
 - (b) transfer safeguarded benefits to another pension scheme with a view to acquiring a right or entitlement to flexible benefits, and
 - (c) withdraw an uncrystallised funds pension lump sum (which has the meaning given in paragraph 4A of Schedule 29 to the Finance Act 2004).’.
- (9) For paragraph 26 substitute—
- 26.** A statement setting out—
- (a) which benefits—
 - (i) are provided by means of the setting aside of resources (other than assets at the disposal of the employer of any person who is employed in relevant employment) for a benefit, before the benefit becomes payable, that are related to the intended rate or amount of benefit, and
 - (ii) are not provided by that means, and
 - (b) the manner in which any benefits mentioned in sub-paragraph (a)(i) are secured.’.

Amendment of Schedule 3

11.—(1) Schedule 3 (information to be given on request) is amended in accordance with paragraphs (2) and (3).

(2) In paragraph 15, in both places where it appears, for “Chapter 4 of Part 4” substitute “Chapter 1 of Part 4ZA”.

(3) In paragraph 23—

- (a) omit “or guaranteed cash equivalents” in both places where it appears;
- (b) for “Chapter 4 of Part 4” substitute “Chapter 1 of Part 4ZA”;
- (c) for “section 90(1)” substitute “section 90”.

Amendment of Schedule 7

12.—(1) Schedule 7 (information to be given by schemes that relates to accessing benefits) is amended in accordance with paragraphs (2) and (3).

(2) In the reference note at the head of the Schedule, for “19” substitute “18A”.

(3) After Part 2 (information on accessing benefits for members and survivors) add—

“PART 3

Information to be given to members having an opportunity to transfer flexible benefits

11. A statement that the member has an opportunity to transfer flexible benefits to one or more different pension providers.

12. A statement that different pension providers offer different options in relation to what the member can do with the flexible benefits, including the option to select an annuity.

13. A statement that different options have different features, different rates of payment, different charges and different tax implications.

14. Either—

(a) a copy of guidance that explains the characteristic features of the options referred to in paragraph 13 that has been prepared or approved by the Regulator, or

(b) a statement that gives materially the same information as that guidance.”.

Insertion of Schedule 9A

13. After Schedule 9 (consequential amendments) insert Schedule 9A as set out in the Schedule to these Regulations.

Transitional provision

14. Where the trustees or managers of a scheme have, on or before 5th April 2015, given a person information in accordance with regulation 6, 7, 19, 20 or 21 of the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations (Northern Ireland) 2014 as the regulation has effect on 5th April 2015, the trustees or managers of the scheme are not required to give the person information in accordance with the regulation, as it has effect on 6th April 2015, as a result of the amendments made by these Regulations.

Revocation

15. Regulation 73(2) and (4) of the Pensions (2012 Act) (Transitional, Consequential and Supplementary Provisions) Regulations (Northern Ireland) 2014(**18**) is revoked.

Sealed with the Official Seal of the Department for Social Development on 12th March 2015

(L.S.)

Anne McCleary
A senior officer of the Department for Social
Development