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STATUTORY RULES OF NORTHERN IRELAND

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**2018 No. 54**

**The Occupational Pension Schemes (Preservation of Benefit and Charges and Governance) (Amendment) Regulations (Northern Ireland) 2018**

**Amendment of the Occupational Pension Schemes (Preservation of Benefit) Regulations**

2.—(1) Regulation 12 of the Occupational Pension Schemes (Preservation of Benefit) Regulations (Northern Ireland) 1991<sup>(1)</sup> (transfer of member’s accrued rights without consent) is amended in accordance with paragraphs (2) to (6).

(2) In paragraph (1)(2) after “accrued rights” insert “which are not relevant money purchase rights”.

(3) In paragraph (1A)(3) for “section 69(2)(a)(i)” substitute “section 69(2)(a)”;

(4) after paragraph (1A) insert—

“(1B) For the purposes of section 69(2)(b) and (4)(b), a scheme may provide for the member’s relevant money purchase rights to be transferred to another occupational pension scheme without the member’s consent where the conditions set out in one of paragraphs (7) to (9) are satisfied.”.

(5) In paragraph (2A)(4) for sub-paragraph (b)(i) substitute—

“(i) the scheme’s principal employer or controlling employer, and”.

(6) After paragraph (6) add—

“(7) The condition set out in this paragraph is that the receiving scheme is authorised under the Pension Schemes Act 2017<sup>(5)</sup> or any corresponding Northern Ireland legislation.

(8) The conditions set out in this paragraph are that—

- (a) the transferring scheme employer and the receiving scheme employer are undertakings;
- (b) the transferring scheme employer is a group undertaking in relation to the receiving scheme employer, and
- (c) the member whose rights are to be transferred is a current or former employee of an undertaking which is a group undertaking in relation to the transferring scheme employer or the receiving scheme employer.

(9) The conditions set out in this paragraph are that—

- (a) within the year ending with the date of the transfer, the trustees of the transferring scheme have obtained and considered written advice in relation to the transfer

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(1) S.R. 1991 No. 37; relevant amending Rules are S.R. 1994 No. 300, S.R. 1995 No. 441, S.R. 2000 No. 262 and S.R. 2016 No. 158  
(2) Regulation 12(1) was amended by paragraph 26(16) of Schedule 2 to S.R. 1994 No. 300 and regulation 3 of S.R. 1995 No. 441  
(3) Paragraph (1A) was inserted by regulation 27(a) of S.R. 2000 No. 262  
(4) Paragraph (2A) was inserted by Article 2(2)(b) of S.R. 2016 No. 158  
(5) 2017 c. 17

- from a person whom they reasonably believe to be qualified to give that advice by reason of that person's ability in, and practical experience and knowledge of, pension scheme management ("the appropriate adviser"), and
- (b) the trustees of the transferring scheme have determined that the appropriate adviser is independent of the receiving scheme after considering whether, during the year ending with the date on which the advice was provided, the appropriate adviser (or, where the appropriate adviser is an undertaking, a group undertaking in relation to the appropriate adviser) has—
- (i) received payment for services from the receiving scheme;
  - (ii) received payment from a service provider or a group undertaking in relation to a service provider, or
  - (iii) received payment from the receiving scheme employer or a group undertaking in relation to the receiving scheme employer.
- (10) Where an employer has the sole power to effect a transfer of a member's accrued rights—
- (a) paragraph (9) has effect as if—
    - (i) for sub-paragraph (a) there were substituted—
      - "(a) within the year ending with the date of the transfer, the member's employer has obtained and considered written advice in relation to the transfer from a person whom the member's employer reasonably believes to be qualified to give that advice by reason of that person's ability in, and practical experience and knowledge of, pension scheme management ("the appropriate adviser");", and
    - (ii) in sub-paragraph (b) "member's employer has" were substituted for "trustees of the transferring scheme have"; and
  - (b) the employer must confirm to the trustees of the transferring scheme that it has complied with paragraph (9) as so modified.
- (11) In this regulation—
- "controlling employer", in relation to a scheme, is the employer that has the power to act on behalf of all employers in the scheme in relation to the scheme rules;
- "group undertaking" has the meaning given by section 1161(5) of the Companies Act 2006<sup>(6)</sup> (meaning of "undertaking" and related expressions);
- "principal employer", in relation to a scheme, is the principal employer for the purposes of the scheme in accordance with the scheme rules;
- "receiving scheme employer" means the principal employer or controlling employer of the receiving scheme;
- "relevant money purchase rights" are rights to money purchase benefits, where the assets held for the purpose of providing those benefits do not include any guarantee or promise in relation to the amount of the benefits to be provided, or the amount available for the provision of the benefits;
- "services" means advisory, administration or investment services provided to the receiving scheme, and a "service provider" is a provider of such services to the scheme;

“transferring scheme employer” means the principal employer or controlling employer of the transferring scheme;

“undertaking” has the meaning given by section 1161(1) of the Companies Act 2006.”.