
DRAFT STATUTORY INSTRUMENTS

2005 No.

The Pensions (Northern Ireland) Order 2005

PART II

THE PENSIONS REGULATOR

Powers in relation to winding up of occupational pension schemes

Power to give a direction where freezing order ceases to have effect

26.—(1) This Article applies where—

- (a) the Regulator revokes a freezing order in relation to a scheme or it otherwise ceases to have effect, and
- (b) at the time when the freezing order ceases to have effect, the Regulator has not made an order under Article 11 of the 1995 Order in relation to the scheme.

(2) In such a case the Regulator may make an order under this Article in relation to the scheme containing a direction that, if specified conditions are met, specified benefits are to accrue under the scheme rules to, or in respect of, specified members of the scheme in respect of specified periods of service being service in employment which but for the freezing order would have qualified the member in question for those benefits under the scheme rules.

(3) The conditions mentioned in paragraph (2) may include—

- (a) a requirement that specified benefits do not accrue to, or in respect of, a member or a specified member unless a contribution of a specified amount is paid by or on behalf of the member towards the scheme within a specified period;
- (b) a requirement that a contribution of a specified amount must be paid by or on behalf of the employer within a specified period;
- (c) a requirement that such contributions as are specified under sub-paragraph (a) or (b) are to be accepted for the period for which the freezing order had effect or any part of that period.

(4) Where the freezing order contained a direction under Article 19(4)(d) or (e) and any amount of any benefit under the scheme rules was not paid as a result of the direction—

- (a) the direction does not affect any entitlement to that benefit, and
- (b) any benefit to which a member, or a person in respect of a member, remains entitled at the end of the period for which the freezing order had effect is an amount which falls due to the member or, as the case may be, the person at the end of that period.

(5) If an order made under this Article in relation to a scheme is not complied with, Article 10 of the 1995 Order (civil penalties) applies to a trustee or a manager of the scheme who has failed to take all reasonable steps to secure compliance.

(6) Paragraph (7) applies if—

- (a) an order is made under this Article in relation to a scheme,

- (b) the order contains a requirement as described in paragraph (3)(b) that a contribution of a specified amount must be paid by or on behalf of the employer within a specified period, and
 - (c) the contribution is not paid within that period.
- (7) In such a case—
- (a) Article 10 of the 1995 Order applies to the employer if he has failed, without reasonable excuse, to secure compliance,
 - (b) the amount which for the time being remains unpaid after the end of the specified period is to be treated as a debt due from the employer to the trustees or managers of the scheme, and
 - (c) except in prescribed circumstances, the trustees or managers must, within a prescribed period, give notice of the failure to pay to the Regulator and to the member.
- (8) If in any case paragraph (7)(c) is not complied with, Article 10 of the 1995 Order applies to any trustee or manager who has failed to take all reasonable steps to secure compliance.
- (9) In this Article “specified” means specified in an order under this Article.