



# Pension Schemes Act 2021

## 2021 CHAPTER 1

### PART 2

#### COLLECTIVE MONEY PURCHASE BENEFITS: NORTHERN IRELAND

##### *Triggering events and continuity options*

#### **95 Pause orders**

- (1) This section applies during a triggering event period for a collective money purchase scheme.
- (2) The Pensions Regulator may make a pause order in relation to the scheme if either of the following two conditions is met.
- (3) Condition 1 is that the Pensions Regulator is satisfied that making a pause order will help the trustees to carry out the implementation strategy.
- (4) Condition 2 is that the Pensions Regulator is satisfied that—
  - (a) there is, or is likely to be if a pause order is not made, an immediate risk to the interests of members of the scheme or the assets of the scheme, and
  - (b) it is necessary to make a pause order to protect the interests of the generality of the members of the scheme.
- (5) A pause order is an order that during the period for which it has effect one or more of the following directions has effect—
  - (a) a direction that no new members (or no new members of a specified description) are to be admitted to the scheme;
  - (b) a direction that no further payments (or no further payments of a specified description) are to be made towards the scheme—
    - (i) by or on behalf of employers or relevant former employers (or employers or relevant former employers of a specified description), or
    - (ii) by or in respect of members (or members of a specified description);
  - (c) a direction that an amount (or specified amount) which—

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*Status: This is the original version (as it was originally enacted).*

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- (i) corresponds to a payment that would be due to be made towards the scheme in respect of a member but for a direction under paragraph (b), and
    - (ii) has been deducted from a payment of earnings in respect of an employment,

is to be repaid to the member in question by the employer;
  - (d) a direction that no benefits (or no benefits of a specified description) are to be paid to or in respect of members (or members of a specified description) under the scheme rules;
  - (e) a direction that—
    - (i) no transfers (or no transfers of a specified description) of or in respect of a member’s rights under the scheme rules are to be made from the scheme,
    - (ii) no transfer payments (or no transfer payments of a specified description) in respect of a member’s rights under the scheme rules are to be made from the scheme, or
    - (iii) no other steps (or no other steps of a specified description) are to be taken to discharge a liability of the scheme to or in respect of a member of the scheme in respect of pensions or other benefits.
- (6) In subsection (5)(b)—
- (a) a reference to payments does not include payments due to be made before the order takes effect, and
  - (b) a reference to payments towards a scheme includes payments in respect of pension credits where the person entitled to the credit is a member of the scheme.
- (7) A direction under subsection (5)(e) may provide that—
- (a) no transfers of or in respect of a member’s rights under the scheme rules, or no such transfers of a specified description, may be made from the scheme, or
  - (b) no transfer payments in respect of such rights, or no such transfer payments of a specified description, may be made from the scheme,
- unless the amounts paid out from the scheme in respect of the transfers or transfer payments are determined in a specified manner and the transfers or transfer payments satisfy such other conditions as may be specified.
- (8) A pause order may also require the trustees of the scheme to obtain an actuarial valuation within a specified period.
- (9) A pause order containing such a requirement must specify—
- (a) the date by reference to which the matters to be set out in the valuation must be determined;
  - (b) the information and statements that the valuation must contain;
  - (c) any other requirements that the valuation must satisfy.
- (10) Schedule 5 makes further provision about pause orders.
- (11) In this section—
- “earnings” has the meaning given in section 176(1) of the Pension Schemes (Northern Ireland) Act 1993;

“pension credit” means a credit under Article 26(1)(b) of the [Welfare Reform and Pensions \(Northern Ireland\) Order 1999 \(S.I. 1999/3147 \(N.I. 11\)\)](#) or section 29(1)(b) of the Welfare Reform and Pensions Act 1999;

“specified” means specified in the pause order.