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STATUTORY INSTRUMENTS

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**1995 No. 3213**

**The Pensions (Northern Ireland) Order 1995**

**PART IV**

**CERTIFICATION OF PENSION SCHEMES AND EFFECTS  
ON MEMBERS' STATE SCHEME RIGHTS AND DUTIES**

*Introductory*

**The “principal appointed day” for Part IV**

**132.** An order under Article 1 appointing a day for the coming into operation of any provisions of this Part, being 6th April in any year, may designate that day as the principal appointed day for the purposes of this Part.

*New certification requirements applying as from the principal appointed day*

**New requirements for contracted-out schemes**

- 133.**—<sup>F1</sup>(1) . . . . .  
<sup>F2</sup>(2) . . . . .  
<sup>F1</sup>(3) . . . . .  
<sup>F3</sup>(4) . . . . .  
<sup>F1</sup>(5) . . . . .

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| <b>F1</b> | Art. 133(1)(3)(5) repealed (6.4.2016) by <a href="#">Pensions Act (Northern Ireland) 2015 (c. 5), s. 53(3), Sch. 13 para. 64</a>                      |
| <b>F2</b> | Art. 133(2) repealed (6.4.2012) by <a href="#">Pensions Act (Northern Ireland) 2008 (c. 1), ss. 13(4), 19(5), Sch. 6 Pt. 6; S.R. 2012/115, art. 2</a> |
| <b>F3</b> | Art. 133(4) repealed (6.4.2012) by <a href="#">Pensions Act (Northern Ireland) 2008 (c. 1), ss. 13(4), 19(5), Sch. 6 Pt. 6; S.R. 2012/115, art. 2</a> |

*Reduction in State scheme contributions, payment  
of rebates and reduction in State scheme benefits*

**State scheme contributions and rebates**

**134.**—(1) In section 36 of the Pension Schemes Act (scope of Chapter II of Part III), in paragraph (b), after “members of” insert “money purchase contracted-out schemes and members of”.  
*Para.(2) rep. by 1998 NI 10*

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<sup>F4</sup>(3) .....

<sup>F5</sup>(4) .....

(5) In Schedule 3 to that Act (priority in bankruptcy, etc), in paragraph 2(3)—

(a) in paragraph (a), for “4.8 per cent.” substitute “the percentage for non-contributing earners”,

(b) in paragraph (b), for “3 per cent.” substitute “the percentage for contributing earners”.

(6) In paragraph 2(5) of that Schedule—

<sup>F6</sup>(a) .....

(b) after that definition insert—

““the percentage for contributing earners”

(a) in relation to a salary related contracted-out scheme, 3 per cent, and

(b) in relation to a money purchase contracted-out scheme, the percentage which is the appropriate flat-rate percentage for secondary Class 1 contributions,

“the percentage for non-contributing earners” means—

(a) in relation to a salary related contracted-out scheme, 4.8 per cent, and

(b) in relation to a money purchase contracted-out scheme, a percentage equal to the sum of the appropriate flat-rate percentages for primary and secondary Class 1 contributions;” .

**F4** [Art. 134\(3\)](#) repealed (6.4.2016) by [Pensions Act \(Northern Ireland\) 2015](#) (c. 5), s. 53(3), **Sch. 13 para. 64**

**F5** [Art. 134\(4\)](#) repealed (6.4.2016) by [Pensions Act \(Northern Ireland\) 2015](#) (c. 5), s. 53(3), **Sch. 13 para. 64**

**F6** [Art. 134\(6\)](#) repealed (7.6.2012 for art. 134(6)(a) and otherwise prosp.) by [Pensions Act \(Northern Ireland\) 2008](#) (c. 1), s. 21(1), **Sch. 6 Pt. 7**; S.R. 2012/234, art. 2(1)(b)(ii)

**Minimum contributions towards appropriate personal pension schemes**

**135.**—(1) Section 41 of the Pension Schemes Act (minimum contribution to personal pension schemes) is amended as setout in paragraphs (2) to (4).

(2) For subsection (1) substitute—

“(1) In relation to any tax week falling within a period for which the Department is required to pay minimum contributions in respect of an earner, the amount of those contributions shall be an amount equal to the appropriate age-related percentage of so much of the earnings paid in that week (other than earnings in respect of contracted-out employment) as exceeds the current lower earnings limit but not the current upper earnings limit for that week (or the prescribed equivalents if he is paid otherwise than weekly).” .

(3) Subsection (2) is omitted.

(4) In subsection (3)(e), the words following “prescribed period” are omitted.

<sup>F7</sup>(5) .....

**F7** [Art. 135\(5\)](#) repealed (6.4.2012) by [Pensions Act \(Northern Ireland\) 2008](#) (c. 1), ss. 13(4), 19(5), **Sch. 6 Pt. 6**; S.R. 2012/115, art. 2

**Money purchase and personal pension schemes: verification of ages.**

<sup>F8</sup>**136.** . . . . .

<b>F8</b> Art. 136 repealed (6.4.2015) by Pensions Act (Northern Ireland) 2008 (c. 1), s. 21(1), Sch. 6 Pt. 7; S.R. 2012/234, art. 2(2)
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**Reduction in benefits for members of certified schemes**

**137.**—(1) After section 44 of the Pension Schemes Act insert—

*“Effect of reduced contributions and rebates on social security benefits*

**Additional pension and other benefits.**

**44A.**—(1) In relation to any tax week there—

- (a) the amount of a Class 1 contribution in respect of the earnings paid to or for the benefit of an earner in that week is reduced under section 37 or 38A, or
- (b) an amount is paid under section 41(1) in respect of the earnings paid to or for the benefit of an earner,

section 44(6) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992 (earnings factors for additional pension) shall have effect, except in prescribed circumstances, as if no primary Class 1 contributions had been paid or treated as paid upon those earnings for that week and section 45A of that Act did not apply (where it would, apart from this subsection, apply).

(2) Where the whole or part of a contributions equivalent premium has been paid or treated as paid in respect of the earner, the Department may make a determination reducing or eliminating the application of subsection (1).

(3) Subsection (1) is subject to regulations under paragraph 5(3A) to (3E) of Schedule 1.

(4) Regulations may, so far as is required for the purpose of providing entitlement to additional pension (such as is mentioned in section 44(3)(b) of the Social Security Contributions and Benefits (Northern Ireland) Act 1992) but to the extent only that amount of additional pension is attributable to provision made by regulations under section 45(5) of that Act, disapply subsection (1).

(5) In relation to earners where, by virtue of subsection (1), section 44(6) of Social Security Contributions and Benefits (Northern Ireland) Act 1992 has effect, in any tax year, as mentioned in that subsection in relation to some but not all of their earnings, regulations may modify the application of section 44(5) of that Act.”.

(2) In section 44 of the Pension Schemes Act (effect of membership of money purchase contracted-out scheme or appropriate scheme on payment of social security benefits), in subsection (2), paragraph (b) is omitted and, in paragraph (c), “if the earner dies before reaching pensionable age” is omitted.

(3) Section 44 of that Act shall cease to have effect in relation to minimum payments made, or minimum contributions paid, on or after the principal appointed day.

*Premiums and return to State scheme*

**State scheme, etc. premiums and buyback into State scheme**

**138.**—(1) In section 51 of the Pension Schemes Act (payment of state scheme premiums on termination of certified status), for subsection (2) substitute—

“(2) Where—

- (a) an earner is serving in employment which is contracted-out employment by reference to an occupational pension scheme (other than a money purchase contracted-out scheme),
- (b) paragraph (a) ceases to apply, by reason of any of the following circumstances, before the earner attains the scheme's normal pension age or (if earlier) the end of the tax year preceding that in which the earner attains pensionable age, and
- (c) the earner has served for less than two years in the employment,

the prescribed person may elect to pay a premium under this subsection (referred to in this Act as a “contributions equivalent premium”).

(2A) The circumstances referred to in subsection (2) are that—

- (a) the earner's service in the employment ceases otherwise than on the earner's death,
- (b) the earner ceases to be a member of the scheme otherwise than on the earner's death,
- (c) the earner's service in the employment ceases on the earner's death and the earner dies leaving a widow or widower,
- (d) the scheme is wound up,
- (e) the scheme ceases to be a contracted-out occupational pension scheme;

but paragraph (a), (b), (d) or (e) does not apply if the earner has an accrued right to short service benefit.”.

(2) In Schedule 1 to that Act, in paragraph 5 (state scheme premiums)—

(a) in sub-paragraph (3)—

- (i) omit “, in relation to state scheme premiums,”,
- (ii) omit paragraph (b), and
- (iii) at the end add— “and in this sub-paragraph and the following provisions of this paragraph “premium” means a contributions equivalent premium” ,

(b) after sub-paragraph (3) insert—

“(3A) Sub-paragraph (3B) applies in relation to a member of a contracted-out occupational pension scheme which is being wound up if, in the opinion of the Department—

- (a) the resources of the scheme are insufficient to meet the whole of the liability for the cash equivalent of the member's rights under the scheme, and
- (b) if the resources of the scheme are sufficient to meet a part of that liability, that part is less than the amount required for restoring his State scheme rights.

(3B) Where this sub-paragraph applies—

- (a) regulations may provide for treating the member as if sections 42 to 44 or, as the case may be, section 44A(1) did not apply, or applied only to such extent as is determined in accordance with the regulations, and

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- (b) the amount required for restoring the member's State scheme rights, or a prescribed part of that amount, shall be a debt due from the trustees or managers of the scheme to the Department.
- (3C) Regulations may make provision—
  - (a) for determining the cash equivalent of a member's rights under a scheme and the extent (if any) to which the resources of the scheme are insufficient to meet the liability for that cash equivalent,
  - (b) for the recovery of any debt due under sub-paragraph (3B)(b), and
  - (c) for determining the amount required for restoring a member's State scheme rights including provision requiring the Department to apply whichever prescribed actuarial table in force at the appropriate time is applicable.
- (3D) Section 151 shall apply as if sub-paragraphs (3A) and (3B), and regulations made by virtue of those sub-paragraphs, were included among the provisions there referred to.
- (3E) In sub-paragraphs (3A) and (3B), “State scheme rights”, in relation to a member of a scheme, are the rights for which, if the scheme had not been a contracted-out scheme, the member would have been eligible by virtue of section 44(6) of Social Security Contributions and Benefits (Northern Ireland) Act 1992 (earnings factors for additional pension.” , and
- (c) omit sub-paragraph (5).

### *Protected rights*

#### **Interim arrangements for giving effect to protected rights**

**F9 139.** . . . . .

**F9** Arts. 139-143 repealed (6.4.2012) by [Pensions Act \(Northern Ireland\) 2008 \(c. 1\)](#), ss. 13(4), 19(5), [Sch. 6 Pt. 6](#); S.R. 2012/115, art. 2

#### **Requirements for interim arrangements**

**F9 140.** . . . . .

**F9** Arts. 139-143 repealed (6.4.2012) by [Pensions Act \(Northern Ireland\) 2008 \(c. 1\)](#), ss. 13(4), 19(5), [Sch. 6 Pt. 6](#); S.R. 2012/115, art. 2

#### **Interim arrangements: supplementary**

**F9 141.** . . . . .

**F9** Arts. 139-143 repealed (6.4.2012) by [Pensions Act \(Northern Ireland\) 2008 \(c. 1\)](#), ss. 13(4), 19(5), [Sch. 6 Pt. 6](#); S.R. 2012/115, art. 2

#### **Extension of interim arrangements to occupational pension schemes**

**F9 142.** . . . . .

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**F9** Arts. 139-143 repealed (6.4.2012) by Pensions Act (Northern Ireland) 2008 (c. 1), ss. 13(4), 19(5), Sch. 6 Pt. 6; S.R. 2012/115, art. 2

**Discharge of protected rights on winding up: insurance policies**

**F9** 143. ....

**F9** Arts. 139-143 repealed (6.4.2012) by Pensions Act (Northern Ireland) 2008 (c. 1), ss. 13(4), 19(5), Sch. 6 Pt. 6; S.R. 2012/115, art. 2

*Miscellaneous*

**Monitoring personal pension schemes**

144. After section 29 of the Pension Schemes Act insert—

**“Appropriate schemes: “Blowing the whistle”.**

29A.—(1) If any person acting as an auditor or actuary of an appropriate scheme has reasonable cause to believe that—

- (a) any requirement which, in the case of the scheme, is required by section 5(5)(a) to be satisfied is not satisfied, and
- (b) the failure to satisfy the requirement is likely to be of material significance in the exercise by the Department of any of its functions relating to appropriate schemes,

that person must immediately give a written report of the matter to the Department.

(2) No duty to which a person acting as auditor or actuary of an appropriate scheme is subject shall be regarded as contravened merely because of any information or opinion contained in a written report under this section.”.

**Earners employed in more than one employment**

**F10** 145. ....

**F10** Art. 145 repealed (6.4.2016) by Pensions Act (Northern Ireland) 2015 (c. 5), s. 53(3), Sch. 13 para. 64

**Hybrid occupational pension schemes**

**F11** 146. ....

**F11** Art. 146 omitted (6.4.2012) by virtue of The Pensions (2008 No. 2 Act) (Abolition of Protected Rights) (Consequential Provisions) Order (Northern Ireland) 2012 (S.R. 2012/124), arts. 1(b), 5(4)

*Art. 147—Amendments*

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**Changes and effects yet to be applied to :**

- Instrument amended by [1998 c. 11 s.23 Sch.5 Pt.IV Ch.II para.72](#)
- power to am. (prosp.) by [1998 c. 47 s.87](#)

**Changes and effects yet to be applied to the whole Order associated Parts and Chapters:**

Whole provisions yet to be inserted into this Order (including any effects on those provisions):

- Sch. 2 para. 18(15)(16) repealed by [2012 c. 3 \(N.I.\) Sch. 2 para. 4\(b\)](#)
- Sch. 2 Pt. 3 para. 18(8) repealed by [2008 c. 1 \(N.I.\) Sch. 6 Pt. 1](#) (Amendment could not be applied - affected provision not available on [legislation.gov.uk](#))
- Sch. 2 Pt. 3 para. 18(18) repealed by [2008 c. 1 \(N.I.\) Sch. 6 Pt. 1](#) (Amendment could not be applied - affected provision not available on [legislation.gov.uk](#))
- art. 37(1A)(a) word inserted by [2016 c. 1 \(N.I.\) Sch. 2 para. 7\(a\)](#)
- art. 37(1A)(b) inserted by [2016 c. 1 \(N.I.\) Sch. 2 para. 7\(b\)](#)
- art. 51(5A)-(5C) inserted by [2016 c. 1 \(N.I.\) s. 43\(1\)](#)
- art. 51(7A) inserted by [2016 c. 1 \(N.I.\) s. 41\(1\)\(b\)](#)
- art. 51(9)(10) inserted by [2016 c. 1 \(N.I.\) s. 42\(3\)](#) (This amending provision is itself amended by S.I. 2019/193, reg. 7)
- art. 67A(3)(aa)-(ac) inserted by [2016 c. 1 \(N.I.\) s. 45\(3\)](#)
- art. 67A(9)(b)(viii)-(x) inserted by [2016 c. 1 \(N.I.\) s. 45\(6\)\(b\)](#)
- art. 73(2)(2A) substituted for art. 73(2) by [2016 c. 1 \(N.I.\) Sch. 2 para. 11](#)
- art. 75(1)-(1B) substituted for art. 75(1) by [2016 c. 1 \(N.I.\) Sch. 2 para. 12](#)
- art. 167(3)(aa) inserted by [2016 c. 1 \(N.I.\) s. 43\(2\)](#)