
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Pension Protection Fund (Entry Rules) Regulations (Northern Ireland) 2005 (“the Entry Rules Regulations”), the Pension Protection Fund (Valuation) Regulations (Northern Ireland) 2005 (“the Valuation Regulations”), the Pension Protection Fund (Compensation) Regulations (Northern Ireland) 2005 (“the Compensation Regulations”), the Pension Protection Fund (General and Miscellaneous Amendments) Regulations (Northern Ireland) 2006 (“the General Regulations”) and the Pension Protection Fund (Closed Schemes) Regulations (Northern Ireland) 2007 (“the Closed Schemes Regulations”).

Regulation 2 amends the Entry Rules Regulations to—

prescribe European Economic Area credit institutions and insurers as further categories of employer which can make an application to the Board of the Pension Protection Fund (“the Board”) (paragraphs (2), (3), (4) and (5)(b) and (c));

insert a missing cross reference (paragraph(5)(a));

extend the circumstances in which the Board can make payments in respect of certain scheme members who have died (paragraph (6)(a));

provide that the Board can pay contributions refunds and death benefits in respect of certain scheme members, despite them having died before an assessment period starts (paragraph (6) (b));

adopt the recognised auditing concept of “a true and fair view” rather than “a true and fair value” in audited scheme accounts (paragraph (7)).

Regulations 3 and 6 amend respectively the Valuation Regulations and the Closed Schemes Regulations to adopt the recognised auditing concept of “a true and fair view”.

Regulation 4 inserts regulation 13A into the Compensation Regulations. Regulation 13A modifies the way in which Schedule 6 to the Pensions (Northern Ireland) Order 2005 (“the Order”) applies to certain schemes which do not contain any rules on revaluation of benefits. The modifications ensure that the Board does not revalue members’ benefits when the scheme it becomes responsible for does not revalue the benefits of both active and deferred members.

Regulation 5 amends the General Regulations. Paragraphs (2) and (3) provide that the Board can pay contributions refunds and death benefits in respect of certain scheme members, despite them having died before an assessment period starts. Paragraph (4) inserts regulation 4A which requires the Board to pay 90% of certain transfer payments and contribution refunds to members of a pension scheme which has entered the Pension Protection Fund (“the Fund”). The transfer payments and contribution refunds are those which the member became entitled to before the assessment date, but which had not been paid by the date the pension scheme entered the Fund.

The Pensions (2005 Order) (Commencement No. 12) Order (Northern Ireland) 2009 ([S.R. 2009 No. 62 \(C. 3\)](#)) provides for the coming into operation of Article 150(6) of the Order, one of the enabling provisions under which these Regulations are made, on 1st March 2009.

As these Regulations make in relation to Northern Ireland only provision corresponding to provision contained in regulations made by the Secretary of State for Work and Pensions in relation to Great Britain, the requirement to consult under Article 289(1) of the Order does not apply by virtue of paragraph (2)(e) of that Article.