EXPLANATORY MEMORANDUM TO

THE OCCUPATIONAL AND PERSONAL PENSION SCHEMES (GENERAL LEVY) (REVOCATION) REGULATIONS (NORTHERN IRELAND) 2020

S.R. 2020 No. 49

1. Introduction

1.1 This Explanatory Memorandum has been prepared by the Department for Communities to accompany the Statutory Rule (details above) which is laid before the Northern Ireland Assembly.

1.2 The Statutory Rule is made under sections 170 and 177(2) of the Pension Schemes (Northern Ireland) Act 1993 and is subject to the negative resolution procedure before the Assembly.

2. Purpose

2.1 These Regulations revoke the Occupational and Personal Pension Schemes (General Levy) (Amendment) Regulations (Northern Ireland) 2020, which give effect to new rates to calculate the general levy payable by occupational pension schemes and personal pension schemes, before they come into operation on 1st April 2020.

3. Background

3.1 The general levy was due to increase on 1st April 2020. However, the Covid-19 pandemic has created significant uncertainty around the full financial and economic impact of the pandemic on businesses. In light of this, the Occupational and Personal Pension Schemes (General Levy) (Amendment) Regulations (Northern Ireland) 2020 are revoked. The intention is to reassess the levy in the future.

4. Consultation

4.1 There is no requirement to consult on these Regulations. They 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.

5. Equality Impact

5.1 In accordance with its duty under section 75 of the Northern Ireland Act 1998, the Department has conducted a screening exercise on the legislative proposals for these Regulations and, as they merely revoke Regulations which amend the general levy rate payable by pension schemes and do not represent a change in policy, has concluded that they do not have significant implications for equality of opportunity. In light of this, the

Department considers that an Equality Impact Assessment is not necessary.

6. Regulatory Impact

6.1 These Regulations do not require a Regulatory Impact Assessment as they have no impact on costs on business, charities or voluntary bodies.

7. Financial Implications

7.1 None for the Department.

8. Section 24 of the Northern Ireland Act 1998

8.1 The Department has considered section 24 of the Northern Ireland Act 1998 and is satisfied that these Regulations –

(a) are not incompatible with any of the Convention rights,

(b) are not incompatible with Community law,

(c) do not discriminate against a person or class of person on the ground of religious belief or political opinion, and

(d) do not modify an enactment in breach of section 7 of the Northern Ireland Act 1998.

9. EU Implications

9.1 Not applicable.

10. Parity or Replicatory Measure

10.1 The corresponding Great Britain Regulations are the Occupational and Personal Pension Schemes (General Levy) (Revocation) Regulations 2020 which were made on 25th March 2020 and come into force on 31st March 2020. Parity of timing and substance is an integral part of the maintenance of single systems of social security, child support and pensions in line with section 87 of the Northern Ireland Act 1998.

11. 21 Day Rule

11.1 The Great Britain Regulations were made on 25th March 2020. The Regulations were made as soon as possible the next day, 26th March 2020. Owing to parity considerations it is vital that the Regulations come into operation on the same date as the Great Britain Regulations, in this instance 31st March 2020.