EXPLANATORY MEMORANDUM TO

THE PERSONAL ACCOUNTS DELIVERY AUTHORITY WINDING UP (CONSEQUENTIAL PROVISIONS) ORDER (NORTHERN IRELAND) 2010

S.R. 2010 No. 212

1. Introduction

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

1.2 The Statutory Rule is made under section 65(6) of the Pensions (No. 2) Act (Northern Ireland) 2008 and is subject to the negative resolution procedure.

2. Purpose

2.1 This Order repeals section 17 of the Pensions Act (Northern Ireland) 2008 and sections 65(1) to (5) and 66 to 68 of the Pensions (No. 2) Act (Northern Ireland) 2008 in consequence of the winding up the Personal Accounts Delivery Authority.

3. Background

3.1 The Personal Accounts Delivery Authority was set up, on a UK-wide basis, under section 20 of the Pensions Act 2007 initially to advise on setting up a pension scheme which would support employees on low to moderate earnings in saving for retirement. Initial functions and management of the Authority are contained in both the Pensions Act 2007 and the Pensions Act (Northern Ireland) 2008. The Authority's remit was extended by the Pensions Act 2008 and the Pensions (No. 2) Act (Northern Ireland) 2008 to enable it to design and develop the infrastructure for the National Employment Savings Trust (NEST) before handing over to the NEST Corporation which will be the body responsible for running NEST on a UK-wide basis, from 5th July 2010. From that date the Corporation will be responsible for any remaining implementation and for the operation of NEST.

3.2 The Secretary of State for Work and Pensions has made an order winding up the Personal Accounts Delivery Authority from 5th July 2010 to coincide with the establishment of NEST. The NEST Corporation will take forward and finalise implementation in order to establish and run NEST in the best interests of future members.

3.3 The Winding Up Order made by the Secretary of State for Work and Pensions includes consequential repeals of statutory provisions relating to the functions of the Personal Accounts Delivery Authority. The Department is empowered to make an Order containing corresponding provision for Northern Ireland.

4. Consultation

4.1 There is no requirement to consult on this Order.

5. Equality Impact

5.1 Proposals for the Pensions Act (Northern Ireland) 2008 and the Pensions (No. 2) Act (Northern Ireland) 2008 were subject to full Equality Impact Assessments. 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 this Order. As the proposals are of a technical nature and do not alter policy, they have no implications for any of the section 75 categories. In light of this, the Department has concluded that the proposals would not have significant implications for equality of opportunity and considers that an Equality Impact Assessment is not necessary.

6. Regulatory Impact

6.1 This Order does not require a Regulatory Impact Assessment as it has 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 this Order –

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

(b) is not incompatible with Community law,

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

(d) does 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 This Order corresponds to provision in the Personal Accounts Delivery Authority Winding Up Order 2010 (S.I. 2010/911) which comes into force on 5th July 2010. Parity of timing and substance is an integral part of the maintenance of single systems of social security, child support and pensions provided for in section 87 of the Northern Ireland Act 1998.