EXPLANATORY MEMORDANDUM TO THE

Police Pension (Northern Ireland) (Amendment) Regulations 2013

SR 2013 No. 36

1. This Explanatory Memorandum has been prepared by the Department of Justice to accompany the Statutory Rule (detailed above) which is laid before the Northern Ireland Assembly.

The Statutory Rule is made under powers conferred by sections 25, 26 and 72 of the Police (Northern Ireland) Act 1998, read with Articles 14 and 15 of the Superannuation (Northern Ireland) Order 1972, and is subject to the negative resolution procedure.

2. Purpose

2.1. The purpose of these Regulations is provide a qualifying pension scheme (as required under auto enrolment provisions) for the Police Service of Northern Ireland (PSNI) Part Time Reserve (PTR) to enable PSNI PTR officers join the New Police Pension Scheme (NPPS); to permit members of Police Pension Schemes to opt in and out on more than one occasion and to allow the Northern Ireland Policing Board (NIPB) to make arrangements for member(s) of the PSNI or PSNI PTR to become members of the scheme under automatic enrolment.

3. Background

3.1 Government policy on automatic enrolment is to increase the number of people saving for their pension by ensuring that inaction on their part will lead to pension saving occurring, just as inaction at present leads to no saving. The Pensions (No.2) (Northern Ireland) Act 2008 and corresponding provision in the UK Governments Pensions Act 2008 introduce a duty on employers to enrol eligible jobholders into a qualifying workplace pension and to make minimum contributions into it.

3.2 The Police Pensions Scheme (PPS) and the New Police Pension Scheme (NPPS) are both qualifying schemes; however minor amendments to the regulations are required to allow officers to opt in or out on more than one occasion and to permit the NIPB to make arrangements for members of the PSNI or PSNI PTR to become members of the scheme.

3.3 The Department has prepared regulations which introduce an amendment to PSNI pensions regulations to introduce a duty on the NIPB/PSNI (as employers) to enrol eligible jobholders into a qualifying workplace pension and to make minimum

contributions into it and to provide a qualifying workplace pension the PSNI Part Time Reserve.

4. Consultation

4.1 As required by sections 25(8) and 26(6) of the Police (Northern Ireland) Act 1998, the Department of Justice has consulted the Northern Ireland Policing Board and the Police Association for Northern Ireland. The consultation was also extended to the Chief Constable of the Police Service of Northern Ireland.

4.2 In accordance with section 72(2A) of that Act, the Department of Justice has obtained the consent of the Department of Finance and Personnel.

4.3 The draft regulations were issued for consultation from 24 September 2012 to 6 December 2012. The level of public interest in the introduction of these amendments is low. There was no public consultation process and no media coverage.

5. Equality Impact

5.1 Consideration has been given to compliance with section 75 of the Northern Ireland Act 1998 and no equality issues have been identified by the Department.

6. Regulatory Impact

6.1 The Department does not consider that there is a need for a regulatory impact assessment for this instrument as it has no impact on business, charities or voluntary bodies.

7 Financial Implications

7.1 The inclusion of the PTR into the NPPS is potentially of minor financial significance; failure to provide a qualifying scheme for the PSNI PTR or to amend regulations to allow auto-enrolment into/out off the Northern Ireland police pension scheme by their staging date of 1 April 2013, will incur a penalty imposed by the Pension Regulator.

8. Section 24 of the Northern Ireland Act 1998

8.1 The proposed legislation is considered compatible with section 24 of the Northern Ireland Act 1998.

9. European Implications

9.1 Not applicable.

10 Parity or Replicatory measure

10.1 The PSNI Part Time Reserve Force are unique to Northern Ireland

10.2 Similar legislation (with respect to auto enrolment) is being introduced simultaneously in Scotland, England and Wales on 1 April 2013.

11. Additional Information

11.1 Not applicable