



Pension Schemes Act 1993

1993 CHAPTER 48

PART III

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

CHAPTER I

CERTIFICATION

Requirements for certification of occupational pension schemes providing guaranteed minimum pensions

14 Earner's guaranteed minimum.

- (1) An earner has a guaranteed minimum in relation to the pension provided by a scheme if in any tax week in a relevant year, earnings in excess of the current lower earnings limit (or the prescribed equivalent if he is paid otherwise than weekly) have been paid to or for his benefit in respect of employment which is contracted-out by reference to the scheme.
- (2) Subject to section 15(1), the guaranteed minimum shall be the weekly equivalent of an amount equal to the appropriate percentage of the total of the earner's earnings factors for the relevant years, so far as derived from earnings such as are mentioned in subsection (1) upon which primary Class 1 contributions have been paid or treated as paid.
- ^{F1}(3)
- (4) Where the amount of a person's earnings for any period is relevant for any purpose of subsection (1) or (2) and the Secretary of State is satisfied that records of those earnings have not been maintained or retained or are otherwise unobtainable, he may for that purpose—

Status: Point in time view as at 06/04/1997. This version of this provision has been superseded.

Changes to legislation: Pension Schemes Act 1993, Section 14 is up to date with all changes known to be in force on or before 31 July 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details)

- (a) compute, in such manner as he thinks fit, an amount which shall be regarded as the amount of those earnings; or
 - (b) take their amount to be such sum as he may specify in the particular case.
- (5) In subsection (2) the “appropriate percentage” means—
- (a) in respect of the earner’s earnings factors for any tax year not later than the tax year 1987-88—
 - (i) if the earner was not more than 20 years under pensionable age on 6th April 1978, 1.25 per cent.;
 - (ii) in any other case 25/N per cent.;
 - (b) in respect of the earner’s earnings factors for the tax year 1988-89 and for subsequent tax years—
 - (i) if the earner was not more than 20 years under pensionable age on 6th April 1978, 1 per cent.;
 - (ii) in any other case 20/N per cent.;
 where N is the number of years in the earner’s working life (assuming he will attain pensionable age) which fall after 5th April 1978.
- (6) Regulations may prescribe rules as to the circumstances in which earnings factors are derived from earnings for the purposes of subsection (2).
- (7) For the purposes of subsection (2) the weekly equivalent of the amount there mentioned shall be calculated by dividing that amount by 52.
- (8) In this section “relevant year” means any tax year in the earner’s working life (not being earlier than the tax year 1978-79 [^{F2}or later than the tax year ending immediately before the principal appointed day]).

Textual Amendments

- F1** S. 14(3) repealed (6.4.1997) by [Pensions Act 1995 \(c. 26\)](#), s. 180(1), Sch. 5 para. 27(a), **Sch. 7 Pt. III**; S.I. 1997/664, art. 2(3), Sch. Pt. 2
- F2** Words in s. 14(8) inserted (6.4.1997) by [Pensions Act 1995 \(c. 26\)](#), s. 180(1), **Sch. 5 para. 27(b)**; S.I. 1997/664, art. 2(3), **Sch. Pt. 2**

Modifications etc. (not altering text)

- C1** Pt. III applied (with modifications) (6.4.1997) by [The Occupational Pension Schemes \(Mixed Benefit Contracted-out Schemes\) Regulations 1996 \(S.I. 1996/1977\)](#), regs. 1(1), **2(4)(a)-(f)**
- C2** Pt. III applied (with modifications) (6.4.1997) by [The Contracting-out \(Transfer and Transfer Payment\) Regulations 1996 \(S.I. 1996/1462\)](#), regs. 1(1), 12, 13, **Sch. 2** (with reg. 14, Sch. 4)
- C3** Pt. III: power to modify conferred (1.6.1996 for specified purposes, 6.4.1997 in so far as not already in force) by [Pensions Act 1995 \(c. 26\)](#), **ss. 149(1)**, 180(1); S.I. 1996/778, **art. 2(6)**; S.I. 1997/664, art. 2(3), **Sch. Pt. 2**
- C4** S. 14(1) applied (with modifications) (6.4.1997) by [The Protected Rights \(Transfer Payment\) Regulations 1996 \(S.I. 1996/1461\)](#), regs. 1(1), **6(4)**

Commencement Information

- I1** Ss. 1-187 in force at 7.2.1994 by S.I. 1994/86, **art. 2**

Status:

Point in time view as at 06/04/1997. This version of this provision has been superseded.

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