



Pension Schemes Act 2015

2015 CHAPTER 8

PART 4

PENSIONS FLEXIBILITIES

CHAPTER 5

INTERPRETATION OF PART 4

75 Meaning of “cash balance benefit”

- (1) In this Part “cash balance benefit”, in relation to a member of a pension scheme or a survivor of a member, means a benefit calculated by reference to an amount available for the provision of benefits to or in respect of the member (“the available amount”) where there is a promise about that amount.
- (2) But a benefit is not a “cash balance benefit” if, under the scheme—
 - (a) a pension may be provided from the available amount to or in respect of the member, and
 - (b) there is a promise about the rate of that pension.
- (3) The promise mentioned in subsection (1) includes, in particular, a promise about the change in the value of, or the return from, payments made by the member or any other person in respect of the member.
- (4) The promise mentioned in subsection (2)(b) includes a promise that—
 - (a) the available amount will be sufficient to provide a pension of a particular rate;
 - (b) the rate of a pension will represent a particular proportion of the available amount.
- (5) A benefit is not excluded from the definition of “cash balance benefit” by subsection (2) merely because under the scheme there is a promise that—

Status: Point in time view as at 08/06/2015.

Changes to legislation: There are currently no known outstanding effects for the Pension Schemes Act 2015, Section 75. (See end of Document for details)

- (a) the rate or amount of the benefit payable in respect of a deceased member will be a particular proportion of the rate or amount of the benefit which was (or would have been) payable to the member, or
- (b) the amount of a lump sum payable to a member, or in respect of a deceased member, will represent a particular proportion of the available amount.

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