
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make miscellaneous amendments to Regulations about personal and occupational pension schemes.

Regulation 2 amends the Occupational Pension Schemes (Preservation of Benefit) Regulations 1984 to take account of the changes made to Schedule 16 to the Social Security Act 1973 by paragraph 4 of Schedule 6 to the Social Security Act 1989 (c. 24). The changes introduce references to widowers wherever widows are referred to.

Regulation 3 amends the Occupational Pension Schemes (Disclosure of Information) Regulations 1986 to oblige schemes to provide information to enable members to join a scheme approved under section 591(1)(h) of the Income and Corporation Taxes Act 1988 (sometimes called a “freestanding AVC scheme”).

Regulation 4 amends the Personal and Occupational Pension Schemes (Incentive Payments) Regulations 1987 so that the additional 2 per cent of earnings payable by way of minimum contributions to a personal pension scheme under section 3(1)(b) of the Social Security Act 1986 is not payable if the Secretary of State has reason to suppose that notice that the earner is not entitled to that addition ought to have been given under regulation 2(2) or (3). But the addition will be payable if the earner satisfies the Secretary of State either that no notice ought to have been given or that, even if notice had been given, the addition would be payable.

The proposals in respect of these Regulations were not referred to the Occupational Pensions Board because it appeared to the Secretary of State that by reason of the urgency of the matter it was inexpedient so to refer them. The Regulations will be referred to the Board as soon as practicable unless the Board agree that they should not be referred.