
STATUTORY INSTRUMENTS

1996 No. 1172

**Occupational Pension Schemes
(Contracting-out) Regulations 1996**

PART V

FURTHER REQUIREMENTS (ALL SCHEMES) AND OVERSEAS SCHEMES

Circumstances in which the Secretary of State may vary or cancel a contracting-out certificate.

47.—(1) Where the Secretary of State has reason to suppose that any employment to which a contracting-out certificate [^{F1}applied] should not continue to be contracted-out employment and the employer has not shown to the satisfaction of the Secretary of State that it should so continue, the Secretary of State may determine that the employment should not continue to be treated as contracted-out employment and where he so determines, he shall cancel or vary the certificate with effect, subject to paragraph (2), from such date [^{F2}(being a date before the second abolition date)] as he may specify and he shall notify the employer in writing of his determination, the reasons for it and of his powers to review that determination.

(2) The date from which the cancellation or variation is to have effect may not be earlier than the date of the cancellation or variation, as the case may be, except—

- (a) in a case of a [^{F3}scheme that was a] salary-related contracted-out scheme where the Secretary of State considers that the resources of the scheme have not been maintained at a sufficient level for maintaining all claims in respect of guaranteed minimum pensions and section 9(2B) rights so far as falling to be met out of those resources, the date may be the latest date on which in the opinion of the Secretary of State those resources were maintained at such a sufficient level; or
- (b) in a case of a [^{F4}scheme that was a] salary-related contracted-out scheme where the earners in employments to which the contracting-out certificate applies have ceased to qualify for guaranteed minimum pensions or benefits arising from section 9(2B) rights under the scheme, the date may be a date not earlier than the date on which, in the opinion of the Secretary of State, the said cessation occurred; or
- (c) in a case where the Secretary of State discovers that the scheme did not satisfy the requirements for being a contracted-out scheme at the date the contracting-out certificate was issued, the date may be the date from which the certificate had effect or any later date; or
- (d) in a case where the Secretary of State considers that the scheme has ceased to satisfy the requirements for being a contracted-out scheme, the date may be any date not earlier than when, in the Secretary of State's opinion, the scheme ceased to satisfy those requirements.

(3) In any case where the Secretary of State has cancelled or varied a certificate under the provisions of paragraph (1) above he may require the employer to give notice of the cancellation or variation, in the manner specified in regulation 3(3), to—

- (a) the earners in relation to whom the employment was contracted-out by virtue of the certificate immediately before its cancellation or variation;
- (b) the trustees (if any) and administrator of the scheme by reference to which the employment was contracted-out immediately before the cancellation or variation of the certificate; and
- (c) the persons specified in regulation 3(1)(c) and (d),

and he may require any such notice to include such particulars (including particulars of the consequences of the cancellation or variation) as he considers appropriate.

Textual Amendments

- F1** Word in reg. 47(1) substituted (6.4.2016) by [The Occupational Pension Schemes \(Schemes that were Contracted-out\) \(No.2\) Regulations 2015 \(S.I. 2015/1677\)](#), regs. 1(2)(b), **29(5)(a)(i)**
- F2** Words in reg. 47(1) inserted (6.4.2016) by [The Occupational Pension Schemes \(Schemes that were Contracted-out\) \(No.2\) Regulations 2015 \(S.I. 2015/1677\)](#), regs. 1(2)(b), **29(5)(a)(ii)**
- F3** Words in reg. 47(2)(a) inserted (6.4.2016) by [The Occupational Pension Schemes \(Schemes that were Contracted-out\) \(No.2\) Regulations 2015 \(S.I. 2015/1677\)](#), regs. 1(2)(b), **29(5)(b)**
- F4** Words in reg. 47(2)(b) inserted (6.4.2016) by [The Occupational Pension Schemes \(Schemes that were Contracted-out\) \(No.2\) Regulations 2015 \(S.I. 2015/1677\)](#), regs. 1(2)(b), **29(5)(b)**

Changes to legislation:

There are currently no known outstanding effects for the Occupational Pension Schemes (Contracting-out) Regulations 1996, Section 47.