
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations replace the Protected Rights (Transfer Payment) Regulations 1987 which are now (subject to transitional provisions) revoked. The Regulations supplement the changes introduced by the Pensions Act 1995 to Part III of the Pension Schemes Act 1993 (although they are made under powers in the 1993 Act which have not been amended by the 1995 Act). They also consolidate and amend those provisions of the 1987 Regulations which remain relevant. As regards those regulations which are not made only for the purposes of consolidation, the Occupational Pensions Board has agreed that proposals to make such regulations need not be referred to them.

Regulation 1 contains general provisions relating to citation, commencement and interpretation.

Regulations 2 to 5 make provision for the circumstances in which and the conditions subject to which effect may be given to the protected rights of a member of a scheme which is or was a money purchase contracted-out scheme or an appropriate personal pension scheme by the making of a transfer payment to another pension scheme.

Regulation 6 modifies Part III of the 1993 Act, where a transfer payment has been made to a scheme which is contracted-out under section 9(2) of that Act (a salary-related contracted-out scheme), in order to accommodate the guaranteed minimum pensions to which a member of such a scheme becomes entitled in consequence of that payment.

Regulation 7 contains revocations and transitional provisions.

An assessment of the compliance cost for employers of the measures arising from the Pensions Act 1995, including these Regulations, has been placed in the libraries of both Houses of Parliament. Copies can be obtained by post from the Department of Social Security, Private Pensions Directorate, 11th floor, The Adelphi, 1-11 John Adam Street, London, WC2N 6HT.