

1997 No. 786

PENSIONS

The Personal and Occupational Pension Schemes (Miscellaneous Amendments) Regulations 1997

Made - - - - - 11th March 1997
Laid before Parliament 14th March 1997
Coming into force 6th April 1997

ARRANGEMENT OF REGULATIONS

1. Citation and commencement.
2. Schemes providing salary-related death benefits.
3. Miscellaneous amendments.
4. Revocations and savings.

SCHEDULES

- SCHEDULE 1 Miscellaneous amendments.
SCHEDULE 2 Subordinate legislation revoked.

The Secretary of State for Social Security, in exercise of the powers conferred on him by sections 8(3)(a), 9(2A)(a), (2B), (2C), (3) and (6)(a), 10(2)(c) and (3)(c), 11(3) and (5)(a) to (c), 12C(1) and (3), 20(1), (2) and (3), 21(1), 25(2), 28(2)(b), 34, 37(1), 39, 56(2), 73(1)(b), (2)(b) and (4)(b), 93(1A)(b), 95(2)(c) and (3), 97(1), 113(1) and (3), 146(4), 168(1) and (4), 181(1) and 182(2) and (3) of and paragraphs 1, 3, 4(2) and 5(3)(e) of Schedule 2 to the Pension Schemes Act 1993 (a), sections 10(3), 17(1)(c) and (4)(b), 19(1)(c) and (4), 21(4), (5), (6), (7) and (8)(b), 37(10), 40(1) and (2)(e), 41(1) and (6), 47(5), 49(8)(b), 56(2)(b) and (3), 57(1)(a), 58(2) and (7), 60(2)(b) and (4), 61, 69(3)(c), 73(9), 75(10), 76(8), 77(6), 87(1), 118(1)(a) and (b), 119, 124(1), 125(2), (3) and (4) and 174(2) and (3) of the Pensions Act 1995 (b) and of all other powers enabling him in that behalf, by this instrument, the Occupational Pensions Board having agreed that the proposals to make these regulations, to the extent that they are made under the Pension Schemes Act 1993, need not be referred to them (c) and the Secretary of State having consulted with such persons as he considered appropriate (d), hereby makes the following regulations:-

Citation and commencement

1. These Regulations may be cited as the Personal and Occupational Pension

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- (a) 1993 c. 48. Section 9 was amended by section 136(3) and (4) of and paragraph 21 of Schedule 5 to the Pensions Act 1995 (c. 26). Section 10(2) was amended by paragraph 25 of that Schedule. Section 12C was inserted by section 136(5) of that Act. Section 25(2) was amended by paragraph 33 of that Schedule. Section 34 was amended by paragraphs 21 and 37 of that Schedule. Section 37 was substituted by paragraph 39 of that Schedule. Section 93(1A)(b) was inserted by section 152(3) of that Act. Section 146(4) was substituted by section 157(2) of that Act. Section 168 was substituted by section 155(1) of that Act. Section 181 is cited for the meaning given to “prescribe” and “regulations”.
- (b) 1995 c. 26. Section 124(1) is cited for the meaning given to “prescribed” and “regulations”.
- (c) See section 185(6) of the Pension Schemes Act 1993 and section 173(1)(b) of the Social Security Administration Act 1992 (c. 5).
- (d) See section 185(1) of the Pension Schemes Act 1993 and section 120(1) of the Pensions Act 1995. Section 185(1) of the Pension Schemes Act 1993 was amended by paragraph 80 of Schedule 5 to the Pensions Act 1995.

Schemes (Miscellaneous Amendments) Regulations 1997 and shall come into force on 6th April 1997.

Schemes providing salary-related death benefits

Reg. 2 renumbered 2(1) and 2(2) inserted by reg. 14 of S.I. 2005/704 as from 6.4.05.

2.—1 Part I of the Pensions Act 1995 applies to any occupational pension scheme under which all the benefits that may be provided other than death benefits are money purchase benefits as if every reference in that Part to a money purchase scheme included such a scheme.

▶(2) But paragraph (1) does not apply in relation to the provision by an occupational pension scheme of a pension to which regulation 2 of the Personal and Occupational Pension Schemes (Indexation and Disclosure of Information) (Miscellaneous Amendments) Regulations 2005 applies (removal of indexation: money purchase benefits provided under a hybrid occupational pension scheme).◀

Miscellaneous amendments

3. The regulations specified in Schedule 1 to these Regulations shall have effect with the amendments specified in that Schedule.

Revocations and savings

4.—(1) Subject to paragraph (2), the subordinate legislation specified in Schedule 2 is revoked to the extent specified in the third column.

(2) Without prejudice to the generality of section 16 of the Interpretation Act 1978 (a), the revocation of the Personal Pension Schemes (Personal Pension Protected Rights Premiums) Regulations 1987 (b) does not affect the operation of those regulations as respects any premium paid before 6th April 1997 or payable immediately before that date.

Signed by authority of the Secretary of State for Social Security.

11th March 1997

Oliver Heald
Parliamentary Under-Secretary of State,
Department of Social Security

SCHEDULE 1

Regulation 3

MISCELLANEOUS AMENDMENTS

[Paragraph 1 amends regulations 1(2) and 5(9) of and Schedules 1 and 2 to S.I. 1987/1110.]

[Paragraph 2 amends regulation 2(b) of S.I. 1987/1112.]

[Paragraph 3 amends regulation 6(2)(b), 9(4)(a) and 12(3) of S.I. 1991/167.]

[Paragraph 4 amends regulations 1(2), 2(2), 3(4) & (5), 6(2)(f), 7, 9(8), 42(1) & (2), 48(5)(c) & (d), 52, 55, 60(3) & (4), 72(2), (3), (4) & (5), 76A(3) & (4) of and inserts regulation 76B to S.I. 1996/1172.]

[Paragraph 5 amends regulations 2(1), 3, 4, 5, 6(1), 9(2), 13(5)(ii), 15(2), 20(1) and 23(1) of and paragraphs 6, 8(2) and 8(3) to Schedule 1, paragraph 2(3) to Schedule 2 and paragraphs 1(1)(e), 1(1)(g), 1(2)(a), 2(5)(a), 3(5)(a) and 8 to S.I. 1996/1216.]

[Paragraph 6 amends regulations 1(2) and 4(e) of S.I. 1996/1461.]

[Paragraph 7 amends regulations 1(2), 9(2B), 6(b) & (e), 7(1)(a), 8(c), 13(b), inserts regulation 13A of and amends paragraphs 1, 4, 6 and 9 of Schedule 2 to S.I. 1996/1462.]

[Paragraph 8 is revoked by S.I. 2005/3377]

(a) 1978 c. 30

(b) S.I. 1987/1111

[Paragraph 9 amends regulations 1(2) and 3 of S.I. 1996/1537.]

[Paragraph 10 amends regulations 1(2), 2(2), 6, 11 and paragraph 16 of Schedule 3 and inserts paragraphs (5A) in regulation 5, 12A in Schedule 1 and 6A in Schedule 2 to S.I. 1996/1655.]

[Paragraph 11 amends regulations 1(2), 3, 16 and 17 of S.I. 1996/1715.]

[Paragraph 12 amends regulation 1(2) of and adds regulation 1A to S.I. 1996/1847.]

[Paragraph 13 amends regulations 2 and 4 and paragraphs 2 & 6 of the Schedule to S.I. 1996/1975.]

[Paragraph 14 amends regulations 12 and 13 of S.I. 1996/2156.]

[Paragraph 14 is revoked in so far as it relates to the Occupational Pension Schemes (Payments to Employers) Regulations 1996 S.I. 1996/2156.]

[Paragraph 15 amends regulations 1(2) and 7(2) of S.I. 1996/2475.]

[Paragraph 16 revoked by S.I. 2006/759.]

[Paragraph 17 amends paragraphs (1) and (2) to regulation 12 of S.I. 1996/3126.]

[Paragraph 18 revoked by S.I. 2005/3378.]

[Paragraph 19 amends regulations 2(2), 4(2) and paragraph 4 of Schedule 2 to S.I. 1996/3128.]

SCHEDULE 2

Regulation 4

REVOCATIONS

Year and Number	Title	Extent of revocation
1987/1111	The Personal Pension Schemes (Personal Pension Protected Rights Premiums) Regulations 1987.	All the Regulations
1996/1172	The Occupational Pension Schemes (Contracting-out) Regulations 1996.	Regulation 6(2)(f)(i) and in regulation 72, in paragraph (3), the words "Subject to paragraphs (4) and (5)" and paragraphs (4) and (5).
1996/1216	The Occupational Pension Schemes (Member-nominated Trustees and Directors) Regulations 1996.	In regulation 2(1), in the definition of "eligible members", the words "or regulation 5(2)", regulations 4(2), 5(2) and (3), 6(2), in Schedule 1, in paragraph 6(3), the words "directly in accordance with paragraph 9(1)(a)".
1996/1462	The Contracting-out (Transfer and Transfer Payment) Regulations 1996.	In regulation 7(1)(a), the words "or from an appropriate policy" and in Schedule 2, paragraph 9.
1996/1536	The Occupational Pension Schemes (Minimum Funding Requirement and Actuarial Valuations) Regulations 1996.	In paragraph 2(1) of Schedule 5, the words from "(other" to "applies)".
1996/1655	The Occupational Pension Schemes (Disclosure of Information) Regulations 1996.	In regulation 1(2), the definition of "multi-employer scheme" and regulation 5(11).
1996/1847	The Occupational Pension Schemes (Transfer Values) Regulations 1996.	In regulation 7(3)(b), the words "as being".
1996/2156	The Occupational Pension Schemes (Payments to Employers) Regulations 1996.	In regulation 13, the words "(other than a scheme to which regulation 12 applies)".
1996/3128	The Occupational Pension Schemes (Deficiency on Winding Up etc.) Regulations 1996.	In Schedule 2, paragraph 4.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend a number of sets of regulations related to the Pensions Act 1995.

Regulation 1 relates to citation and commencement.

Regulation 2 modifies the definition of a money purchase scheme to ensure that the provisions of Part I of the 1995 Act will apply to money purchase schemes that also provide salary related death benefits.

Regulation 3 introduces Schedule 1 which makes miscellaneous amendments.

Regulation 4 introduces Schedule 2 (which contains revocations) and makes transitional provision for state scheme premiums for personal pensions to be paid after 5th April 1997 in respect of periods ending before or with that date.

Schedule 1 to the Regulations contains miscellaneous amendments of the following sets of regulations—

- the Personal Pension Schemes (Disclosure of Information) Regulations 1987
- the Personal Pension Schemes (Transfer Values) Regulations 1987
- the Occupational Pension Schemes (Preservation of Benefit) Regulations 1991
- the Occupational Pension Schemes (Contracting-out) Regulations 1996
- the Occupational Pension Schemes (Member-nominated Trustees and Directors) Regulations 1996
- the Protected Rights (Transfer Payment) Regulations 1996
- the Contracting-out (Transfer and Transfer Payment) Regulations 1996
- the Occupational Pension Schemes (Minimum Funding Requirement and Actuarial Valuations) Regulations 1996
- the Personal and Occupational Pension Schemes (Protected Rights) Regulations 1996
- the Occupational Pension Schemes (Disclosure of Information) Regulations 1996
- the Occupational Pension Schemes (Scheme Administration) Regulations 1996
- the Occupational Pension Schemes (Transfer Values) Regulations 1996
- the Occupational Pension Schemes (Requirement to obtain Audited Accounts and a Statement from the Auditor) Regulations 1996
- the Occupational Pension Schemes (Payments to Employers) Regulations 1996
- the Personal and Occupational Pension Schemes (Pensions Ombudsman) Regulations 1996
- the Occupational Pension Schemes (Modification of Schemes) Regulations 1996
- the Occupational Pension Schemes (Winding Up) Regulations 1996
- the Occupational Pension Schemes (Investment) Regulations 1996
- the Occupational Pension Schemes (Deficiency on Winding Up etc.) Regulations 1996

The Schedule includes amendments which—

- remove the additional requirements for contracted-out schemes in respect of employer-related investment for the period from April 1997 to April 2002;
- clarify the position of contracted-out rights which have been the subject of two or more transfers;

harmonise the definitions of “section 9(2B) rights”;
allow employers to withdraw an opt-out arrangement at any time to enable member-nominated trustees to be appointed;
impose a requirement on schemes to disclose that a notional rate of return is being applied to protected rights within a contracted-out money purchase scheme or the contracted-out money purchase part of a contracted-out mixed benefit scheme;
remove the requirement on employers to make payments in respect of the deficit below 90 per cent. revealed at a minimum funding valuation where the actuary is of the opinion that the funding level has recovered to 90 per cent. or higher by the time he certifies the schedule of contributions;
modify the disclosure requirements for employer-related investments; and
extend the special treatment of multi-employer schemes so that it covers schemes which, whilst generally run in sections which do not permit cross-subsidy, have a common arrangement for the payment of death benefits.

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, Occupational Pensions Security, The Adelphi, 1-11 John Adam Street, London WC2N 6HT.