
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are one of two sets of regulations implementing Part 4 of the Pensions Act 2011 (c. 19), section 29 of which inserts provisions to clarify the definition of “money purchase benefits” in section 181 of the Pension Schemes Act 1993 (c. 48) (“the 1993 Act”) and other Acts. Section 29 has retrospective effect to 1st January 1997 and these Regulations make consequential and supplementary amendments to other Acts with prospective effect. The Pensions Act 2011 (Transitional, Consequential and Supplementary Provisions) Regulations 2014 (S.I. 2014/1711) make transitional, consequential and supplementary provision, with retrospective and prospective effect, to support the commencement of this section.

Regulation 2 exempts the Imperial Home Decor Pension Scheme (which was the subject of the Supreme Court’s judgment in *Houldsworth and another v Bridge Trustees Ltd and another*) from the application of these Regulations.

Regulation 3 amends the 1993 Act to allow trustees or managers of an occupational pension scheme to revalue cash balance benefits which are not calculated by reference to a member’s final salary by the “cash balance method”.

Regulation 4 makes consequential and supplementary amendments to Schedule 9 to the Pensions Act 2004 (c. 35).

An assessment of the impact of this legislation on the private sector and civil society organisations has been made. A copy of this impact assessment is available in the libraries of both Houses of Parliament and alongside this instrument on www.legislation.gov.uk. Copies may also be obtained from the Better Regulation Unit of the Department for Work and Pensions, 2D, Caxton House, Tothill Street, London SW1H 9NA.