
STATUTORY INSTRUMENTS

2014 No. 540

**The Occupational Pension Schemes
(Miscellaneous Amendments) Regulations 2014**

Amendment of the Transfer of Employment (Pension Protection) Regulations 2005

4.—(1) The Transfer of Employment (Pension Protection) Regulations 2005⁽¹⁾ are amended as follows.

(2) In regulation 1 (citation, commencement, application and interpretation), for paragraph (3) substitute—

“(3) In these Regulations—

“the Act” means the Pensions Act 2004;

“remuneration period” means a period in respect of which the employee is paid remuneration.

(4) In calculating the amount of the employee’s remuneration for the purposes of these Regulations—

(a) only payments made in respect of basic pay shall be taken into account and bonus, commission, overtime and similar payments shall be disregarded; and

(b) no account shall be taken of any deductions which are made in respect of tax, national insurance or pension contributions.

(5) In calculating the amount of a transferee’s pension contributions for the purposes of these Regulations in the case of a scheme which is contracted-out by virtue of section 9 of the Pension Schemes Act 1993, minimum payments within the meaning of that Act shall be disregarded.”.

(3) For the heading to regulation 2 substitute “Requirements where the transferee’s pension scheme is not a money purchase scheme”.

(4) In regulation 2, after the definition of “pensionable pay” in paragraph (2) add—

““relevant contributions” means contributions—

(a) made by the transferee in respect of each remuneration period in respect of which the employee contributes to the scheme; and

(b) the amount of which is—

(i) where the employee’s contributions are less than 6 per cent. of the employee’s remuneration, not less than the contributions made by the employee; or

(ii) where the employee’s contributions equal or exceed 6 per cent. of the employee’s remuneration, not less than 6 per cent. of that remuneration.”.

(5) For regulation 3 substitute—

“Requirements where the transferee’s pension scheme is a money purchase scheme or stakeholder pension scheme

3.—(1) In a case where these Regulations apply, the transferee’s contributions are relevant contributions for the purposes of subsection (2)(b) (money purchase scheme) and subsections to (5) (stakeholder pension scheme) of section 258 of the Act if—

- (a) the contributions are made in respect of each remuneration period in respect of which the employee contributes to the scheme; and
- (b) paragraph (2) or (3) is satisfied.

(2) This paragraph is satisfied if the amount contributed by the transferee in respect of each remuneration period is—

- (a) where the employee’s contributions are less than 6 per cent. of the employee’s remuneration, an amount not less than the contributions made by the employee;
- (b) where the employee’s contributions equal or exceed 6 per cent. of the employee’s remuneration, an amount not less than 6 per cent. of that remuneration.

(3) This paragraph is satisfied if—

- (a) in respect of the remuneration period immediately before the relevant time—
 - (i) the transferor had been required to make contributions; and
 - (ii) those contributions had been solely for the purpose of producing money purchase benefits for the employee; and
- (b) the amount contributed by the transferee is not less than the amount the transferor had been required to contribute.”.