
STATUTORY INSTRUMENTS

2015 No. 1502

The Pensions Act 2014 (Savings) Order 2015

Savings

2.—(1) The provisions of the 1993 Act specified in paragraph (2) and repealed by paragraphs 5, 8, 9 to 11, 22, 28, 29, ^{F1}... 36 ^{F2}... and 46(1), (2) and (4) of Schedule 13 to the Act (abolition of contracting-out for salary related schemes) continue to have effect, despite those repeals, for the purposes of allowing or requiring the trustees or managers of a scheme that was a salary related contracted-out scheme, and HMRC, to carry out any necessary activity relating to any period of contracted-out employment which occurred before the second abolition date.

(2) The provisions are—

- (a) section 7 (issue of contracting-out certificates);
- (b) section 9 (requirements for certification of schemes: general);
- (c) section 11 (elections as to employment covered by contracting-out certificates);
- (d) sections 12A to 12D (requirements for certification of occupational pension schemes applying from 6th April 1997);
- (e) sections 34 to 36 (cancellation, variation, surrender and refusal of certificates);
- (f) section 41 (reduced rates of Class 1 contributions);
- ^{F3}(g)
- (h) section 53(3) (supervision: former contracted-out schemes);
- ^{F4}(i)
- (j) Schedule 2, paragraphs 1 to 4 and 6 to 8 (certification regulations).

[^{F5}(2A) Sections 12A to 12D of the 1993 Act (requirements for certification of occupational pension schemes applying from 6th April 1997) continue to have effect, as if the repeals made by paragraphs 10 and 11 of Schedule 13 to the Act had not been made, in relation to a scheme that was a salary related contracted-out scheme and which provides a reference scheme minimum benefit in order to meet the statutory standard in section 12A, and in relation to the period of a member's contracted-out employment which ended before or on the second abolition date.]

(3) Section 16(2) of the 1993 Act (reevaluation of earnings factors for the purposes of section 14: early leavers etc) continues to have effect, as if that subsection had not been substituted by paragraph 16 of Schedule 13 to the Act, in relation to earners whose service in contracted-out employment ended before the second abolition date.

[^{F6}(3A) Section 50 of the 1993 Act (powers of HMRC to approve arrangements for scheme ceasing to be certified) continues to have effect, as if that section had not been repealed by paragraph 33 of Schedule 13 to the Act, in relation to a salary related contracted-out scheme which ceased to be such a scheme before the second abolition date.]

(4) Sections 55 to 68 of the 1993 Act continue to have effect as if they had not been repealed by paragraph 37 of Schedule 13 to the Act, for the purposes of allowing or requiring the trustees or managers of a scheme described in paragraph (5) to elect to pay, and pay, a contributions equivalent

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premium in relation to members of the scheme whose contracted-out employment ended ^{F7}... before the second abolition date.

- (5) A scheme referred to in paragraph (4) is—
- (a) one which started to wind up before the second abolition date; or
 - (b) one—
 - (i) which had not started to wind up before the second abolition date;
 - (ii) which entered a PPF assessment period before 6th April 2016, and where the assessment period continues after 6th April 2019; and
 - (iii) where the trustees or managers of the scheme elected to pay a contributions equivalent premium after the start of the PPF assessment period but cannot make that payment during the assessment period due to the restriction in section 135(4)(b) of the Pensions Act 2004 (restrictions on winding up, discharge of liabilities etc).

[^{F8}(5A) Sections 55 to 68 of the 1993 Act (state scheme premiums) continue to have effect as if they had not been repealed by paragraph 37 of Schedule 13 to the 2014 Act (abolition of contracting-out for salary related schemes) for the purposes of allowing action to be taken by HMRC and the trustees or managers of a scheme in relation to the payment of a contributions equivalent premium in respect of an earner to whom section 55(2)(a) to (c) applied before the second abolition date.

(5B) Sections 56 to 68 of the 1993 Act additionally continue to have effect as if they had not been repealed by paragraph 37 of Schedule 13 to the 2014 Act insofar as necessary for the purposes of article 3 of the Pensions Act 2014 (Contributions Equivalent Premium) (Consequential Provision) and (Savings) (Amendment) Order 2016 with the modifications specified in paragraphs (5C) to (5F).

- (5C) In section 56 (provisions supplementary to s55)—
- (a) omit subsection (2);
 - (b) in subsection (4) for the wording following paragraph (b) substitute—

“the earner’s length of service in employment for the purposes of article 3(3)(b) of the Pensions Act 2014 (Contributions Equivalent Premium) (Consequential Provision) and (Savings) (Amendment) Order 2016 shall include any period of linked qualifying service which was contracted-out employment by reference to the other scheme.”;
 - (c) in subsection (6) for “section 55(2A)” substitute “article 3(5) of the Pensions Act 2014 (Contributions Equivalent Premium) (Consequential Provision) and (Savings) (Amendment) Order 2016”;
 - (d) in subsection (7)—
 - (i) for “section 55” substitute “article 3 of the Pensions Act 2014 (Contributions Equivalent Premium) (Consequential Provision) and (Savings) (Amendment) Order 2016”; and
 - (ii) for “sections 55 to 68” substitute “sections 56 to 68”; and
 - (e) in subsection (8) for “section 55” substitute “article 3 of the Pensions Act 2014 (Contributions Equivalent Premium) (Consequential Provision) and (Savings) (Amendment) Order 2016”.

(5D) In section 57 (elections to pay contributions equivalent premiums)—

- (a) for subsection (1) substitute—

“(1) Where the relevant person is required to make a contributions equivalent premium or elects to do so under article 3 of the Pensions Act 2014 (Contributions Equivalent Premium) (Consequential Provision) and (Savings) (Amendment) Order 2016, the relevant person must notify HMRC in writing in such form as HMRC may reasonably require for the purpose of identifying the earner to whom the election relates.

(1A) Such notification must be given—

- (a) where the circumstances specified in article 3(5)(d) of that Order apply, within the period of two years starting with the date the scheme began to be wound up; or
- (b) where the circumstances specified in article 3(5)(a), (b) or (c) apply, within the period beginning one month before, and ending 6 months after, the date on which the earner’s service in employment in relation to the scheme or membership of the scheme ceased.

(1B) In this section the “relevant person” means—

- (a) in a case where a transfer has been made in relation to the scheme under section 161 of the Pensions Act 2004 (effect of Board assuming responsibility for a scheme), the Board of the Pension Protection Fund (as defined in that Act); and
 - (b) in all other cases, the trustees or managers of the scheme.”;
- (b) in subsection (2) for “prescribed person” substitute “relevant person”; and
- (c) omit subsection (4).

(5E) In section 58 (amount of premiums payable under s. 55) for “section 55(2)” substitute “article 3 of the Pensions Act 2014 (Contributions Equivalent Premium) (Consequential Provision) and (Savings) (Amendment) Order 2016”.

(5F) In section 60 (effect of payment of premium on rights)—

- (a) in subsection (4) for “section 55(2A)(a) and (b), (d) and (e)” substitute “article 3(5)(a), (b) and (d) of the Pensions Act 2014 (Contributions Equivalent Premium) (Consequential Provision) and (Savings) (Amendment) Order 2016”; and
- (b) in subsection (5) for “section 55(2A)(c)” substitute “article 3(5)(c) of the Pensions Act 2014 (Contributions Equivalent Premium) (Consequential Provision) and (Savings) (Amendment) Order 2016”.]

[^{F9}(6) Section 87(1)(a) of the 1993 Act (general protection principle) continues to have effect, as if sub-paragraph (i) had not been substituted by paragraph 38 of Schedule 13 to the Act, in relation to earners whose service in contracted-out employment ended before the second abolition date.]

- F1** Word in art. 2(1) omitted (6.4.2016) by virtue of [The Pensions Act 2014 \(Commencement No.7\) and \(Savings\) \(Amendment\) Order 2015 \(S.I. 2015/2058\)](#), **art. 3(3)(a)**
- F2** Words in art. 2(1) omitted (6.4.2016) by virtue of [The Pensions Act 2014 \(Contributions Equivalent Premium\) \(Consequential Provision\) and \(Savings\) \(Amendment\) Order 2016 \(S.I. 2016/252\)](#), art. 1(2), **art. 5(3)(a)**
- F3** Art. 2(2)(g) omitted (6.4.2016) by virtue of [The Pensions Act 2014 \(Commencement No.7\) and \(Savings\) \(Amendment\) Order 2015 \(S.I. 2015/2058\)](#), **art. 3(3)(b)**
- F4** Art. 2(2)(i) omitted (6.4.2016) by virtue of [The Pensions Act 2014 \(Contributions Equivalent Premium\) \(Consequential Provision\) and \(Savings\) \(Amendment\) Order 2016 \(S.I. 2016/252\)](#), art. 1(2), **art. 5(3)(b)**
- F5** Art. 2(2A) inserted (6.4.2016) by [The Pensions Act 2014 \(Commencement No.7\) and \(Savings\) \(Amendment\) Order 2015 \(S.I. 2015/2058\)](#), **art. 3(3)(c)**
- F6** Art. 2(3A) inserted (6.4.2016) by [The Pensions Act 2014 \(Commencement No.7\) and \(Savings\) \(Amendment\) Order 2015 \(S.I. 2015/2058\)](#), **art. 3(3)(d)**
- F7** Words in art. 2(4) omitted (6.4.2016) by virtue of [The Pensions Act 2014 \(Contributions Equivalent Premium\) \(Consequential Provision\) and \(Savings\) \(Amendment\) Order 2016 \(S.I. 2016/252\)](#), art. 1(2), **art. 5(3)(c)**

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- F8** Art. 2(5A)-(5F) inserted (6.4.2016) by The Pensions Act 2014 (Contributions Equivalent Premium) (Consequential Provision) and (Savings) (Amendment) Order 2016 (S.I. 2016/252), art. 1(2), **art. 5(3)(d)**
- F9** Art. 2(6) inserted (6.4.2016) by The Pensions Act 2014 (Commencement No.7) and (Savings) (Amendment) Order 2015 (S.I. 2015/2058), **art. 3(3)(e)**

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