
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Contracting-out (Transfer and Transfer Payment) Regulations 1996 (S.I. 1996/1462) (“the 1996 Regulations”) and the Occupational Pension Schemes (Schemes that were Contracted-out) (No. 2) Regulations 2015 (S.I. 2015/1677) (“the 2015 Regulations”) to allow contracted-out pension rights to be transferred without members’ consent to schemes which have never been contracted out of the Additional State Pension.

Regulation 2 amends the 1996 Regulations to enable transfers and transfer payments between connected employers to be made to and from schemes that have never been contracted out, and to specify the circumstances in which such transfers can be made without a member’s consent. Regulation 2 also amends the modified definition of “guaranteed minimum pension” in the Pension Schemes Act 1993 (c. 48) as it applies following a transfer under the 1996 Regulations.

Regulation 3 amends the definition of “section 9(2B) rights” in the 2015 Regulations to include rights accrued under a salary-related scheme that has never been contracted out, following a transfer in accordance with amended regulation 9 of the 1996 Regulations.

An impact assessment of the effect that this instrument will have on the costs of business is published with the Explanatory Memorandum alongside this instrument on the UK Legislation website and the [gov.uk](https://www.gov.uk) website, and copies can be obtained from the Department for Work and Pensions, First Floor, Caxton House, Tothill Street, London SW1H 9NA.