

PENSIONS ACT 2011

EXPLANATORY NOTES

BACKGROUND

3. The measures contained within this Act implement recommendations from one Government and two independent reviews and amend legislation introduced by previous Acts.
4. As part of the Coalition Agreement, in June 2010 the Government announced a review of the timetable for increasing state pension age to 66. The response to this review was published in the Government's White Paper, *A sustainable State Pension: when the State Pension age will increase to 66 (Cm 7956)*, in November 2010 which proposed changes to the timetable for increasing state pension age to 66 as previously legislated for in the Pensions Act 2007. The proposed timetable set out in the White Paper (which would have increased the state pension age to 66 by April 2020) was modified during passage of the Bill. This Act implements the modified timetable which increases the state pension age to 66 by October 2020.
5. A second and independent review was announced by the Government in June 2010 on automatic enrolment into workplace pensions. The review examined the scope of the automatic enrolment policy. The recommendations from this were published in October 2010 in the report, *Making Automatic Enrolment Work*, and provide the basis for several of the measures contained within this Act. These measures expand upon previous reforms in the Pensions Act 2008.
6. One of the findings set out in the Independent Public Service Pension Commission's interim report published in October 2010 was that the most effective way to make short-term savings on public sector pensions is to increase member contributions. This Act introduces provisions into the current judicial pension schemes to allow contributions to be taken towards the cost of providing personal pensions to members of those schemes. Contributions will only be taken during the period in which the individual judge is accruing pension benefits. However, if the judge retires, resigns or is removed from office during such period contributions will stop being taken from the date he or she leaves office.
7. For ease of reference when reading these explanatory notes, please note the following abbreviations for existing pieces of legislation amended by the Act:
 - SSAA 1992 – Social Security Administration Act 1992
 - SSCBA 1992 – Social Security Contributions and Benefits Act 1992
 - JUPRA 1993 – Judicial Pensions and Retirement Act 1993
 - PSA 1993 – Pension Schemes Act 1993
 - PA 1995 – Pensions Act 1995
 - WRPA 1999 – Welfare Reform and Pensions Act 1999
 - PA 2004 – Pensions Act 2004

*These notes refer to the Pensions Act 2011 (c.19)
which received Royal Assent on 3 November 2011*

- PA 2007 – Pensions Act 2007
- PA 2008 – Pensions Act 2008