
STATUTORY INSTRUMENTS

1987 No. 1106

PENSIONS

**The Occupational Pension Schemes (Qualifying Service
—Consequential and Other Provisions) Regulations 1987**

<i>Made</i>	- - - -	<i>25th June 1987</i>
<i>Laid before Parliament</i>		<i>6th July 1987</i>
<i>Coming into force</i>	- -	<i>6th April 1988</i>

The Secretary of State for Social Services, in exercise of the powers conferred upon him by sections 64(1A)(a) and 99(1) and (3) of, and paragraphs 9(2) and (3), 21, 22 and 26 of Schedule 16 to, the Social Security Act 1973 ^{M1}, section 168(1) of, and Schedule 20 to, the Social Security Act 1975 ^{M2}, and sections 43(4) and 52C(4) and (5) of, and paragraph 20 of Schedule 1A to, and paragraph 6 of Schedule 2 to, the Social Security Pensions Act 1975 ^{M3}, and of all other powers enabling him in that behalf, after considering the report of the Occupational Pensions Board on the proposals submitted to them ^{M4}, hereby makes the following Regulations:—

Marginal Citations

- M1** 1973 c. 38; subsection (1A) was added to section 64 by section 86(1) of, and paragraph 3 of Schedule 10, to the [Social Security Act 1986 \(c. 50\)](#). See definition of “prescribe” in section 99(1) and explanation of the meaning of “regulations” in section 99(3).
- M2** 1975 c. 14. See definitions of “prescribe” and “regulations” in Schedule 20. Section 168(1) applies, by virtue of section 66(2) of the [Social Security Pensions Act 1975 \(c. 60\)](#), to the exercise of certain powers conferred by that Act.
- M3** 1975 c. 60. Section 52C and Schedule 1A were inserted by the [Social Security Act 1985 \(c. 53\)](#), [section 2](#) and Schedule 1.
- M4** See section 68(1) and (2) of the Social Security Act 1973 and section 61(2) and (3) of the Social Security Pensions Act 1975; [sections 68\(1\) and 61\(2\)](#) are amended in ways not relevant to these Regulations.

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Occupational Pension Schemes (Qualifying Service—Consequential and Other Provisions) Regulations 1987 and shall come into force on 6th April 1988.

(2) In these Regulations—

Changes to legislation: There are outstanding changes not yet made by the legislation.gov.uk editorial team to The Occupational Pension Schemes (Qualifying Service—Consequential and Other Provisions) Regulations 1987. Any changes that have already been made by the team appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

“the Contracting-out Regulations” means the Occupational Pension Schemes (Contracting-out) Regulations 1984 ^{M5};

“the Preservation Regulations” means the Occupational Pension Schemes (Preservation of Benefit) Regulations 1984 ^{M6};

“the Discharge Regulations” means the Occupational Pension Schemes (Discharge of Liability) Regulations 1985 ^{M7}; and

“the Revaluation Regulations” means the Occupational Pension Schemes (Revaluation) Regulations 1985 ^{M8}.

Marginal Citations

- M5** [S.I. 1984/380](#); the relevant amending instrument is [S.I. 1986/317](#).
- M6** [S.I. 1984/614](#), to which there are amendments not relevant to these Regulations.
- M7** [S.I. 1985/1929](#), amended by [S.I. 1986/2171](#).
- M8** [S.I. 1985/1930](#), amended by [S.I. 1986/751](#).

Amendment of the Contracting-out Regulations

^{F1}2.

F1 Reg. 2 revoked (6.4.1991) by S.I. 1996/1172, reg. 1(1), Sch. 2

Amendment of the Preservation Regulations

^{F2}3.

F2 Reg. 3 revoked (28.2.1991) by S.I. 1991/167, reg. 1(1), Sch. 2

Amendment of the Discharge Regulations

^{F3}4.

F3 Reg. 4 revoked (6.4.1997) by [The Occupational Pension Schemes \(Discharge of Liability\) Regulations 1997 \(S.I. 1997/784\)](#), reg. 1(1), [Sch. 2](#)

Amendment of the Revaluation Regulations

^{F4}5.

F4 Reg. 5 revoked (28.2.1991) by S.I. 1991/168, reg. 1(2), Sch.

Purpose prescribed under section 64(1A)(a) of the Social Security Act 1973

6. A purpose prescribed under [^{F5}section 136(1)(a)(ii) of the Pension Schemes Act 1993] (powers of Occupational Pensions Board to authorise modification of occupational pension schemes) is that of enabling the scheme—

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- [^{F6}(a) to provide the alternative to short service benefit described in regulation 9 of the Occupational Pension Schemes (Preservation of Benefit) Regulations 1991 (bought out benefits) without the member's consent in the circumstances described in paragraph (5) (b) of that regulation; and]
- (b) to make provision for a benefit payable to a member's widow or widower to be secured by means of a policy of insurance or annuity contract without the widow's or widower's consent in cases where [^{F7}the requirements of regulation 5(5)] of the Discharge Regulations are satisfied.

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| <p>F5 Words in reg. 6 substituted (12.5.1994) by The Occupational and Personal Pension Schemes (Consequential Amendments) Regulations 1994 (S.I. 1994/1062), reg. 1(2), Sch. 2 para. 13</p> <p>F6 Reg. 6(a) substituted (28.2.1991) by S.I. 1991/167, reg. 1(2), Sch. 1 para. 5</p> <p>F7 Words in reg. 6(b) substituted (28.2.1991) by S.I. 1991/167, reg. 1(2), Sch. 1 para. 5</p> |
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Signed by authority of the Secretary of State for Social Services.

Department of Health and Social Security

Nicholas Scott
Minister of State,

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EXPLANATORY NOTE

(This note is not part of the Regulations)

Section 10 of the Social Security Act 1986 (c. 50) makes amendments to Schedule 16 to the Social Security Act 1973 so that members of occupational pension schemes have the benefit of the “preservation requirements” set out in the latter Act after 2, instead of 5, years' qualifying service. Most of the provisions of these Regulations make amendments of other regulations which are consequential upon section 10, and regulation 2(2) also removes, from the regulation it amends, some wording which refers to the earner's being under the age of 26.

Regulation 3(2) and (3) makes amendments so that where a member's service in employment to which a scheme applies is terminated when he has at least 2, but less than 5, years' qualifying service, and other specified conditions are satisfied, benefits under an insurance policy or annuity contract different from those required to constitute short service benefit (as defined in Schedule 16 to the Social Security Act 1973) may be substituted for his short service benefit without his consent.

Regulation 4(4) makes amendments so that where a member dies when he has at least 2, but less than 5, years' qualifying service, and other specified conditions are satisfied, the trustees or managers of the scheme may be discharged of their liability to provide for the member's widow or widower a benefit which is or includes a guaranteed minimum pension by substituting benefits under an insurance policy or annuity contract.

Regulation 6 enables the Occupational Pensions Board to authorise the modification of an occupational pension scheme to enable it (if its rules would not otherwise allow it) to take advantage of the provisions of regulations 3(2) and (3) and 4(4).

The report of the Occupational Pensions Board on the draft of these Regulations, dated 3rd February 1987, is contained in Command Paper (Cmnd 165) published by Her Majesty's Stationery Office.

Changes to legislation:

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Changes and effects yet to be applied to :

- reg.(b) amended by
- reg.2 revoked by [S.I. 1996/1172 reg.78Sch 2](#)
- reg. 3 revoked by
- reg.4 revoked by [S.I. 1997/784 reg.12Sch.2](#)
- reg. 5 revoked by
- reg. 6(a) substituted by