

---

STATUTORY INSTRUMENTS

---

**1990 No. 1141**

**PENSIONS**

**The Personal and Occupational Pension Schemes  
(Miscellaneous Amendments) Regulations 1990**

<i>Made</i>	- - - -	<i>29th May 1990</i>
<i>Laid before Parliament</i>		<i>6th June 1990</i>
<i>Coming into force</i>	- -	<i>27th June 1990</i>

The Secretary of State for Social Security, in exercise of the powers conferred by sections 96(1) and 99(1) and (3) of, and paragraph 9(2) of Schedule 16 to, the Social Security Act 1973<sup>(1)</sup>, sections 166(1) and 168(1) of, and Schedule 20 to, the Social Security Act 1975<sup>(2)</sup>, sections 31(7), 32(2B), 41C(7) and 66(2) of, and paragraph 20 of Schedule 1A to, the Social Security Pensions Act 1975<sup>(3)</sup>, and sections 17(1), 83(1) and 84(1) of, and paragraphs 2 and 3 of Schedule 1 to, the Social Security Act 1986<sup>(4)</sup>, after considering the report of the Occupational Pensions Board on the proposals submitted to them<sup>(5)</sup>, hereby makes the following Regulations:

**Citation and commencement**

1.—(1) These Regulations may be cited as the Personal and Occupational Pension Schemes (Miscellaneous Amendments) Regulations 1990.

(2) These Regulations come into force on 27th June 1990.

- 
- (1) 1973 c. 38. See definition of “prescribed” in section 99(1) and explanation of “regulations” in section 99(3).  
(2) 1975 c. 14. See definitions of “prescribe” and “regulations” in Schedule 20. Sections 166(1) and 168(1) apply, 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. Section 166(1) applies, by virtue of section 83(1) of the Social Security Act 1986 (c. 50), to the exercise of powers to make regulations under that Act.  
(3) 1975 c. 60. Section 32(2B) was inserted by paragraph 5(b) of Schedule 2 to the Social Security Act 1986 (c. 50). Section 41C was inserted by Schedule 6 to the Health and Social Security Act 1984 (c. 48). Schedule 1A was inserted by paragraph 3 of Schedule 1 to the Social Security Act 1985 (c. 53).  
(4) 1986 c. 50. See definitions of “prescribed” and “regulations” in section 84(1). The requirements of Schedule 1 are modified in their application to occupational pension schemes by section 32(2B) of the Social Security Pensions Act 1975.  
(5) See section 68(1) of the Social Security Act 1973 and section 61(2) of the Social Security Pensions Act 1975.

### **Amendment to the Occupational Pensions Board ((Determinations and Review Procedure) Regulations 1976**

2. Regulation 4(2) of the Occupational Pensions Board (Determinations and Review Procedure) Regulations 1976(6) (which deals with cases where the Board may cancel a contracting-out certificate with retrospective effect) is amended by replacing sub-paragraph (c) with the following —

- “(c) in a case where the Board discover that the scheme did not satisfy the requirements for being a contracted-out scheme at the date the contracting-out certificate was issued, in which case the date may be the date from which the certificate had effect or any later date, or
- (d) in a case where the Board consider that the scheme has ceased to satisfy the requirements for being a contracted-out scheme, in which case the date may be any date not earlier than when, in the Board’s opinion, the scheme ceased to satisfy those requirements.”.

### **Amendment to the Occupational Pension Schemes (Preservation of Benefit) Regulations 1984**

3. Regulation 12(1)(a) of the Occupational Pension Schemes (Preservation of Benefit) Regulations 1984(7) (which deals with early benefit as an alternative to short service benefit) is amended by replacing the words “smaller than” with the words “the same as, or different in amount from,”.

### **Amendment to the Contracting-out (Protection of Pensions) Regulations 1984**

4. The Contracting-out (Protection of Pensions) Regulations 1984(8) are amended by revoking regulation 2 (schemes which provide benefit equal to or larger than short service benefit for certain members before normal pension age).

### **Amendment to the Occupational Pension Schemes (Revaluation) Regulations 1985**

5. The Occupational Pension Schemes (Revaluation) Regulations 1985(9) are amended by revoking regulation 7 (schemes which provide benefit equal to or larger than short service benefit for certain members before normal pension age).

### **Amendments to the Money Purchase Contracted-out Schemes Regulations 1987**

6.—(1) The Schedule to the Money Purchase Contracted-out Schemes Regulations 1987(10) (which specifies permitted investments) is amended as described in paragraphs (2) and (3) of this regulation.

(2) Paragraph 1(a)(ii) is amended by replacing the words “has disclosed in its audited accounts ... in the year 1987” with the following —

“is authorised under regulation 5 or 6 of the Friendly Societies (Long Term Insurance Business) Regulations 1987(11) to carry on long term business as defined in those Regulations”.

(3) Paragraph 4 is amended by replacing sub-paragraph (b) with the following —

---

(6) S.I.1976/185; the only relevant amending instruments are S.I.1981/129, 1986/1716 and 1987/1114.

(7) S.I.1984/614; the only relevant amending instruments are S.I. 1986/2171 and 1988/476.

(8) S.I. 1984/1921, to which there are amendments not relevant to these Regulations.

(9) S.I. 1985/1930; the only relevant amending instrument is S.I. 1986/751.

(10) S.I. 1987/1101, amended by S.I. 1988/474 which replaced paragraph 4 of the Schedule.

(11) S.I. 1987/2132.

- “(b) a pension vehicle as defined in item 14 of the Schedule to the Building Societies (Designation of Qualifying Bodies) Order 1988(12) which is associated with a building society as described in section 18(17) of the Building Societies Act 1986(13);”.

### **Amendment of the Personal and Occupational Pension Schemes (Modification of Enactments) Regulations 1987**

7.—(1) Regulation 4 of the Personal and Occupational Pension Schemes (Modification of Enactments) Regulations 1987(14) (which modifies provisions of the Social Security Act 1973) is amended as described in paragraphs (2) to (4) of this regulation.

(2) Paragraph (1) is amended by replacing “and (3)” with “to (5)”.

(3) Paragraph (4) is replaced with the following —

“(4) Paragraph 9(2)(a) of Schedule 16(15) shall have effect as if it were replaced with the following —

“(a) for the member’s accrued rights to be transferred to another occupational pension scheme with a view to acquiring transfer credits for the member under the other scheme, or to a personal pension scheme or a self-employed pension arrangement with a view to acquiring rights for the member under the rules of the scheme or arrangement; or”.

(4) The following paragraphs are added at the end —

“(5) Paragraph 15(3)(b) of Schedule 16 shall have effect as if it were replaced with the following —

“(b) to acquire for the member transfer credits under the rules of another occupational pension scheme or rights under the rules of a personal pension scheme or a self-employed pension arrangement;”.

(6) In paragraphs (4) and (5) of this regulation, self-employed pension arrangement’ means the same as in regulation 2D of the Occupational Pension Schemes (Transfer Values) Regulations 1985.(16).”.

### **Amendments to the Personal Pension Schemes (Appropriate Schemes) Regulations 1988**

8.—(1) Regulation 3 of the Personal Pension Schemes (Appropriate Schemes) Regulations 1988(17) (persons who and bodies which may establish schemes) is amended as described in paragraphs (2) and (3) of this regulation.

(2) Paragraph (2) is amended by replacing sub-paragraph (b) with the following —

“(b) is authorised under regulation 5 or 6 of the Friendly Societies (Long Term Insurance Business) Regulations 1987(18) to carry on long term business as defined in those Regulations.”.

(3) Paragraph (3) is amended by replacing sub-paragraph (b) with the following —

---

(12) S.I. 1988/1196, to which there are amendments not relevant to these Regulations.

(13) 1986 c. 53.

(14) S.I. 1987/1116, the only relevant amending instruments are S.I. 1988/474 and 1016.

(15) Paragraph 9(2)(a) of Schedule 16 to the Social Security Act 1973 (c. 38) was amended by paragraph 32 of Schedule 4 to the Social Security Pensions Act 1975 (c. 60).

(16) S.I. 1985/1931; the only relevant amending instrument is S.I. 1988/1016 which inserted regulation 2D.

(17) S.I. 1988/137, to which there are amendments not relevant to these Regulations.

(18) S.I. 1987/2132.

---

**Status:** This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

---

“(b) a pension vehicle as defined in item 14 of the Schedule to the Building Societies (Designation of Qualifying Bodies) Order 1988<sup>(19)</sup> which is associated with a building society as described in section 18<sup>(17)</sup> of the Building Societies Act 1986<sup>(20)</sup>”.

Signed by authority of the Secretary of State for Social Security.

29th May 1990

*Nicholas Scott*  
Minister of State,  
Department of Social Security

---

<sup>(19)</sup> S.I. 1988/1196, to which there are amendments not relevant to these amendments  
<sup>(20)</sup> 1986 c. 53.

---

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations make miscellaneous amendments to Regulations about personal and occupational pension schemes.

Regulation 2 amends regulation 4(2) of the Occupational Pensions Board (Determinations and Review Procedure) Regulations 1976 to allow the Board to cancel a contracting-out certificate with effect from its date of issue where it is discovered that the scheme did not satisfy the requirements for being a contracted-out scheme when the certificate was issued. Regulation 2 also widens the Board's powers to cancel a contracting-out certificate with retrospective effect where a scheme ceases to satisfy the requirements for being a contracted-out scheme.

Regulation 3 amends regulation 12 of the Occupational Pension Schemes (Preservation of Benefit) Regulations 1984, to make it clear that a benefit payable earlier than at normal pension age is a prescribed alternative to short service benefit, even though it may be equal to or larger than short service benefit. Regulations 4 and 5 make consequential amendments to the Contracting-out (Protection of Pensions) Regulations 1984 and the Occupational Pension Schemes (Revaluation) Regulations 1985.

Regulation 6 amends the Money Purchase Contracted-out Schemes Regulations 1987 to bring them into line with the Friendly Societies (Long Term Insurance Business) Regulations 1987 and the Building Societies (Designation of Qualifying Bodies) Order 1988.

Regulation 7 amends regulation 4 of the Personal and Occupational Pension Schemes (Modification of Enactments) Regulations 1987, to make it clear that a member's accrued rights can be transferred to a personal pension scheme or a self-employed pension arrangement, in return for rights under the scheme or arrangement.

Regulation 8 amends the Personal Pension Schemes (Appropriate Schemes) Regulations 1988 to bring them into line with the Friendly Societies (Long Term Insurance Business) Regulations 1987 and the Building Societies (Designation of Qualifying Bodies) Order 1988.

The report of the Occupational Pensions Board on the draft of these Regulations which was referred to them, together with a statement by the Secretary of State showing that these Regulations give effect to the Board's recommendations, is contained in Command Paper No. 1088, published by Her Majesty's Stationery Office.