
STATUTORY INSTRUMENTS

1997 No. 819

The Occupational Pension Schemes (Reference Scheme and Miscellaneous Amendments) Regulations 1997

Amendment of the Occupational Pension Schemes (Contracting-out) Regulations 1996

3. In the Occupational Pension Schemes (Contracting-out) Regulations 1996(1)
- (a) in regulation 39 (circumstances in which schemes may change mode of contracting-out), before “Subject to the provisions” insert “(1)” and after “protected rights.” insert—
- “(2) Subject to the provisions of any regulations made under section 149 of the 1995 Act, and to regulation 76A, a scheme which has been contracted-out by virtue of section 9(2) of the 1993 Act may become contracted-out by virtue of section 9(3) of the 1993 Act only if its trustees have been discharged of all liability to provide guaranteed minimum pensions and section 9(2B) rights.”;
- (b) in regulation 45 (approval of arrangements for schemes ceasing to be contracted-out)—
- (i) in paragraph (3)(a) for “a rule which provides” to the end of paragraph (3)(a), substitute “a protection rule;”; and
- (ii) after paragraph (3) insert—
- “(3A) For the purpose of paragraph (3)(a) a protection rule is a rule which provides that the total amount of the benefits under the scheme for each member at normal pension age and the member’s widow or widower at the day following the date of death of the member will not be less than the aggregate of—
- (a) any such benefits arising in respect of section 9(2B) rights and guaranteed minimum pensions;
- (b) any other such benefits due in respect of rights which have accrued to the member in relation to service in employment which was contracted-out before the principal appointed day under section 9(2) of the 1993 Act; and
- (c) any such benefits due in respect of rights which have accrued to the member in relation to service in employment which was not contracted-out.
- (3B) The amount of the benefits mentioned in paragraph (3A)(a) and (b) and, so far as they relate to service on or before the date on which the scheme ceased to be contracted-out, those mentioned in paragraph (3A)(c) shall be calculated on an early leaver basis in accordance with Chapter I of Part IV of the 1993 Act and any regulations made under that Chapter, as if the member had ceased to be in pensionable service under the scheme on that date.”;
- (c) in regulation 46 (supervision of schemes that have ceased to contract out)—
- (i) in paragraph (1) for “the liabilities referred” substitute “liabilities in respect of such entitlement or rights as are referred”, and

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

- (ii) in paragraph (2) for “regulation 5(4) of the Occupational Pension Schemes (Discharge of Liability) Regulations 1985” substitute “regulation 3 and, in the case of a pension or accrued benefit under a relevant scheme, 11 of the Occupational Pension Schemes (Discharge of Liability) Regulations 1997(2)”.
- (d) after paragraph (6) of regulation 76A (transitional arrangements for schemes contracted out under section 9(2) of the 1993 Act to become contracted-out under section 9(3) of that Act(3) insert—
 - “(7) Section 55(2) of the 1993 Act(4) shall be modified so as to have effect in relation to a scheme to which this regulation applies as though it were a salary related scheme, save that an election to pay a contributions equivalent premium shall apply only in respect of the earner’s service before the principal appointed day.”.

(2) S.I. [1997/784](#).

(3) Regulation 76A is inserted by the Occupational Pension Schemes (Contracting-out) Amendment Regulations 1996, S.I. [1996/1577](#); paragraph (4) of regulation 76A is substituted, and paragraphs (5) and (6) inserted by the Personal and Occupational Pension Schemes (Miscellaneous Amendment) Regulations 1997, S.I. [1997/786](#).

(4) Section 55(2) is substituted by section 141(1) of the Pensions Act 1995.