

SCHEDULES

SCHEDULE 17

AUTOMATIC TRANSFER OF PENSION BENEFITS ETC.

PART 1

AUTOMATIC TRANSFER OF PENSION BENEFITS

Regulations providing for transfer of cash equivalent of transferable benefits

1.—(1) The Department must make regulations with a view to ensuring that, where a qualifying member of an automatic transfer scheme has transferable benefits under another pension scheme, the cash equivalent of the transferable benefits—

- (a) is transferred to the automatic transfer scheme, and
- (b) is used to provide rights for the member under it.

(2) In this Schedule “automatic transfer scheme” means—

- (a) a work-based pension scheme, other than a scheme of a prescribed description, which is registered under Chapter 2 of Part 4 of the Finance Act 2004 and is a money purchase scheme, or
- (b) a pension scheme of a prescribed description.

(3) In this Schedule “qualifying member”, in relation to an automatic transfer scheme, means an active member of the scheme of a prescribed description.

(4) For the purposes of this Schedule a person has transferable benefits under a pension scheme if—

- (a) the scheme is a transferable benefits scheme,
- (b) the person is a member of the scheme,
- (c) contributions to the scheme by, or on behalf or in respect of, the member have ceased,
- (d) the member has accrued rights to benefits under the scheme rules,
- (e) all of those rights accrued on or after the prescribed date (which may be a date before the coming into operation of this paragraph),
- (f) the cash equivalent of those benefits is less than the prescribed amount (but not nil), and

- (g) any other prescribed conditions are met.
- (5) In this Schedule “transferable benefits scheme” means—
- (a) a work-based pension scheme, other than a scheme of a prescribed description, which is registered under Chapter 2 of Part 4 of the Finance Act 2004 and is a money purchase scheme, or
 - (b) a pension scheme of a prescribed description.
- (6) In sub-paragraph (4)—
- (a) the reference to “scheme rules” is to be read in accordance with section 96B of the Pension Schemes Act;
 - (b) “benefits” means—
 - (i) money purchase benefits other than money purchase benefits of a prescribed description, or
 - (ii) benefits of a prescribed description.