



2015 CHAPTER 5

PART 1

STATE PENSION

*Consequential and other amendments*

**Abolition of contracting-out for salary related schemes etc.**

**24.—**(1) Schedule 13 contains amendments to abolish contracting-out for salary related schemes.

(2) An employer may amend an occupational pension scheme in relation to some or all of its members to take account of increases in the employer's national insurance contributions in respect of some or all of the members to whom the amendments apply because of the repeal of section 37 of the Pension Schemes Act (by Schedule 13).

(3) The power may be used to make amendments that will apply in relation to future members and correspond to the amendments being made in relation to current members.

(4) The power may not be used—

- (a) to make amendments that apply to a member who is a protected person in relation to a scheme, or
- (b) to amend a public service pension scheme or a scheme of a description specified in regulations under this paragraph.

(5) Regulations must define what is meant by a protected person in relation to a scheme for the purposes of subsection (4)(a).

(6) Schedule 14 contains more detail about the power.

(7) In this section and Schedule 14—

“current member”, in relation to a scheme, means a person who is a member of the scheme at the time that the power is used (and “future member” is to be read accordingly);

“employer”, in relation to a scheme, means the employer of persons in the description of employment to which the scheme relates;

“member” has the meaning given by Article 121(1) of the Pensions (Northern Ireland) Order 1995 (in this Act referred to as “the 1995 Order”);

“national insurance contributions”, in relation to an employer, means secondary Class 1 national insurance contributions payable by the employer;

“occupational pension scheme” has the meaning given by section 1 of the Pension Schemes Act;

“public service pension scheme” has the meaning given by that section.

(8) Subsections (2) to (7) and Schedule 14 are repealed at the end of the period of 5 years beginning with 6 April 2016.

(9) The Department may by order amend subsection (8) to extend the period for the time being mentioned there.