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## EXPLANATORY NOTE

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

These Regulations amend the Pension Schemes Act 2015 (Transitional Provisions and Appropriate Independent Advice) Regulations 2015 ([S.I. 2015/742](#)) (“the Advice Regulations”), which relate to the requirement in section 48 of the Pension Schemes Act 2015 ([c. 8](#)) (“the 2015 Act”) that the trustees or managers of a pension scheme must check that a member or survivor has received appropriate independent advice before carrying out certain transactions. The requirement applies to a member’s or survivor’s “safeguarded benefits”, meaning benefits which are neither money purchase benefits nor cash balance benefits as defined in pensions legislation<sup>(1)</sup>. These Regulations also make transitional provision in connection with the coming into force of those amendments.

Regulation 4 substitutes regulation 5 of the Advice Regulations, which provides an exception to the requirement to obtain advice. The effect of regulation 5 as substituted is that the exception applies where the “transfer value” (as defined in paragraph (2) of regulation 5) of the member’s or survivor’s safeguarded benefits under the scheme is £30,000 or less.

Regulation 6 makes transitional provision in relation to cases where the exception in regulation 5 of the Advice Regulations did not apply to a member or survivor prior to these Regulations coming into force, but does apply as a result of the amendment made by regulation 4. If, between 1st October 2017 and 6th April 2018, the trustees or managers informed the member or survivor about the requirement to obtain appropriate independent advice, then within 20 days after the coming into force of these Regulations they must inform the person that the requirement no longer applies. However there is an exception if the trustees or managers provided specified information to the member or survivor in advance of the amendment coming into force.

An analysis of the impact of these Regulations on the costs of business has been made. The impact assessment is available from the Better Regulation Unit of the Department for Work and Pensions, Caxton House, Tothill Street, London SW1H 9NA, and is published with the Explanatory Memorandum alongside this instrument on [www.legislation.gov.uk](http://www.legislation.gov.uk). Copies have also been placed in the libraries of both Houses of Parliament.

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<sup>(1)</sup> See sections 48(8), 75 and 76(2) of the 2015 Act.