

*These notes refer to the Welfare Reform and Pensions Act  
1999 (c.30) which received Royal Assent on 11 November 1999*

# **WELFARE REFORM AND PENSIONS ACT 1999**

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## **EXPLANATORY NOTES**

### **COMMENTARY ON SECTIONS**

#### *Commentary*

#### **Part II: Pensions: General**

#### *Schedule 2: Miscellaneous amendments*

#### *Paragraph 8: Payment by Secretary of State of unpaid pension contributions*

The Secretary of State can make payments from the National Insurance Fund in respect of contributions to occupational pension schemes that an employer, who has become insolvent, was responsible for but failed to pay. There are provisions to recover these payments from the assets of the insolvent employer. However, these were not amended to reflect the new provisions for contracting out that came into effect from April 1997.

This paragraph amends Schedule 4 to the Pensions Schemes Act 1993 to ensure that certain payments will continue to be recoverable from the insolvent employer's assets as a priority debt where the employer has become insolvent.