

PENSIONS ACT 2004

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Part 1 – the Pensions Regulator

New powers in respect of occupational and personal pension schemes

Section 18: Pension liberation: interpretation

70. *Subsection (1)* provides definitions of terms used in *sections 18 to 21* relating to pension liberation. In addition to *section 18* itself, those sections are *section 19* (court's power to order restitution where pension liberation has occurred) and *sections 20 and 21* (Regulator's powers to make restraining orders, and repatriation orders, where pension liberation has occurred).
71. *Subsection (2)* defines what is meant by 'money liberated from a pension scheme'. It is money which represents accrued rights which has been transferred from a pension scheme on the basis that it would be used in an authorised way but, despite that, it has not been used in an authorised way and is not likely to be used in an authorised way. *Subsection (4)* describes the authorised ways. These are, broadly, the ways in which schemes are allowed to give effect to a transfer value as permitted by section 94 or 101AB or 101F of the Pension Schemes Act 1993 or the scheme rules.