
STATUTORY INSTRUMENTS

1987 No. 1116

**The Personal and Occupational Pension Schemes
(Modification of Enactments) Regulations 1987**

Provisions of the Social Security Pensions Act 1975 relating to occupational pension schemes to apply, subject to modifications, to personal pension schemes

3.—(1) Section 32(2) of the Social Security Pensions Act 1975(1) (an occupational pension scheme can be contracted-out if specified requirements are satisfied) shall have effect in relation to personal pension schemes as if it provided that, subject to the provisions of section 2 of the Social Security Act 1986 and regulations made thereunder, a personal pension scheme can be an appropriate scheme (for the purposes of the Social Security Act 1986) only if the rules of the scheme applying to protected rights are framed so as to comply with the requirements of any regulations prescribing the form and content of rules of appropriate schemes and with such other requirements as to form and content (not inconsistent with regulations) as may be imposed by the Occupational Pensions Board as a condition of being an appropriate scheme, either generally or in relation to a particular scheme.

(2) Subsections (1), (2), (2A) and (5) of section 49 of the Social Security Pensions Act 1975(2) (supervision by the Occupational Pensions Board of occupational pension schemes which have ceased to be contracted-out) shall have effect in relation to personal pension schemes subject to the modifications described in Schedule 2.

(3) Section 50 of the Social Security Pensions Act 1975(3) (alteration of rules of contracted-out schemes) shall have effect in relation to personal pension schemes subject to the modifications specified in paragraphs (4) to (6) of this regulation.

(4) Subsection (1) shall be so modified as to provide that, where an appropriate scheme certificate has been issued, no alteration of the rules of the relevant appropriate scheme shall be made so as to affect any of the matters dealt with in Schedule 1 to the Social Security Act 1986, or so as to cause the scheme to cease to take one, and thereafter to take another, of the forms specified in paragraphs (a) to (c) of regulation 2 of the Personal Pension Schemes (Appropriate Schemes) Regulations 1987(4), unless it is an alteration to which subsection (1) does not apply or the following conditions are satisfied, namely—

- (a) the Board have given their consent to the alteration; and
- (b) (except in so far as the Board in their discretion dispense with satisfaction of this condition) notice of intention to apply for that consent was given in accordance with the requirements specified in paragraph (7) of this regulation,

and that, subject to subsection (2), an alteration to which subsection (1) applies but which does not satisfy those conditions shall be void.

(5) Subsection (1A) shall have effect as if paragraph (a) were omitted.

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- (1) 1975 c. 60. Section 32(2) is amended by the Social Security Act 1986, sections 6 and 86(1), Schedule 2, paragraph 5 and Schedule 10, paragraph 16.
 - (2) Section 49 is amended by the Social Security Act 1986, sections 6 and 86, Schedule 2, paragraph 9, Schedule 10, paragraph 24, and Schedule 11.
 - (3) Section 50 is amended by the Social Security Act 1986 (c. 50), sections 6 and 86, Schedule 2, paragraph 10, and Schedule 10, paragraph 25.
 - (4) S.I.1987/1109.

(6) Subsection (3) shall be so modified as to provide that section 50 shall continue in force in relation to a scheme after it has ceased to be appropriate so long as any person has protected rights under the scheme.

(7) The requirements referred to in paragraph (4)(b) are—

(a) that the notice shall be given in writing to—

(i) any member of the scheme who has protected rights under it, and

(ii) any earner who, jointly with the trustees or managers of the scheme, has given in relation to the scheme a notice under section 1(9) of the Social Security Act 1986 which has not been cancelled,

by sending it to his last known address;

(b) that it shall specify the name of the scheme;

(c) that it shall specify the date on which it is desired that the alteration should have effect, being a date which is at least 3 months later than the date on which the notice is given; and

(d) that it shall specify the purport of the intended alteration and give an explanation of the effect on the persons to whom the notice is given.

(8) Sections 56A and 56L of the Social Security Pensions Act 1975⁽⁵⁾ shall have effect in relation to personal pension schemes subject to the modifications specified in Schedule 3.

(9) Section 57 of the Social Security Pensions Act 1975 (disclosure of information by the Occupational Pensions Board), except in its application to Northern Ireland, shall have effect in relation to personal pension schemes as if the reference in it to an occupational pension scheme were a reference to a personal pension scheme.

(10) Schedule 1A to the Social Security Pensions Act 1975⁽⁶⁾ shall have effect in relation to personal pension schemes subject to the modifications specified in Schedule 4.

(11) Paragraph 6 of Schedule 2 to the Social Security Pensions Act 1975 shall have effect in relation to personal pension schemes subject to the modifications specified in Schedule 5.

⁽⁵⁾ Sections 56A and 56L were inserted by the Social Security Act 1985 (c. 53), section 3 and Schedule 2.

⁽⁶⁾ 1975 c. 60. Schedule 1A was inserted by the Social Security Act 1985 (c. 53), section 2 and Schedule 1.