

1989 No. 1239

PENSIONS

The Occupational Pension Schemes (Transitional Provisions and Savings) Regulations 1989

<i>Made</i> - - - - -	<i>21st July 1989</i>
<i>Laid before Parliament</i>	<i>21st July 1989</i>
<i>Coming into force</i>	<i>11th August 1989</i>

The Secretary of State for Social Security, in exercise of the powers conferred upon him by section 166(1) and (2) of the Social Security Act 1975(a) and section 31(3) of the Social Security Act 1989(b), hereby makes the following regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Occupational Pension Schemes (Transitional Provisions and Savings) Regulations 1989.

(2) These Regulations come into force on 11th August 1989.

(3) In these Regulations terms defined in the Pensions Act have the same meaning.

Savings in respect of amendments to the Social Security Pensions Act 1975

2.—(1) If an earner ceased to be in contracted-out employment by reference to an occupational pension scheme other than a money purchase contracted-out scheme before paragraphs 6 and 7 of Schedule 6 to the Social Security Act 1989(c) came into force, sections 41A and 41B of the Pensions Act (which deal with the protection of pensions)(d) apply in relation to the earner and the earner's widow or widower as if those paragraphs had not been enacted.

(2) If an earner was in contracted-out employment by reference to an occupational pension scheme other than a money purchase contracted-out scheme immediately before paragraphs 6 and 7 of Schedule 6 to the Social Security Act 1989 came into force and:—

(a) the earner ceases to be in contracted-out employment by reference to that scheme after these Regulations come into force but before 1st December 1990, and

(b) the earner ceases to be in that contracted-out employment otherwise than by virtue of his attaining pensionable age,

sections 41A and 41B of the Pensions Act apply in relation to the earner and the earner's widow or widower as if those paragraphs had not been enacted.

(a) 1975 c.14. Section 166(1) to (3A) applies to powers to make regulations under the Social Security Act 1989 by virtue of section 30(1) of that Act.

(b) 1989 c.24.

(c) Paragraphs 6 and 7 of Schedule 6 came into force on 21st July 1989.

(d) Sections 41A and 41B were inserted by Schedule 6 to the Health and Social Security Act 1984 (c.48). Section 41A has since been amended by section 6 of, and paragraphs 22 and 23 of Schedule 5 and Schedule 6 to, the Social Security Act 1985 (c.53), and paragraph 6(1)(d) of Schedule 2 and paragraph 20 of Schedule 10 to the Social Security Act 1986 (c.50). Section 41B has been amended by section 6 of, and paragraph 24 of Schedule 5 to, the Social Security Act 1985 and modified by section 9(4)(f) of the Social Security Act 1986.

Saving in respect of amendments to the Social Security Act 1986

3. Until 1st December 1990, Schedule 1 to the Social Security Act 1986(a) (which sets out the requirements to be satisfied by appropriate personal pension schemes and money purchase contracted-out schemes) shall have effect in relation to a scheme in respect of which there is in force, immediately before these Regulations come into force, an appropriate scheme certificate under section 2 of that Act or a contracting-out certificate under section 32(2A) of the Pensions Act(b), as if the amendments made to that Schedule by paragraphs 19 and 20 of Schedule 6 to the Social Security Act 1989(c) had not been enacted.

Signed by authority of the Secretary of State for Social Security.

Peter Lloyd
Parliamentary Under-Secretary of State,
Department of Social Security

21st July 1989

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations make transitional provisions and savings in connection with the coming into force of the Social Security Act 1989.

Paragraphs 6 and 7 of Schedule 6 to the Social Security Act 1989 make changes to the protection of pensions provisions (sometimes called the "anti-franking" provisions) of the Social Security Pensions Act 1975. Regulation 2(1) says that these changes do not affect pensions for earners, and the widows or widowers of earners, who ceased to be in contracted-out employment before the 1989 Act was passed. Regulation 2(2) says that the changes do not affect pensions for earners, and the widows or widowers of earners, who were in contracted-out employment when the 1989 Act was passed but who ceased to be in contracted-out employment between the date these Regulations come into force and 1st December 1990.

Paragraphs 19 and 20 of Schedule 6 to the 1989 Act make changes to the requirements that must be satisfied by appropriate personal pension schemes and money purchase contracted-out schemes. Regulation 3 allows schemes that already have an appropriate scheme certificate or a contracting-out certificate until 1st December 1990 to amend their rules to comply with the new requirements.

These Regulations are made before the end of a period of 6 months from the commencement of the enactment under which they are made and are therefore, under section 61(5) of the Social Security Act 1986, exempt from the requirement of section 68(1) of the Social Security Act 1973 (c.38) and section 61(2) of the Social Security Act 1986 that proposals to make regulations be referred to the Occupational Pensions Board.

(a) 1986 c.50.

(b) Section 32(2A) of the Pensions Act was inserted by paragraph 5(b) of Schedule 2 to the Social Security Act 1986 (c.50).

(c) 1989 c.24. Paragraphs 19 and 20 of Schedule 6 came into force on 21st July 1989.

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