
EXPLANATORY NOTE

(This note is not part of the Order)

This Order specifies 3 per cent. as the percentage by which that part of any guaranteed minimum pension attributable to earnings factors for the tax years 1988-89 to 1996-97 and payable by contracted-out, defined benefit occupational pension schemes is to be increased. Under section 109(3) of the Pension Schemes Act 1993 (c.48) the percentage to be specified is the actual percentage increase in the general level of prices in the period under review or 3 per cent., whichever is less.

A full regulatory impact assessment has not been produced for this instrument as no new impact on the private or voluntary sectors is foreseen.