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STATUTORY INSTRUMENTS

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**2014 No. 1711**

**The Pensions Act 2011 (Transitional, Consequential  
and Supplementary Provisions) Regulations 2014**

**PART 9**

**Transfers**

**Cash equivalent of cash balance benefits etc treated as money purchase benefits: transitional arrangements**

**30.**—(1) This regulation applies where—

- (a) a member of an occupational pension scheme has, under the applicable rules, accrued rights to cash balance benefits, a defined benefit minimum (in relation to money purchase underpin benefits or cash balance underpin benefits) or top-up benefits; and
- (b) the pensionable service of the member has terminated before the appointed day.

(2) Where the conditions specified in paragraph (3) are met—

- (a) the cash equivalent of the member's benefits specified in paragraph (1)(a) which were treated as money purchase benefits is to be calculated as if those benefits were money purchase benefits;
- (b) the member acquires a right to the cash equivalent of those benefits as if section 94(1)(a) of the 1993 Act (right to cash equivalent)(1) applied;
- (c) a member who acquires a right to a cash equivalent of those benefits in accordance with sub-paragraph (b) may require the trustees or managers of the scheme to use the cash equivalent in any of the ways specified in section 95(2) of the 1993 Act (ways of taking cash equivalent)(2);
- (d) an application to use the cash equivalent of the benefits in accordance with sub-paragraph (c) must be made to the trustees or managers of the scheme in writing and is subject to the provisions of sections 96 to 99 (provisions concerning exercise of options) of the 1993 Act(3); and
- (e) a member may withdraw an application made in accordance with sub-paragraph (d) by giving the trustees or managers of the scheme notice in writing, in accordance with the provisions of section 100 of that Act (withdrawal of application)(4).

(3) The conditions specified in this paragraph are that before the appointed day—

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(1) Section 94(1) was amended by section 154(1) and (2) of the 1995 Act.

(2) Section 95(2) was amended by [S.I. 2001/3649](#).

(3) Section 96 was amended by section 151 of and Schedule 5 to the 1995 Act, sections 18, 84(1) and 88 of and Schedules 2 and 13 to the 1999 Act, sections 15(3)(a) and 27(2) of and Schedules 4 and 7 to the 2007 Act. Section 97 was amended by paragraph 4 of Schedule 6 to the 1995 Act and paragraph 8(1) of Schedule 5 to the 2000 Act. Section 98 was amended by paragraph 5 of Schedule 6 to the 1995 Act, paragraph 37 of Schedule 12 to the 1999 Act, and paragraph 8(2) of Schedule 5 to the 2000 Act. Section 99 was amended by paragraph 6 of Schedule 6 to the 1995 Act and paragraph 14 of Schedule 12 to the 2004 Act.

(4) Section 100 was amended by section 84(1) of and Schedule 12 to the 1999 Act.

- (a) the trustees or managers of the scheme treated benefits specified in paragraph (1)(a) accrued by a member as if they were money purchase benefits;
  - (b) the member has made an application to the trustees or managers of the scheme for a written statement of entitlement of the amount of the cash equivalent of those benefits (whether or not the application also relates to other benefits) in accordance with section 93A(1) of the 1993 Act (salary related schemes: right to statement of entitlement)<sup>(5)</sup>; and
  - (c) the member has been treated as acquiring a right to the cash equivalent of those benefits, in accordance with section 94(1)(a) of that Act (including in a case where section 94(1)(a) of that Act is modified by regulation 19(2)(b) of the Transfer Values Regulations (hybrid schemes)).
- (4) Where—
- (a) the conditions specified in paragraph (3) are met; and
  - (b) the trustees or managers of the scheme have (at any time) used the cash equivalent of those benefits treated as money purchase benefits in any of the ways specified in section 95(2) of the 1993 Act,

they are discharged from the obligation to provide the benefits to which that cash equivalent value relates, as if section 99(1) of that Act (trustees' duties after exercise of option)<sup>(6)</sup> applied.

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**Commencement Information**

- II** Reg. 30 comes into force in accordance with reg. 1(1)

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(5) Section 93A was inserted by section 153 of the Pension Schemes Act 1993 (c. 48) and was amended by section 84(1) of and Schedule 12 to the 1999 Act.

(6) Section 99(1) was amended by S.I. 2011/1730.

**Changes to legislation:**

There are currently no known outstanding effects for the The Pensions Act 2011 (Transitional, Consequential and Supplementary Provisions) Regulations 2014, Section 30.