
STATUTORY INSTRUMENTS

2015 No. 1677

**The Occupational Pension Schemes (Schemes that
were Contracted-out) (No.2) Regulations 2015**

PART 2

**GENERAL PROVISIONS RELATING TO SCHEMES THAT
WERE SALARY RELATED CONTRACTED-OUT SCHEMES**

Payment in lieu of benefit and delay in refund for the purposes of the employer's right of recovery

13.—(1) For the purposes of section 61(10) of the 1993 Act⁽¹⁾ (payments in lieu of benefit) a payment in lieu of benefit is to include a payment made or to be made out of the resources of the scheme towards the provision of deferred benefits for the earner.

(2) The following provisions of this regulation apply, for the purpose of enabling any right of recovery conferred by section 61 of the 1993 Act to be exercised, where an employed earner (or, by virtue of a connection with the earner, any other person) is entitled to a refund of any payments made under a scheme that was contracted-out in respect of the earner towards the provision of benefits under the scheme (“the refund”).

(3) Subject to paragraph (4), where a contributions equivalent premium falls to be paid in respect of the earner under the 1993 Act and the person liable for the refund has been given a notice of delay in accordance with paragraph (5), that person is not to make the refund in whole or in part until after the end of the period of four weeks starting with—

- (a) the date of payment of the contributions equivalent premium; or
- (b) the last day of the prescribed period for payment of that premium,

whichever occurs first.

(4) Paragraph (3) does not apply to so much, if any, of the refund as exceeds the amount certified by the Commissioners under section 63(1)(d) of the 1993 Act⁽²⁾ (certification of amount attributable to reductions of contributions).

(5) A notice of delay is a notice in writing given by the trustees of the scheme concerned, relating either to a particular case or to a class of case and containing the following particulars—

- (a) the name of the earner or such particulars as will sufficiently identify the class of case concerned;
- (b) such particulars as will sufficiently identify the refund or refunds concerned; and

(1) Section 61 is repealed by paragraph 37 of Schedule 13 to the 2014 Act, but saved for certain purposes, *see* [S.I. 2015/1502](#). Section 61 was amended by paragraph 55 of Schedule 5 to the 1995 Act, paragraph 5 of Schedule 5 to the Child Support, Pensions and Social Security Act 2000, and paragraphs 9 and 12 of Schedule 12 to the 2004 Act.

(2) Section 63 is repealed by paragraph 37 of Schedule 13 to the 2014 Act, but saved for certain purposes, *see* [S.I. 2015/1502](#). Section 63 was amended by paragraph 56 of Schedule 1 to the Social Security Contributions (Transfer of Functions, etc.) Act 1999, paragraph 57 of Schedule 5 to the 1995 Act, and paragraph 5 of Schedule 5 to the Child Support, Pensions and Social Security Act 2000.

- (c) a memorandum in a form approved by the Commissioners giving brief particulars of the effect of paragraphs (3) and (4).
- (6) Where the trustees of a scheme have given a notice of delay, they are to inform the person to whom the notice was given of the end date of the period during which they may not make a refund to which the notice applies.