STATUTORY INSTRUMENTS

2017 No. 354

PENSIONS
SOCIAL SECURITY

The Occupational Pension Schemes and Social Security (Schemes that were Contracted-out and Graduated Retirement Benefit) (Miscellaneous Amendments) Regulations 2017

Made - - - -	*9th March 2017*
Laid before Parliament	*13th March 2017*
Coming into force - -	*6th April 2017*

The Secretary of State for Work and Pensions makes the following Regulations in exercise of the powers conferred by sections 62(1)(a) and (c) and 175(3) and (4) of the Social Security Contributions and Benefits Act 1992(**1**), sections 16(3) and (4), 17(6), 20(1) and (3), 55(2C), 56(2), 57(1) and (2), 181(1)(**2**), 182(2) and (3) and 183(1) of the Pension Schemes Act 1993(**3**) and sections 51(2C), 52(2), 53(1) and (2), 176(1)(**4**), 177(2) to (4) and 178(1) of the Pension Schemes (Northern Ireland) Act 1993(**5**).

In accordance with section 185(1) of the Pension Schemes Act 1993(**6**), and for the purposes of regulations 2 and 4, the Secretary of State has consulted such persons as the Secretary of State considers appropriate.

(**1**) 1992 c. 4. Section 62(1)(a) was amended by paragraph 7 of Schedule 4 to the Pensions Act 1995 (c. 26) and paragraph 17(a) of Schedule 11 to the Pensions Act 2004 (c. 35). Section 62(1)(c) was amended by paragraph 17(b) of Schedule 11 to the Pensions Act 2004 and S.I. 2005/2053.

(**2**) 1993 c. 48. Section 181(1) is cited for the meaning it gives to 'prescribed' and 'regulations'.

(**3**) Section 16(3) was amended by section 151 of, and paragraph 28(a) of Schedule 5 to, the Pensions Act 1995 (c. 26). Section 17(6) was amended by section 56 of, and paragraph 1(3) of Part 1 of Schedule 5 to, the Child Support, Pensions and Social Security Act 2000 (c. 19) and S.I. 2005/2050; and in relation to England and Wales by section 11(4) of, and paragraphs 18 and 20(1), (5)(a) and (b) of Part 6 of Schedule 4 to, the Marriage (Same Sex Couples) Act 2013 (c. 30); and in relation to Scotland by S.I. 2014/3229. Section 20(1) was amended by paragraph 2 of Schedule 5 to, the Child Support, Pensions and Social Security Act 2000. Section 20(3) was amended by sections 15(3)(a) and 27(2) of, and paragraphs 46 and 48 of Schedule 4 to, and Part 7 of Schedule 7 to, the Pensions Act 2007 (c. 22) and S.I. 2011/1730. Sections 55 to 57 were repealed with savings by section 24(1) of, and paragraphs 1 and 37 of Part 1 of Schedule 13 to, the Pensions Act 2014 and S.I. 2015/1502. Section 183(1) was amended by paragraph 79 of Schedule 5, paragraph 15(a) of Schedule 6, and Parts 3 and 4 of Schedule 7 to, the Pensions Act 1995.

(**4**) 1993 c. 49. Section 176(1) is cited for the meaning it gives to 'prescribed' and 'regulations', and the definition of 'regulations' was amended by section 73(1) of the Pension Schemes Act 2015 (c. 8).

(**5**) Sections 51 to 53 were repealed with savings by section 24(1) of, and paragraphs 1 and 37 of Part 1 of Schedule 13 to, the Pensions Act (Northern Ireland) 2015 (c. 5 (N.I.)) and S.R. 2016/106. Section 178(1) was amended by S.I. 1995/3213 (N.I. 22).

(**6**) Section 185(1) was amended by sections 122, 151 and 177 of, and paragraph 46 of Schedule 3, and paragraph 80(a), (d) and (f) of Schedule 5, and Part 1 of Schedule 7 to, the Pensions Act 1995 (c. 26).

The Social Security Advisory Committee has agreed that the proposals in respect of regulation 3 of these Regulations should not be referred to it(**7**).

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Occupational Pension Schemes and Social Security (Schemes that were Contracted-out and Graduated Retirement Benefit) (Miscellaneous Amendments) Regulations 2017.

(2) These Regulations come into force on 6th April 2017.

(3) These Regulations, except for regulation 4(9), (10) and (11), extend to England and Wales and Scotland.

(4) Regulation 4(9), (10) and (11), and this regulation in so far as it relates to regulation 4(9), (10) and (11), extends to Northern Ireland.

Amendment of the Contracting-out (Transfer and Transfer Payment) Regulations 1996

2. In regulation 13B(1) (modification of section 16: revaluation after transfer from another scheme) of the Contracting-out (Transfer and Transfer Payment) Regulations 1996(**8**), after "This regulation applies" insert "where an earner's service in contracted-out employment(**9**) ended on the second abolition date(**10**) and".

Amendment of the Social Security (Graduated Retirement Benefit) Regulations 2005

3. In paragraphs 6(2), 10(2), 16(2) and 20(2) of Schedule 1 to the Social Security (Graduated Retirement Benefit) Regulations 2005 (calculating lump sums for the purposes of increasing lump sums in relation to deferred graduated retirement benefit)(**11**), in the definition of "accrual period" after "Social Security (Claims and Payments) Regulations 1987" insert "or in accordance with regulation 22C(3) or (4) of those Regulations".

Amendment of the Occupational Pension Schemes (Schemes that were Contracted-out) (No.2) Regulations 2015

4.—(1) The Occupational Pension Schemes (Schemes that were Contracted-out) (No.2) Regulations 2015(**12**) are amended as follows.

(2) In regulation 2 (interpretation)(**13**)—

(a) after the definition of "administrator" insert—

> ""bereavement support payment" means the benefit described in section 30 (bereavement support payment) of the Pensions Act 2014(**14**);";

(b) after the definition of "the Finance Act" insert—

(**7**) See sections 172(1) and 173(1)(b) of the Social Security Administration Act 1992 (c.5).
(**8**) S.I. 1996/1462. Regulation 13B was inserted by S.I. 2015/1677.
(**9**) The definition of "contracted-out employment" in section 8 of the Pension Schemes Act 1993 (c. 48) was amended by the Pensions Act 2007 (c. 22) and Pensions Act 2014 (c. 19).
(**10**) The definition of "the second abolition date" in section 7A of the Pension Schemes Act 1993 (c. 48) was inserted by paragraphs 1 and 6 of Schedule 13 to the Pensions Act 2014 (c. 19).
(**11**) S.I. 2005/454.
(**12**) S.I. 2015/1677; relevant amending instrument is S.I. 2016/200.
(**13**) There are amendments to regulation 2 that are not relevant to these Regulations.
(**14**) 2014 c. 19.

""scheme reconciliation service" means the service set up by the Commissioners which allows schemes to compare the scheme's records of members who have been contracted-out, and the value of members' guaranteed minimum pensions(**15**),with the Commissioner's records of the same, with a view to removing any errors in the scheme's or the Commissioner's records;".

(3) For regulation 9(3) (notification of requirement to pay a contributions equivalent premium) substitute—

"(3) The Commissioners may in any particular case or class of case extend the period within which notification is to be given—

(a) if it appears to them that notification could not reasonably have been given within the period specified in paragraph (2); or

(b) if—

(i) the trustees are seeking to reach, or have reached, an agreement with the Commissioners as to the scheme's liabilities for guaranteed minimum pensions or section 9(2B) rights of members through the scheme reconciliation service; and

(ii) as a result of doing so, the Commissioners and the trustees agree that a premium is payable.".

(4) For regulation 11(5) (elections to pay contributions equivalent premiums) substitute—

"(5) The Commissioners may in any particular case or class of case extend the period within which notification of an election is to be given—

(a) if it appears to them that notification could not reasonably have been given within the period specified in paragraph (4); or

(b) if—

(i) the trustees are seeking to reach, or have reached, an agreement with the Commissioners as to the scheme's liabilities for guaranteed minimum pensions or section 9(2B) rights of members through the scheme reconciliation service; and

(ii) as a result of doing so, the Commissioners and the trustees agree that a premium is payable.".

(5) In regulation 12(3) (payment of a contributions equivalent premium)—

(a) after sub-paragraph (a) omit "and";

(b) after sub-paragraph (b) insert—

"; and

(c) if—

(i) the trustees are seeking to reach, or have reached, an agreement with the Commissioners as to the scheme's liabilities for guaranteed minimum pensions or section 9(2B) rights of members through the scheme reconciliation service; and

(ii) as a result of doing so, the Commissioners and the trustees agree that a premium is payable,

by such further period as they consider reasonable.".

(**15**) The definition of "guaranteed minimum pension" in section 8 of the Pension Schemes Act 1993 (c. 48) was amended by the Pensions Act 2014 (c. 19) and S.I. 2005/2050.