

## 2011 No. 1730

### PENSIONS

#### The Pensions Act 2008 (Abolition of Protected Rights) (Consequential Amendments) (No. 2) Order 2011

Made - - - - - 12th July 2011

Coming into force in accordance with article 1(2)

The Secretary of State for Work and Pensions makes the following Order in exercise of the powers conferred by section 145(1) and (2) of the Pensions Act 2008(a).

A draft of this Order has been laid before Parliament in accordance with section 143(4) of that Act and has been approved by a resolution of each House of Parliament.

### PART 1 GENERAL

#### Citation and commencement

1.—(1) This Order may be cited as the Pensions Act 2008 (Abolition of Protected Rights) (Consequential Amendments) (No. 2) Order 2011.

(2) This Order comes into force—

- (a) for the purposes of this article and article 8, immediately before 6th April 2012, and
- (b) for the purposes of the other provisions in Part 2, on 6th April 2012, and
- (c) for the purposes of Part 3, on 6th April 2015.

[Articles 2 - 4 amend legislation outside the scope of these volumes.]

[Article 5 makes various amendments to the Pension Schemes Act 1993.]

[Article 6 amends section 51A, omits sections 149 & 163 and amends section 175 of the Pensions Act 1995.]

[Article 7 amends section 170 of the Pensions Act 2004.]

[Article 8 amends schedule 4 of the Pensions Act 2007.]

[Article 9 makes amendments to section 20, 33, 42A, 43, 164 & 181 of the Pension Schemes Act 1993.]

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(a) 2008 c. 30.

Signed by authority of the Secretary of State for Work and Pensions.

12th July 2011

*Steve Webb*  
Minister of State  
Department for Work and Pensions

### EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order is made under section 145 of the Pensions Act 2008 (c. 30), which provides for amendments to be made in consequence of section 106 of that Act. Section 106 abolishes the protected rights of members of pension schemes contracted-out on a defined contributions basis, from the contracting-out abolition date (the date for the coming into force of section 15(1) of the Pensions Act 2007 (c. 22)).

This Order makes consequential amendments to primary legislation and provides for transitional provisions for the 3 years following abolition. The majority of amendments come into force on 6th April 2012.

References to, and provisions which relate to, protected rights are either omitted, or where appropriate, replaced with references to protected rights as they existed prior to the abolition date.

Article 5 amends the Pension Schemes Act 1993 (c. 48) with effect from 6th April 2012. Articles 5(8) and (9) provide that HMRC can set a minimum level below which they will not pay an age-related payment or minimum contributions to an individual, where it would cost more to administer than the payment is worth.

Article 8 repeals and amends certain amending provisions of the Pensions Act 2007 before their commencement.

Article 9 amends the Pension Schemes Act 1993 with effect from 6th April 2015. Article 9(4) and (5) provide for payments of age-related payments or minimum contributions to be made to individuals in all cases, rather than the trustees or managers of the scheme, and substitutes the provisions inserted by article 5(8) and (9) of this instrument to provide for the minimum level below which such payments are not made to apply in all cases.

This legislation reduces the costs of administrative burdens on the private sector and civil society organisations. An assessment of the impact has been made; a copy is available in the libraries of both Houses of Parliament, and is annexed to the Explanatory Memorandum which is available alongside the instrument on [www.legislation.gov.uk](http://www.legislation.gov.uk).