STATUTORY INSTRUMENTS

2017 No. 70 (C. 7)

EMPLOYMENT

ENTERPRISE

The Enterprise Act 2016 (Commencement No. 2) Regulations 2017

Made - - - - 24th January 2017

The Treasury make the following Regulations in exercise of the power conferred by section 44(4) of the Enterprise Act 2016(**a**).

Citation and interpretation

1. These Regulations may be cited as the Enterprise Act 2016 (Commencement No. 2) Regulations 2017.

Provision coming into force on 1st February 2017

2. The following provisions of the Enterprise Act 2016 come into force on 1st February 2017—

(a) section 36 (UK Government Investments Limited);

(b) section 41 (restriction on public sector exit payments); and

(c) paragraphs 1 to 4 of Schedule 6 (restriction on public sector exit payments: consequential and related provision).

Andrew Griffiths
David Evennett
24th January 2017 Two of the Lords Commissioners of Her Majesty's Treasury

EXPLANATORY NOTE

(This note is not part of the Regulations)

These are the second commencement regulations made under the Enterprise Act 2016 (c 12) ("the Act"). Certain provisions came into force on the passing of the Act.

Regulation 2 commences section 36 of the Act. Section 36 permits the Treasury or the Secretary of State to provide financial assistance to UK Government Investments Limited (UKGI).

Regulation 2 also commences section 41. Section 41 inserts sections 153A to 153C into the Small Business, Enterprise and Employment Act 2015 (c.26) ("the 2015 Act"). Section 153A of the 2015 Act confers a power to make regulations to restrict exit payments payable to employees of

(**a**) 2016 c.12.

prescribed public sector authorities or holders of prescribed public sector offices as a consequence of them leaving employment or office to a maximum value of £95,000. Section 153B provides for the Treasury to make regulations under section 153A, save that the Scottish and Welsh Ministers are to make such regulations in relation to exit payments by relevant Scottish authorities (defined in subsection (5)) and relevant Welsh exit payments (defined in subsection (6)), respectively. Section 153C provides that a Minister of the Crown, or where appropriate the Scottish Ministers or Welsh Ministers, may relax a restriction imposed by regulations made under section 153A, and makes further provision about the exercise of those powers.

Regulation 2 also commences paragraphs 1 to 4 of Schedule 6 to the Act. Paragraphs 1 to 3 make minor amendments to Parts 11 and 12 of the 2015 Act required as a consequence of inserting the new sections 153A to 153C, and to ensure sections 154 and 156 of that Act operate as intended. Paragraph 4 confers a power to make regulations to amend public sector schemes to ensure that where the restriction on exit payments would have the effect of preventing immediate payment of an unreduced pension or preventing an employer paying an extra charge to the scheme, benefits are instead immediately payable subject to an appropriate early payment deduction, and that an individual may choose to buy out all or part of that deduction.

NOTE AS TO EARLIER COMMENCEMENT REGULATIONS

(This note is not part of the Regulations)

Provision	*Date of Commencement*	*S.I. No.*
Section 17	1.10.2016	2016/695 (C.49)
Section 19	1.10.2016	2016/695 (C.49)
Section 21	1.10.2016	2016/695 (C.49)
Section 26	4.07.2016	2016/695 (C.49)
Section 27	4.07.2016	2016/695 (C.49)
Section 39	21.07.2016	2016/695 (C.49)
Section 40	21.07.2016	2016/695 (C.49)

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