STATUTORY INSTRUMENTS

1977 No. 1187

PENSIONS

The Occupational Pension Schemes (Preservation of Benefit) Amendment Regulations 1977

Made - - - -	18*th July* 1977
Laid before Parliament	26*th July* 1977
Coming into Operation	16*th August* 1977

The Secretary of State for Social Services, in exercise of the powers conferred upon him by paragraphs 12 and 22 of Schedule 16 to the Social Security Act 1973**(a)**, and of all other powers enabling him in that behalf, after considering the report of the Occupational Pensions Board on the preliminary draft submitted to them, hereby makes the following regulations:—

Citation, interpretation and commencement

1. These regulations, which may be cited as the Occupational Pension Schemes (Preservation of Benefit) Amendment Regulations 1977, shall be read as one with the Occupational Pension Schemes (Preservation of Benefit) Regulations 1973**(b)** (hereinafter called "the principal regulations") as amended **(c)**, and shall come into operation on 16th August 1977.

Amendments of principal regulations

2.—(1) Regulation 6 of the principal regulations (alternatives to short service benefit) shall be amended by substituting for the references in paragraphs (2) and (3) to paragraph (1)(*d*)(ii) references to paragraph (1)(*d*)(iii).

(2) Regulation 10 (termination of service) of the principal regulations shall be amended as mentioned in paragraphs (3) and (4) below.

(3) At the end of paragraph (3)(*b*) there shall be added the following, namely—

"or

(iv) an interval of any length if it is between 2 employments the second of which results from the exercise of a right to return to work under section 48(1) of the Employment Protection Act 1975**(d)** (right to return to work following pregnancy or confinement)."

(a) 1973 c. 38. **(b)** S.I. 1973/1469 (1973 II, p. 4471).
(c) The relevant amending instrument is the Occupational Pension Schemes (Preservation of Benefit) Amendment Regulations 1976 (S.I. 1976/140 (1976 I, p. 396)).
(d) 1975 c. 71.

(4) For paragraph (5)(*c*) there shall be substituted the following, namely—

"(*c*) the contract is not renewed (or, as the case may be, the service resumed) with the same employer or his successor—

(i) immediately, or

(ii) after an interval not exceeding one month, or

(iii) pursuant to the exercise of a right to return to work under section 48(1) of the Employment Protection Act 1975,".

Deductions from short service benefit

3.—(1) Where a scheme provides that in computing the amount of long service benefit payable to a member a deduction shall be made, either on account of benefit payable to that member under the Social Security Act 1975**(a)** or otherwise, any corresponding provision in relation to short service benefit shall be permissible only if the basis on which the amount of the deduction is computed is such as the Board may consider reasonable having regard to all the circumstances of the case.

(2) This regulation does not apply to any deduction made in computing short service benefit pursuant to a right of charge or lien on, or set-off against, such benefit which is permitted by paragraph 18 of Schedule 16 to the Act.

David Ennals,
Secretary of State for Social Services.

18th July 1977.

EXPLANATORY NOTE
(*This Note is not part of the Regulations.*)

These Regulations amend the Occupational Pension Schemes (Preservation of Benefit) Regulations 1973. Regulation 2 amends regulations 6 and 10 of those regulations to take account of the amendment made to regulation 6 by the Occupational Pensions Schemes (Preservation of Benefit) Amendment Regulations 1976 and to provide that, for the purposes of the preservation requirements set out in Part I of Schedule 16 to the Social Security Act 1973, a woman's service in an employment is not treated as terminated if it is followed by another employment which results from the exercise of a right to return to work under section 48(1) of the Employment Protection Act 1975. Regulation 3 provides that where a scheme provides that in computing long service benefit a deduction is to be made for any reason, any corresponding provision in relation to short service benefit shall be permissible only if the Occupational Pensions Board consider the basis for computing the amount of the deduction to be reasonable.

The report of the Occupational Pensions Board on the preliminary draft of these regulations, dated 7th July 1977, is contained in House of Commons Paper No. 454 (Session 1976-77) published by Her Majesty's Stationery Office.

(a) 1975 c. 14.

SI 1977/1187
ISBN 0-11-071187-4

