

TAXATION OF PENSIONS ACT 2014

EXPLANATORY NOTES

COMMENTARY ON SECTIONS

Schedule 1

Part 6 – Provision of information

187. Paragraphs 86 to 91 amend the [Registered Pension Schemes \(Provision of Information\) Regulations 2006 \(SI 2006/567\)](#).
188. Paragraph 87 inserts new regulations 14ZA to 14ZE of [SI 2006/567](#), which set out the information that must be provided where a member has flexibly accessed their pension rights. The new information requirements are intended to ensure that the member is aware that they have flexibly accessed their pension rights and the consequences of having done so, and that the scheme administrator for every scheme that they are actively a member of, is also aware so that if necessary they can provide information about the member's savings in that scheme based on the lower £10,000 money purchase annual allowance.
189. New regulation 14ZA requires a scheme administrator to provide a statement to a scheme member within 31 days when it appears they have first flexibly accessed their pension rights in that scheme and sets out the relevant events that require the scheme administrator to provide the statement, and the information that should be included in the statement.
190. New regulation 14ZB sets out the requirement for scheme members who have flexibly accessed their pension savings to notify the scheme administrator of any other registered pension scheme they are an accruing member of that they have received a statement under new regulation 14ZA. An individual is an accruing member of a registered pension scheme if at the time, or any time after, the relevant event occurred under new regulation 14ZA they are an active member of either a cash balance or hybrid arrangement under that scheme or they (or someone else on their behalf) pay a contribution to a money purchase arrangement that is not a cash balance arrangement under that scheme. They must provide the information to the scheme administrator within 91 days of receiving the statement or becoming an accruing member, whichever is the later.
191. New regulation 14ZC requires scheme administrators making recognised transfers of member's rights where they are aware that the member has flexibly accessed their pension savings to notify the scheme administrator of the receiving scheme that the member has flexibly accessed their pension rights, and the date the event occurred, within 31 days of the transfer.
192. New regulation 14ZD requires individuals who have a flexi-access drawdown fund as a result of having had a valid notification for flexible drawdown accepted on or before 5 April 2015 to notify the scheme administrator of any other registered pension scheme they are an accruing member of that they are treated as having flexi-accessed their pension rights at 6 April 2015. An individual is an accruing member of a registered

*These notes refer to the Taxation of Pensions Act 2014
(c.30) which received Royal Assent on 17 December 2014*

pension scheme if on or at any time after 6 April 2015 they are an active member of either a cash balance or hybrid arrangement under that scheme or they (or someone else on their behalf) pay a contribution to a money purchase arrangement that is not a cash balance arrangement under that scheme. They must provide the information to the scheme administrator within 91 days of 6 April 2015 or becoming an accruing member of the other scheme, whichever is the later.

193. New regulation 14ZE requires individuals who convert their existing drawdown pension fund to a flexi-access drawdown fund on or after 6 April 2015, and this is their first flexible access across all their schemes, to notify the scheme administrator of any other registered pension scheme they are an accruing member of that they are treated as having flexi-accessed their pension rights from the date of conversion. An individual is an accruing member of a registered pension scheme if on or at any time after the date of conversion they are an active member of either a cash balance or hybrid arrangement under that scheme or they (or someone else on their behalf) pay a contribution to a money purchase arrangement that is not a cash balance arrangement under that scheme. They must provide the information to the scheme administrator within 91 days of the date of conversion or becoming an accruing member of the other scheme, whichever is the later.
194. [Paragraph 88](#) amends regulation 14A of [SI 2006/567](#) in relation to the provision of an annual pension savings statement where the member's pension savings in that scheme have exceeded the annual allowance.
195. [Paragraph 88\(2\) to \(4\)](#) amend paragraph (1), make a consequential amendment to paragraph (8) and insert new paragraphs (9) to (12) extending the circumstances in which a scheme administrator is required to give the member a pension savings statement and the information that should be included in the statement, to include where they believe the member has flexibly accessed their pension rights and they have money purchase or relevant hybrid arrangement pension input amounts of more than £10,000 in that scheme.
196. [Paragraphs 89 and 90](#) make changes to regulations 3(1) and 14B(1) of [SI 2006/567](#) as consequence of paragraphs 87 and 88 of Schedule 1. All of the changes made in [SI 2006/567](#) come into force on 6 April 2015.