
STATUTORY INSTRUMENTS

2014 No. 1711

The Pensions Act 2011 (Transitional, Consequential and Supplementary Provisions) Regulations 2014

PART 15

Financial Assistance Scheme

Application and interpretation

70.—(1) This Part applies for the purposes of the Financial Assistance Scheme established by regulations made under section 286 of the 2004 Act (financial assistance scheme for members of certain pension schemes)(1).

(2) In this Part—

“the Financial Assistance Scheme Regulations” means the Financial Assistance Scheme Regulations 2005(2);

“notional pension” has the meaning given by regulation 27(1) of the Financial Assistance Scheme Regulations (scheme manager calculations after a valuation)(3);

“qualifying pension scheme” has the meaning given by regulation 9(1) of those Regulations (qualifying pension schemes)(4); and

“scheme manager” has the meaning given by regulation 5(2) of those Regulations (scheme manager)(5).

(3) Where, by virtue of regulation 9(2) of the Financial Assistance Scheme Regulations, a section of a scheme is required to be treated as a separate scheme for the purposes of those Regulations (or would have been so required to be treated, but for this Part) this Part applies in relation to the section of the scheme as if that section were a separate scheme.

Commencement Information

II Reg. 70 comes into force in accordance with reg. 1(1)

Schemes treated as money purchase schemes: non-qualifying schemes

71.—(1) Where the scheme manager is satisfied that the condition specified in paragraph (2) is met, an occupational pension scheme which would otherwise be a qualifying pension scheme is not a qualifying pension scheme.

(1) Section 286 was amended by section 18(1) to (3) of the Pensions Act 2007 (c. 22), section 124(1) to (6) of the Pensions Act 2008 (c. 30) and sections 23(1) and 24 of the Pensions Act 2011 (c.19).

(2) S.I. 2005/1986.

(3) Regulation 27 was inserted by S.I. 2010/1149.

(4) Regulation 9 was amended by S.I.s 2007/3581, 2008/1903, 2008/3069 and 2014/837.

(5) Regulation 5 was amended by S.I. 2009/1851.

(2) The condition specified in this paragraph is that, immediately before the scheme began winding up, the trustees or managers of the scheme treated the scheme as if it were a money purchase scheme.

Commencement Information

I2 Reg. 71 comes into force in accordance with reg. 1(1)

Qualifying schemes including benefits treated as money purchase benefits

72.—(1) Where the conditions specified in paragraph (2) are met, no provision of Part 4 of the Act or of these Regulations—

- (a) affects the validity of the discharge, before the appointed day, of benefits—
 - (i) specified in paragraph (2)(a); and
 - (ii) treated as money purchase benefits and discharged as such in reliance on section 135(4A)(f) of the 2004 Act (restrictions on winding up, discharge of liabilities etc) (as modified by paragraph 3B(d) of Schedule 1 to the Financial Assistance Scheme Regulations)(**6**);
- (b) affects the validity of a valuation—
 - (i) the calculation date (see regulation 2(1) of the Financial Assistance Scheme Regulations(**7**)) of which is before the appointed day; and
 - (ii) which was obtained by the trustees or managers of a qualifying pension scheme in accordance with regulation 22 (scheme manager to obtain a valuation of assets and liabilities) of the Financial Assistance Scheme Regulations(**8**);
- (c) requires the trustees or managers of a qualifying pension scheme to obtain or provide a further or revised valuation in relation to any period before the appointed day;
- (d) affects the validity of any determination made before the appointed day by the scheme manager in accordance with regulation 27 or 28 (determination of certain asset shares, notional pensions and survivor notional pensions) of those Regulations(**9**) in relation to—
 - (i) the entitlement of any person to a notional pension;
 - (ii) the amount, duration or cessation date of any notional pension; or
 - (iii) the asset share of any person;
- (e) affects the validity of any decision made before the appointed day by the scheme manager that a determination in accordance with regulation 27(2) of the Financial Assistance Scheme Regulations should not be made;
- (f) affects the validity of a transfer notice sent before the appointed day by the scheme manager to the trustees or managers of a qualifying pension scheme in accordance with regulation 29(1) (transfer notice) of the Financial Assistance Scheme Regulations(**10**); or
- (g) affects the validity of arrangements made before the appointed day by the scheme manager to facilitate payments in relation to the value of rights in respect of money purchase benefits under the scheme in accordance with regulation 31 of those Regulations

(6) Paragraph 3B was inserted by [S.I. 2010/1149](#).

(7) The definition of “calculation date” was inserted by [S.I. 2010/1149](#).

(8) Regulation 22 was inserted by [S.I. 2010/1149](#).

(9) Regulation 28 was inserted by [S.I. 2010/1149](#).

(10) Regulation 29 was inserted by [S.I. 2010/1149](#).

(payments where amounts relating to money purchase benefits are transferred to the Secretary of State)(11).

(2) The conditions specified in this paragraph are that the scheme manager is satisfied that, immediately before the scheme began to wind up—

(a) the liabilities of a qualifying pension scheme included liabilities in relation to cash balance benefits, a defined benefit minimum (in relation to money purchase underpin benefits or cash balance underpin benefits), top-up benefits or pensions derived from money purchase benefits or cash balance benefits; and

(b) the trustees or managers of the scheme treated liabilities relating to those benefits as if they related to money purchase benefits.

(3) Where the conditions specified in paragraph (2) are met, section 286 of the 2004 Act and the Financial Assistance Scheme Regulations apply as if the liabilities relating to the benefits specified in paragraph (2)(a) treated by the trustees or managers of the scheme as money purchase benefits were liabilities relating to money purchase benefits.

Commencement Information

I3 Reg. 72 comes into force in accordance with reg. 1(1)

Changes to legislation:

There are currently no known outstanding effects for the The Pensions Act 2011 (Transitional, Consequential and Supplementary Provisions) Regulations 2014, PART 15.