
EXPLANATORY NOTE

(This note is not part of the Regulations.)

These Regulations make miscellaneous amendments to regulations concerning personal and occupational pension schemes to—

make clear the intention that a contracted-out salary-related scheme which becomes a contracted-out money purchase scheme is to remain certified while the administrative formalities in relation to obtaining a new contracting-out certificate are completed (regulation 2);

provide that where a debt due from the employer has already arisen under the deficiency provisions before 6th April 1997, the employer will not be liable a second time for that same deficiency under the minimum funding requirement (regulation 3(2) and (3));

provide, in relation to schemes which are not required to appoint an actuary, as to who may give the certifications and valuations required for the purposes of the minimum funding requirement and provisions relating to deficiency on winding up (regulation 3(4) and (5) and regulation 4);

clarify the extent of the jurisdiction of the Pensions Ombudsman (regulation 5(2));

provide for audited accounts to show how much of the scheme's assets are invested in employer-related investments and, where such investments exceed 5 per cent. of those assets, the percentage which is invested in employer-related investments to which restrictions do not apply (regulation 6);

oblige fund managers who are subject to rules made under section 48 of the Financial Services Act 1986 to undertake to report conflicts of interest to trustees or managers in accordance with those rules (regulation 7(a));

require trustees to provide basic scheme information to pensioner members who were deferred members of the scheme on 5th April 1997 (regulation 8);

remove the requirement to take account of a past interest in the assets of the employer or of the scheme in determining a person's independence for the purposes of appointment as independent trustee (regulation 9);

require trustees to provide the Registrar of Occupational and Personal Pension Schemes with the name and address of an insurer of scheme benefits where that insurer provides administration services to the scheme (regulation 10); and

enable age-related payments to be paid in respect of earners who have access to salary-related pension provision with their employer only when they reach a specified age (regulation 11);

amend references (regulations 5(3) and 7(b)).

Regulation 12 contains revocations.

As these Regulations, in so far as they are made under Part II of the Pensions (Northern Ireland) Order 1995, make in relation to Northern Ireland only provision corresponding to provision contained in regulations made by the Secretary of State for Social Security in relation to Great Britain, the requirement for consultation under Article 117(1) of that Order does not apply by virtue of paragraph (2)(e) of that Article.