

SCHEDULE 7

Collective money purchase benefits: amendments to secondary legislation

Amendments to the Occupational Pension Schemes (Charges and Governance) Regulations 2015

4.—(1) Regulation 2 (interpretation)(1) is amended as follows.

(2) In paragraph (1)—

(a) in the appropriate places insert—

““the 2021 Act” means the Pension Schemes Act 2021(2);”;

““collective contribution percentage charge” has the meaning given in regulation 5A(3);”;

““collective flat fee charge” has the meaning given in regulation 5A(3);”;

““collective existing rights charge” has the meaning given in regulation 5A(3);”;

““collective money purchase benefit” has the meaning given in section 1(1) of the 2021 Act;”;

““collective money purchase scheme” has the meaning given in section 1(2) of the 2021 Act;”;

““collective single charge structure” has the meaning given in regulation 5A(2);”;

““qualifying collective money purchase scheme” has the meaning given in regulation 3A;”;

““qualifying section employer” means an employer in relation to whom a section of a pension scheme, which is a collective money purchase scheme for the purposes of section 1(2)(b) of the 2021 Act, is being used by a qualifying scheme in relation to at least one of its jobholders;”;

““specified section” means a relevant scheme that is a collective money purchase scheme for the purposes of section 1(2)(b) of the 2021 Act in which at least one qualifying section employer participates;”;

(b) in the definition of “contributing member”—

(i) after “relevant scheme” insert “, that is not a collective money purchase scheme,”; and

(ii) after “money purchase benefits” insert “(other than collective money purchase benefits)”;

(c) in the definition of “performance fee”(3)—

(i) at the beginning of sub-paragraph (b) insert “in the case of a relevant scheme that is not a collective money purchase scheme,”;

(ii) at the end of sub-paragraph (b) insert “or”; and

(iii) after sub-paragraph (b) insert—

“(c) in the case of a relevant scheme that is a collective money purchase scheme, is not calculated by reference to the value of members’ rights under the scheme;”;

(1) Regulation 2 was amended by [S.I. 2016/304](#), [2017/774](#) and [2021/1070](#).

(2) [2021 c. 1](#).

(3) The definition of “performance fee” was inserted by [S.I. 2021/1070](#).

- (d) in the definition of “specified scheme” after “relevant scheme” insert “, that is not a collective money purchase scheme for the purposes of section 1(2)(b) of the 2021 Act.”.
- (3) In paragraph (2)—
 - (a) in sub-paragraph (a), after “money purchase benefits” insert “other than collective money purchase benefits”;
 - (b) omit “or” at the end of sub-paragraph (a);
 - (c) in sub-paragraph (b), after “money purchase benefits,” insert “other than collective money purchase benefits,”;
 - (d) at the end of sub-paragraph (b), omit the comma and insert “; or”; and
 - (e) after sub-paragraph (b) insert—
 - “(c) a collective money purchase scheme,”.
- (4) After paragraph (2), insert—
 - “(2A) Where a pension scheme is divided into sections, each section that is a collective money purchase scheme for the purposes of Part 1 of the 2021 Act (see section 1(2)(b)) is to be treated for the purposes of these Regulations as a separate scheme.”.
- (5) After paragraph (3), insert—
 - “(3A) Where, in these Regulations, a collective flat fee charge is to be calculated and these Regulations have applied to a member of a qualifying collective money purchase scheme for a period of less than a charges year, the charge associated with that member for the purposes of calculating the collective flat fee charge (see regulation 6A(4)(a)) must be calculated on a pro rata basis.”.
- (6) At the end of paragraph (4), omit the full-stop and insert—
 - “;
 - (d) a charge under a collective single charge structure;
 - (e) a collective existing rights charge.”.
- (7) In paragraph (5)(4) for “When a charge under a single charge structure is” substitute “When the charges in paragraph (5A) are”.
- (8) After paragraph (5), insert—
 - “(5A) For the purposes of paragraph (5), the charges are—
 - (a) a charge under a single charge structure;
 - (b) a charge under a collective single charge structure.”.

(4) Paragraph 5 was inserted by [S.I. 2021/1070](#).