



Pension Schemes Act 2017

2017 CHAPTER 17

PART 1

MASTER TRUSTS

Ongoing supervision of Master Trust schemes

13 List of authorised schemes

- (1) The Pensions Regulator must maintain and publish a list of authorised Master Trust schemes.
- (2) The list—
 - (a) must identify each authorised Master Trust scheme by name, and
 - (b) may include any other information that the Pensions Regulator considers appropriate.

14 Requirement to submit annual accounts

- (1) The trustees of an authorised Master Trust scheme must send the scheme's accounts to the Pensions Regulator.
- (2) The accounts must be sent to the Regulator no later than two months after they are obtained by the trustees.
- (3) A scheme funder of a Master Trust scheme must send its accounts to the Pensions Regulator.
- (4) The scheme funder's accounts must be sent to the Regulator—
 - (a) no later than nine months after the end of the financial year to which they relate, or
 - (b) within such other period as may be specified in regulations made by the Secretary of State.

- (5) Section 10 of the Pensions Act 1995 (civil penalties) applies to a person who fails to comply with a requirement imposed by this section.
- (6) Regulations under this section are subject to negative resolution procedure.

15 Requirement to submit supervisory return

- (1) The Pensions Regulator may by notice in writing require the trustees of an authorised Master Trust scheme to submit a supervisory return.
- (2) The Secretary of State may make regulations setting out the information that the Regulator may require in a supervisory return.
- (3) The notice must specify—
 - (a) the information required to be included in the return,
 - (b) the manner and form in which the return must be submitted, and
 - (c) the time period (of at least 28 days) within which the return must be submitted.
- (4) The trustees of an authorised Master Trust scheme may not be required to submit a supervisory return more than once in any 12 month period.
- (5) Section 10 of the Pensions Act 1995 (civil penalties) applies to a trustee who fails to submit a supervisory return when required to do so.
- (6) Regulations under this section are subject to negative resolution procedure.

16 Duty to notify Regulator of significant events

- (1) Where a person mentioned in subsection (2) becomes aware of the fact that a significant event has occurred in relation to an authorised Master Trust scheme, the person must give notice of that fact, in writing, to the Pensions Regulator as soon as reasonably practicable.
- (2) The persons are—
 - (a) a trustee of the scheme;
 - (b) a person who (alone or with others) has power to appoint or remove a trustee;
 - (c) a person who (alone or with others) has power to vary the terms of the trust under which the scheme is established (where the scheme is established under a trust);
 - (d) a person who (alone or with others) has power to vary the scheme (where the scheme is not established under a trust);
 - (e) a scheme funder;
 - (f) a scheme strategist;
 - (g) a person who provides legal, financial or actuarial advice in relation to the scheme;
 - (h) a person who manages the scheme administration services;
 - (i) a person acting in a capacity specified in regulations made by the Secretary of State.
- (3) The Secretary of State must make regulations setting out the events that constitute significant events for the purposes of this section.

- (4) No duty to which a person is subject is to be regarded as contravened merely because of any information provided to the Pensions Regulator under this section.
- (5) A person is not required by this section to disclose anything in respect of which a claim to legal professional privilege (or, in Scotland, to confidentiality of communications) could be maintained in legal proceedings.
- (6) Section 10 of the Pensions Act 1995 (civil penalties) applies to a person who fails to comply with subsection (1).
- (7) The first regulations that are made under subsection (3) are subject to affirmative resolution procedure.
- (8) Any subsequent regulations under subsection (3), and regulations under subsection (2), are subject to negative resolution procedure.

17 Fixed penalty notice for failure to comply with request for information

- (1) The Pensions Regulator may issue a fixed penalty notice to a person if it considers that the person has failed to comply with a notice issued under section 72 of the Pensions Act 2004 (provision of information to Regulator on request), so far as relevant to the exercise of any of the Regulator's functions under or by virtue of this Part.
- (2) A fixed penalty notice is a notice requiring the person to whom it is issued to pay a penalty within the period specified in the notice.
- (3) The penalty—
 - (a) is to be determined in accordance with regulations made by the Secretary of State, and
 - (b) must not exceed £50,000.
- (4) A fixed penalty notice must—
 - (a) state the amount of the penalty;
 - (b) state the date, which must be at least 28 days after the date on which the notice is issued, by which the penalty must be paid;
 - (c) state the period to which the penalty relates;
 - (d) specify the failure to which the penalty relates;
 - (e) notify the person to whom the notice is issued of the review process under section 43 of the Pensions Act 2008 and the right of referral to a tribunal under section 44 of that Act (as applied by subsection (5)).
- (5) The following sections of the Pensions Act 2008 apply to a penalty notice under this section as they apply to a penalty notice under section 40 of that Act—
 - (a) section 42 (penalty notices: recovery);
 - (b) section 43 (review of penalty notices);
 - (c) section 44 (references to First-tier Tribunal or Upper Tribunal).
- (6) Regulations under this section are subject to negative resolution procedure.

18 Escalating penalty notice for failure to comply with request for information

- (1) The Pensions Regulator may issue an escalating penalty notice to a person if it considers that the person has failed to comply with a notice issued under section 72

of the Pensions Act 2004 (provision of information to Regulator on request), so far as relevant to the exercise of any of the Regulator’s functions under or by virtue of this Part (a “section 72 notice”).

- (2) But the Regulator may not issue an escalating penalty notice to a person if—
 - (a) the person has exercised the right of referral to a tribunal under section 44 of the Pensions Act 2008 (as applied by section 17(5)) in respect of a fixed penalty notice issued under section 17 in relation to the section 72 notice, and
 - (b) the reference has not been determined.
- (3) An escalating penalty notice is a notice requiring the person to whom it is issued to pay an escalating penalty if the person fails to comply with a section 72 notice.
- (4) An escalating penalty is a penalty which is calculated by reference to a daily rate.
- (5) The daily rate—
 - (a) is to be determined in accordance with regulations made by the Secretary of State, and
 - (b) must not exceed £10,000.
- (6) An escalating penalty notice must—
 - (a) specify the failure to which the penalty relates;
 - (b) state that, if the person fails to comply with the section 72 notice before a specified date, the person will be liable to pay an escalating penalty;
 - (c) state the daily rate of the escalating penalty and the way in which the penalty is calculated;
 - (d) state the date from which the escalating penalty will be payable, which must not be earlier than the date specified in the fixed penalty notice under section 17(4)(b);
 - (e) state that the escalating penalty will continue to be payable at the daily rate until the date on which the person complies with the section 72 notice or such earlier date as the Regulator may determine;
 - (f) notify the person to whom the notice is issued of the review process under section 43 of the Pensions Act 2008 and the right of referral to a tribunal under section 44 of that Act (as applied by subsection (7)).
- (7) The following sections of the Pensions Act 2008 apply to an escalating penalty notice under this section as they apply to an escalating penalty notice under section 41 of that Act—
 - (a) section 42 (penalty notices: recovery);
 - (b) section 43 (review of penalty notices);
 - (c) section 44 (references to First-tier Tribunal or Upper Tribunal).
- (8) Regulations under this section are subject to negative resolution procedure.

19 Withdrawal of authorisation

- (1) If the Pensions Regulator stops being satisfied that an authorised Master Trust scheme meets the authorisation criteria, it may decide to withdraw the scheme’s authorisation.
- (2) A warning notice under the standard procedure or a determination notice under the special procedure given in relation to a decision under subsection (1) must—

Status: This is the original version (as it was originally enacted).

- (a) explain that the issue of the notice is a triggering event for the purposes of sections 20 to 33, and
 - (b) include an explanation of the trustees' duties under those sections.
- (3) On withdrawal of a scheme's authorisation, the Pensions Regulator must—
- (a) notify the trustees that the scheme is no longer authorised, and
 - (b) remove the scheme from the list of authorised Master Trust schemes.
- (4) In this section—
- “determination notice” has the meaning given by section 98(2)(a) of the Pensions Act 2004;
 - “special procedure” has the meaning given by section 98 of that Act;
 - “standard procedure” has the meaning given by section 96 of that Act;
 - “warning notice” has the meaning given by section 96(2)(a) of that Act.