
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend various Regulations concerning occupational and personal pension schemes.

Regulation 2 amends the Personal Pension Schemes (Disclosure of Information) Regulations 1987 (S.I. 1987/1110) to omit or, as the case may be, update references to other legislation.

Regulation 3 amends the Occupational Pension Schemes (Preservation of Benefit) Regulations 1991 (S.I. 1991/167), amongst other things, to substitute a new regulation 5 enabling the payment of short service benefit in the form of a lump sum before normal pension age, where the payment satisfies requirements contained in the Finance Act 2004 (c.12) for lump sum payments by pension schemes.

Regulation 4 amends the Occupational Pension Schemes (Contracting-out) Regulations 1996 (S.I. 1996/1172) to substitute a new definition of “overseas scheme”. It also prescribes the fixed rate of revaluation of accrued rights to a guaranteed minimum pension, where contracted-out employment ceases on or after 6th April 2007, as 4 per cent.

Regulation 5 amends the Protected Rights (Transfer Payment) Regulations 1996 (S.I. 1996/1461) and regulation 6 amends the Contracting-out (Transfer and Transfer Payment) Regulations 1996 (S.I. 1996/1462) in each case to extend the definition of “overseas scheme” to cover “European pensions institution” as defined in section 293(8) of the Pensions Act 2004 (c.35).

Regulation 7 amends the Personal and Occupational Pension Schemes (Protected Rights) Regulations 1996 (S.I. 1996/1537) to omit regulation 8(2) enabling schemes to give effect to a part of a member’s protected rights in the form of a lump sum in accordance with the Finance Act 2004. Regulation 8(2) is no longer needed as it applies only to lump sums paid on grounds of triviality and the link in paragraphs 7 to 9 of Part 1 of Schedule 29 to the Finance Act 2004 already provides for this.

Regulation 8 amends the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 (S.I. 1996/1655) to make it clear that the trustees of an occupational pension scheme are not required to provide the information under regulation 5(12ZA) to a member whose only entitlement to benefits is, or will be, to money purchase benefits.

Regulation 9 amends the Divorce etc. (Notification and Treatment of Pensions) (Scotland) Regulations 2000 (S.I. 2000/1050) and regulation 10 amends the Pensions on Divorce etc. (Pension Sharing) (Scotland) Regulations 2000 (S.I. 2000/1051) in each case to make provision for civil partnerships.

Regulation 11 amends the Stakeholder Pension Schemes Regulations 2000 (S.I. 2000/1403) to allow a member’s benefits to be reduced to take account of any payment in respect of any tax liability in relation to the member in accordance with the Finance Act 2004.

Regulation 12 amends the Occupational Pension Schemes (Winding up etc.) Regulations 2005 (S.I. 2005/706) to cover, amongst other things, civil partnerships.

Regulation 13 amends the Occupational Pension Schemes (Fraud Compensation Payments and Miscellaneous Amendments) Regulations 2005 (S.I. 2005/2184) to amend the provisions concerning a scheme with fewer than twelve members where all of the members are trustees of the scheme. It also amends the provisions concerning a scheme with fewer than twelve members where a company is the sole trustee of the scheme.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Regulation 14 amends the Pension Schemes (Categories) Regulations 2005 (S.I. 2005/2401) to prescribe a further scheme which is an occupational pension scheme.

Regulation 15 amends the Occupational Pension Schemes (Scheme Funding) Regulations 2005 (S.I. 2005/3377), amongst other things, to exempt the trustees and managers of a scheme from having to disclose a summary funding statement containing prescribed information in accordance with paragraph 3(2) of Schedule 3 to members who are, or will be, entitled only to money purchase benefits.

Regulation 16 amends the Occupational Pension Schemes (Investment) Regulations 2005 (S.I. 2005/3378), amongst other things, to extend the scope of regulation 12 to cover all occupational pension schemes.

Regulation 17 amends the Occupational Pension Schemes (Regulatory Own Funds) Regulations 2005 (S.I. 2005/3380) to amend the definition of “European employer”. It also amends the description of a small scheme.

Regulation 18 amends the Occupational Pension Schemes (Cross-border Activities) Regulations 2005 (S.I. 2005/3381), amongst other things, to enable occupational pension schemes that currently carry out cross-border activities within the European Union to apply to the Pensions Regulator for authorisation or approval on or after 6th April 2007 and prescribes the manner and form in which the trustees or managers of such occupational pension schemes must apply. It also makes provision for the Pensions Regulator to instruct the trustees or managers of a scheme to complete the ring-fencing of the scheme within a specified period of time.

Regulation 19 amends the Occupational and Personal Pension Schemes (Consultation by Employers and Miscellaneous Amendment) Regulations 2006 (S.I. 2006/349) to amend the definition of “small occupational pension scheme”.

Regulation 20 amends the Occupational Pension Schemes (Trustees’ Knowledge and Understanding) Regulations 2006 (S.I. 2006/686) to amend the description of small schemes which are exempt from the requirements of section 247(3) and (4) and 248(3) and (5) of the Pensions Act 2004.

Regulation 21 amends the Occupational Pension Schemes (Member-nominated Trustees and Directors) Regulations 2006 (S.I. 2006/714) to amend the definition of “relevant small occupational pension scheme” and to add to the list of schemes exempt from the member-nominated trustees’ and member-nominated directors of corporate trustees’ requirements.

Regulation 22 revokes regulation 4 of the Occupational Pension Schemes (Winding Up) (Modification for Multi-employer Schemes and Miscellaneous Amendments) Regulations 2005 (S.I. 2005/2159).

A full regulatory impact assessment has not been produced for this instrument as it has no impact on the costs of business, charities or the voluntary sector.