
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Occupational and Personal Pension Schemes (General Levy) Regulations 2005 (S.I. 2005/626) (“the 2005 Regulations”).

Regulation 2 substitutes regulations 6(2) and 7(2) of the 2005 Regulations. This specifies the new figures to be used in calculating the rate at which the general levy is payable. The new figures apply for each financial year starting with the one which begins on 1st April 2008. The purpose of the general levy is to meet the expenditure mentioned in section 175(1) of the Pension Schemes Act 1993 (c.48). Specified occupational and personal pension schemes pay the general levy (see regulation 3 of the 2005 Regulations).

The figures used to calculate the rate of the general levy have increased to reflect higher expenditure by the Pensions Regulator, the Pensions Advisory Service and the Pensions Ombudsman and the recovery of a £20.8million deficit from previous years.

These Regulations have only a negligible impact on the cost of business, charities or the voluntary sector. Publication of a full Impact Assessment is not necessary for such legislation.