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STATUTORY INSTRUMENTS

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**2010 No. 772**

**The Occupational and Personal Pension Schemes  
(Automatic Enrolment) Regulations 2010**

**[<sup>F1</sup>PART 7A**

Certification that a quality or alternative requirement is satisfied

**[<sup>F1</sup><sup>F2</sup>Alternative quality requirements for a collective money purchase scheme**

**32EA.**—(1) In relation to—

- (a) a money purchase scheme to which section 20 of the Act applies, under which all the benefits that may be provided are collective money purchase benefits;
- (b) a money purchase scheme to which section 20 of the Act applies, in respect of any jobholders accruing rights to benefits under a collective money purchase scheme; and
- (c) a hybrid scheme—
  - (i) to the extent that requirements within section 24(1)(a) of the Act apply; and
  - (ii) in respect of any jobholders accruing rights to benefits under a collective money purchase scheme,

the prescribed alternative requirement is set out in paragraph (2).

(2) The requirement is, subject to paragraphs (3) and (4), that taking all relevant jobholders together, the contributions by, or on behalf of, or in respect of, those relevant jobholders over the certification period are of a total amount equal to at least the prescribed percentage (specified in paragraph (7)) of the applicable category of total relevant earnings for those jobholders (specified in paragraph (6)) over that period.

(3) Where there is or was, as the case may be, a difference in the rights to benefits accruing under a collective money purchase scheme for different groups of relevant jobholders over the certification period as regards all or any of the criteria set out in paragraph (4)(a), and that difference (or those differences taken together) mean that there is or was as the case may be a material difference in the cost of providing those rights, the relevant jobholders for the purposes of paragraph (2) are the relevant jobholders in each such group.

(4) For the purposes of paragraph (3)—

- (a) the criteria are—
  - (i) the rate at which rights to benefits under a collective money purchase scheme accrue or accrued;
  - (ii) the provision of survivor's benefits;
  - (iii) the normal pension age;
  - (iv) the definition of 'pensionable earnings' used by the scheme;
  - (v) differences in the calculation or methodology applying to the revaluation and indexation of benefits;

- (vi) the calculation of service; and
- (vii) the terms for retirement before normal pension age; and

(b) whether a difference in cost is a material difference is to be determined by the actuary.

(5) Where, after the certification period begins (whether or not it has ended), a change is made to the benefits provided to the relevant jobholders under a collective money purchase scheme, the certification period is a period of 18 months commencing with the day on which that change takes effect.

(6) For the purposes of paragraph (2), the relevant earnings are the earnings which the scheme uses to determine pensionable earnings for the purposes of providing collective money purchase benefits to the relevant jobholders, provided that they must be equal to or more than those relevant jobholders' earnings in one of the following categories—

- (a) qualifying earnings;
- (b) basic pay;
- (c) basic pay in circumstances where, taking all the relevant jobholders together, the pensionable earnings of those jobholders constitute at least 85% of the earnings of those jobholders in the certification period;
- (d) earnings; or
- (e) basic pay above—
  - (i) the amount of the lower earnings limit specified for the purposes of section 5(1)(a) (i) of the Social Security Contributions and Benefits Act 1992 (earnings limits and thresholds for Class 1 contributions); or
  - (ii) the amount of the basic state pension specified in the first figure in section 44(4) of that Act (category A retirement pension).

(7) For the purposes of this regulation, the prescribed percentage is, in relation to the category of earnings described in—

- (a) paragraph (6)(a) and (c), 10%;
- (b) paragraph (6)(b), 11%;
- (c) paragraph (6)(d), 9%; and
- (d) paragraph (6)(e), 13%.

(8) Where the scheme does not provide pension benefits payable on the death of a relevant jobholder, the respective percentages mentioned in paragraph (7) are to be reduced by 1%.]]

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| <p><b>F1</b> Pt. 7A inserted (1.7.2012) by <a href="#">The Occupational and Personal Pension Schemes (Automatic Enrolment) (Amendment) Regulations 2012 (S.I. 2012/1257)</a>, regs. 1(2)(a), <b>4</b></p> <p><b>F2</b> <a href="#">Reg. 32EA</a> inserted (1.8.2022) by <a href="#">The Occupational Pension Schemes (Collective Money Purchase Schemes) Regulations 2022 (S.I. 2022/255)</a>, reg. 1(3), <b>Sch. 7 para. 2(3)</b></p> |
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**Changes to legislation:**

There are currently no known outstanding effects for the The Occupational and Personal Pension Schemes (Automatic Enrolment) Regulations 2010, Section 32EA.