
STATUTORY INSTRUMENTS

2014 No. 1711

The Pensions Act 2011 (Transitional, Consequential and Supplementary Provisions) Regulations 2014

PART 14

Scheme Funding

Interpretation of this Part

62.—(1) In this Part—

“effective date”, in relation to an actuarial report or actuarial valuation, has the meaning given by section 224(2)(b) or (d) of the 2004 Act (actuarial valuations and reports), as the case may be;

“the Scheme Funding Regulations” means the Occupational Pension Schemes (Scheme Funding) Regulations 2005(1).

(2) Where, by virtue of regulation 2(2) (interpretation)(2) of and paragraph 1, 4, 5 or 7 of Schedule 2 to the Scheme Funding Regulations (multi-employer sectionalised schemes, partly foreign schemes and schemes with a partial public authority guarantee), Part 3 of the 2004 Act (scheme funding) applied as if each section or part of a scheme were a separate scheme (or would have so applied but for this Part)—

- (a) this Part also so applies; and
- (b) “employer” and “member” must be read accordingly.

(3) Subject to paragraph (4), where—

(a) the conditions specified in regulation 63(2) (application of Part 3 of the 2004 Act to schemes treated as money purchase: periods before the appointed day) are met in relation to an occupational scheme; and

(b) the scheme has no active members,

references to “the employer” in Part 3 of the 2004 Act and in this Part have effect as if they were references to the person who was the employer immediately before the occurrence of the event after which the scheme ceased to have active members (“the freezing event”).

(4) A person ceases to be treated as an employer under paragraph (3) if, after the freezing event, that person ceases to be treated as a former employer by virtue of regulation 9 (frozen schemes and former employers) of the Occupational Pension Schemes (Employer Debt) Regulations 2005(3).

(1) [S.I. 2005/3377](#).

(2) Regulation 2 was amended by S.I.s [2007/60](#) and [2012/1817](#).

(3) [S.I. 2005/678](#).

Commencement Information

I1 Reg. 62 comes into force in accordance with reg. 1(1)

Application of Part 3 of the 2004 Act to schemes treated as money purchase: periods before the appointed day

63.—(1) Part 3 of the 2004 Act does not apply to an occupational pension scheme in relation to any period before the appointed day during which it met both of the conditions specified in paragraph (2).

(2) The conditions specified in this paragraph are that—

- (a) the scheme included benefits which are not money purchase benefits; and
- (b) the trustees or managers of the scheme treated the scheme as if it were a money purchase scheme.

Commencement Information

I2 Reg. 63 comes into force in accordance with reg. 1(1)

Application of Part 3 of the 2004 Act to schemes including benefits treated as money purchase benefits: periods before the appointed day

64.—(1) Part 3 of the 2004 Act applies in relation to any period before the appointed day during which an occupational pension scheme met both of the conditions specified in paragraph (2), as if the benefits specified in paragraph (2)(b) treated by the trustees or managers of the scheme as money purchase benefits were money purchase benefits.

(2) The conditions specified in this paragraph are that—

- (a) Part 3 of the 2004 Act applied to the scheme; and
- (b) benefits under the scheme included benefits which are not money purchase benefits, but which the trustees or managers of the scheme treated as if they were money purchase benefits.

Commencement Information

I3 Reg. 64 comes into force in accordance with reg. 1(1)

Actuarial valuations and reports for schemes treated as money purchase schemes: periods on and after the appointed day

65. Where, immediately before the appointed day, the conditions specified in regulation 63(2) (application of Part 3 of the 2004 Act to schemes treated as money purchase: periods before the appointed day) are met in relation to an occupational pension scheme, the scheme is to be treated for the purposes of section 224(3)(a) of the 2004 Act (actuarial valuations and reports) as having been established on the appointed day.

Commencement Information

I4 Reg. 65 comes into force in accordance with reg. 1(1)

Modification of the Scheme Funding Regulations for schemes treated as money purchase schemes: periods on and after the appointed day

66.—(1) Where, immediately before the appointed day, the conditions specified in regulation 63(2) are met in relation to an occupational pension scheme, the Scheme Funding Regulations are modified as follows.

(2) Regulation 6(2) (statement of funding principles) has effect in relation to the first statement of funding principles under section 223 of the 2004 Act (statement of funding principles) to be prepared after the appointed day, as if after “the first actuarial valuation” there were inserted “after the day appointed for the coming into force of section 29 of the Pensions Act 2011 (“the section 29 commencement day”)”.

(3) Regulation 8(1)(a) (recovery plan)(4) applies in relation to the first recovery plan under section 226(1) of the 2004 Act (recovery plan) to be prepared after the appointed day, as if after “the first actuarial valuation” there were inserted “after the section 29 commencement day”.

(4) Regulation 9(1) (schedule of contributions) applies in relation to the first schedule of contributions under section 227 of the 2004 Act (schedule of contributions) to be prepared after the appointed day as if for “following the establishment of the scheme” there were substituted “after the section 29 commencement day”.

Commencement Information

I5 Reg. 66 comes into force in accordance with reg. 1(1)

Provision of summary funding statement in relation to schemes treated as money purchase: periods on and after the appointed day

67. Where—

- (a) immediately before the appointed day, the conditions specified in regulation 63(2) are met in relation to an occupational pension scheme; and
- (b) the trustees or managers of the scheme would, if it were not for this regulation, be required to provide a summary funding statement to members and beneficiaries in accordance with regulation 15(1) of the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013(5),

the trustees or managers of the scheme must provide the first summary funding statement to all members and beneficiaries of the scheme on, before or within a reasonable period after, the date by which they are required under section 224(3)(a) of the 2004 Act (as modified by regulation 65 of these Regulations (actuarial valuations and reports for schemes treated as money purchase schemes: periods on and after the appointed day)) to ensure that they receive the first actuarial valuation in relation to the scheme.

Commencement Information

I6 Reg. 67 comes into force in accordance with reg. 1(1)

(4) Regulation 8 was amended by [S.I. 2006/1733](#).

(5) [S.I. 2013/2734](#).

Schedule of payments in relation to schemes treated as money purchase: periods on and after the appointed day

68. Where, immediately before the appointed day, the conditions specified in regulation 63(2) are met in relation to an occupational pension scheme, until the first schedule of contributions has been certified by the actuary in relation to the scheme in accordance with section 227(5) of the 2004 Act—

- (a) the most recent schedule of payments prepared before the appointed day under section 87 of the 1995 Act (schedules of payments to money purchase schemes)(**6**) continues to have full effect with respect to the contributions payable towards the scheme by or on behalf of employers and active members of the scheme; and
- (b) sections 87, 88 (schedules of payments to money purchase schemes: supplementary)(**7**) and 89 (application of further provisions to money purchase schemes)(**8**) of the 1995 Act and Part 4 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 (money purchase schemes)(**9**) continue to apply to the scheme.

Commencement Information

I7 Reg. 68 comes into force in accordance with reg. 1(1)

Application of Part 3 of the 2004 Act to schemes including benefits treated as money purchase: periods on or after the appointed day

69.—(1) Where the conditions specified in regulation 64(2) (application of Part 3 of the 2004 Act to schemes including benefits treated as money purchase benefits: periods before the appointed day) are met in relation to an occupational pension scheme—

- (a) the effective date of the scheme's first actuarial valuation under section 224 of the 2004 Act on or after the appointed day must be not more than 3 years after the effective date of the scheme's last actuarial valuation before the appointed day, and
- (b) the effective date of the scheme's first actuarial report under section 224 of the 2004 Act on or after the appointed day must be not more than one year after the effective date of the scheme's last actuarial valuation or actuarial report before the appointed day, whichever is the most recent.

(2) Where the conditions specified in regulation 64(2) are met in relation to an occupational pension scheme, no provision of section 29 of the Act (definition of money purchase benefits) or of these Regulations affects the validity of—

- (a) a statement of funding principles prepared, or revised, as the case may be, under section 223 of the 2004 Act before the appointed day;
- (b) the latest actuarial valuation obtained under section 224 of that Act before the appointed day, which has been prepared and signed by the actuary in accordance with section 224(2)(a) of that Act;
- (c) the latest actuarial report obtained under section 224 of that Act before the appointed day, which has been prepared and signed by the actuary in accordance with section 224(2)(c) of that Act;

(6) Section 87 was amended by sections 319(1) and 320 of and Schedules 12 and 13 to the Pensions Act 2004 (c. 35) ("the 2004 Act").

(7) Section 88 was amended by section 10(2) of the 1999 Act, section 56 of and Schedule 5 to 2000 Act, section 269(2) of the 2004 Act and sections 319(1) and 320 of and Schedules 12 and 13 to the 2004 Act.

(8) Section 89 was amended by section 319(1) of and Schedules 12 and 13 to the 2004 Act.

(9) [S.I. 1996/1715](#).

- (d) a certification of the scheme's technical provisions by the actuary in accordance with section 225 of that Act;
- (e) a recovery plan prepared in accordance with section 226 of that Act and in force before the appointed day;
- (f) a schedule of contributions certified by the actuary in accordance with section 227(5) of that Act and in force before the appointed day.

Commencement Information

18 Reg. 69 comes into force in accordance with reg. 1(1)

Changes to legislation:

There are currently no known outstanding effects for the The Pensions Act 2011 (Transitional, Consequential and Supplementary Provisions) Regulations 2014, PART 14.