

## STATUTORY INSTRUMENTS

### 2015 No. 66

### PENSIONS

#### The Pension Protection Fund and Occupational Pension Schemes (Levy Ceiling) Order 2015

*Made* - - - - 26th January 2015  
*Laid before Parliament* 2nd February 2015  
*Coming into force in accordance with article 1(2)*

The Secretary of State for Work and Pensions makes the following Order in exercise of the powers conferred by sections 178(1) and (6) and 315(2) and (5) of the Pensions Act 2004 <sup>F1</sup>.

In accordance with section 178(5) of that Act, the Secretary of State has reviewed the general level of earnings obtaining in Great Britain during the period of 12 months ending with 31st July 2014. It appears to the Secretary of State that the general level of earnings has increased by 0.6% during that period.

**F1** [2004 c. 35](#). See also [S.I. 2014/10](#) which sets the levy ceiling for the financial year beginning on 1st April 2014.

#### Citation, commencement and interpretation

**F2** **1.** .....

**F2** [Instrument](#) revoked (1.4.2016) by [The Pension Protection Fund and Occupational Pension Schemes \(Levy Ceiling and Compensation Cap\) Order 2016 \(S.I. 2016/82\)](#), **art. 5**

#### The earnings percentage

**F2** **2.** .....

**F2** [Instrument](#) revoked (1.4.2016) by [The Pension Protection Fund and Occupational Pension Schemes \(Levy Ceiling and Compensation Cap\) Order 2016 \(S.I. 2016/82\)](#), **art. 5**

#### The levy ceiling

**F2** **3.** .....

**Status:** Point in time view as at 01/04/2016.

**Changes to legislation:** There are currently no known outstanding effects for the The Pension Protection Fund and Occupational Pension Schemes (Levy Ceiling) Order 2015. (See end of Document for details)

**F2** Instrument revoked (1.4.2016) by The Pension Protection Fund and Occupational Pension Schemes (Levy Ceiling and Compensation Cap) Order 2016 (S.I. 2016/82), **art. 5**

**Revocation of articles 2 and 3 of the Pension Protection Fund and Occupational Pension Schemes (Levy Ceiling and Compensation Cap) Order 2014**

**F2**4. ....

**F2** Instrument revoked (1.4.2016) by The Pension Protection Fund and Occupational Pension Schemes (Levy Ceiling and Compensation Cap) Order 2016 (S.I. 2016/82), **art. 5**

Signed by authority of the Secretary of State for Work and Pensions.

Department for Work and Pensions

*Steve Webb*  
Minister of State,

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## EXPLANATORY NOTE

*(This note is not part of the Order)*

This Order specifies the levy ceiling (articles 2 and 3) for use in relation to the Pension Protection Fund in the financial year beginning on 1st April 2015.

The Board of the Pension Protection Fund (“the Board”) is established by section 107 of the Pensions Act 2004 (c. 35) (“the Act”) to provide compensation for members of certain occupational pension schemes which are under-funded at a certain level and whose sponsoring employer has become insolvent.

Section 175 of the Act requires that the Board must impose pension protection levies for each financial year. Section 177(2) provides that the amount of the levies for a financial year must not exceed the levy ceiling for that financial year. The Pension Protection Fund and Occupational Pension Schemes (Levy Ceiling and Compensation Cap) Order 2014 (S.I. 2014/10) (“the 2014 Order”) specified that the levy ceiling for the financial year beginning on 1st April 2014 is £941,958,542. Section 178(3)(a) of the Act provides that the levy ceiling must increase in line with any increase in the general level of earnings obtaining in Great Britain.

Article 2 of this Order specifies that the increase in the general level of earnings for the period from 1st August 2013 to 31st July 2014 is 0.6%. Accordingly, article 3 of this Order specifies that the levy ceiling for the financial year beginning on 1st April 2015 is £947,610,293.

Article 4 of this Order revokes articles 2 and 3 of the 2014 Order.

This Order amends an existing regulatory regime by a pre-determined formula and the associated administrative costs or savings for the private sector and civil society organisations are negligible. A full Impact Assessment is not necessary for this Order.

**Status:**

Point in time view as at 01/04/2016.

**Changes to legislation:**

There are currently no known outstanding effects for the The Pension Protection Fund and Occupational Pension Schemes (Levy Ceiling) Order 2015.