
STATUTORY INSTRUMENTS

2015 No. 879

**The Occupational Pension Schemes
(Charges and Governance) Regulations 2015**

PART 2

RESTRICTIONS ON CHARGES

[^{F1}CHAPTER 1

**DEFAULT ARRANGEMENTS, [^{F1}qualifying collective money purchase schemes,]
NON-CONTRIBUTING MEMBERS AND PAYMENTS TO ADVISERS**

[^{F1}Assessment of charges [^{F2}- default arrangements]

7.—(1) If the trustees or managers make the choice under regulation 6(1) to assess charges in accordance with this regulation, the following provisions apply.

(2) Trustees or managers must calculate the value of the member's rights under the default arrangement at reference points set at equal intervals during the charges year of no more than 3 months (but see paragraphs (3), (6) and (7)).

(3) Where trustees or managers change the intervals between reference points chosen for the purposes of paragraph (2) during the charges year, the start of the first new interval must commence on the day following the reference point at the end of the previous interval.

(4) The limit of permitted charges under—

- (a) a single charge structure; or
- (b) an existing rights charge in a combination charge structure,

is exceeded if the charges imposed on the member annually exceed the average of the reference point values multiplied by the applicable percentage.

(5) The applicable percentage is—

- (a) in the case of a single charge structure, 0.75%; and
- (b) in the case of an existing rights charge in a combination charge structure, the percentage in Column 2 of the table—
 - (i) in regulation 6(3), where a contribution percentage charge is imposed; and
 - (ii) in regulation 6(4), where a flat fee is imposed [^{F3}or where no such fee is imposed by virtue of the operation of regulation 6(5) and (6)].

(6) Where a member has rights in the default arrangement at only one reference point referred to in paragraph (2), paragraph (4) is to be read as if the words “average of the reference point values” read “value at the reference point”.

(7) Where a member has no rights in the default arrangement at a reference point referred to in paragraph (2), paragraph (4) is to be read as if the words “average of the reference point values” read “value of that member's rights in the default arrangement on the final day of the charges year”.

or, where the member has no such rights on that day, on the final day on which the member has such rights.”.

(8) In this regulation monthly, 2 monthly and 3 monthly intervals are to be treated as equal intervals.

- F⁴(9)
- F⁵(10)
- F⁶(11)
- F⁷(12)]

Textual Amendments

- F1** Ch. 1: reg. 4-13 renumbered as Ch. 1 (1.10.2017) by The Occupational Pension Schemes (Charges and Governance) (Amendment) Regulations 2017 (S.I. 2017/774), regs. 1, **4**
- F2** Words in reg. 7 heading inserted (1.8.2022) by The Occupational Pension Schemes (Collective Money Purchase Schemes) Regulations 2022 (S.I. 2022/255), reg. 1(3), **Sch. 7 para. 13**
- F3** Words in reg. 7(5)(b)(ii) inserted (6.4.2022) by The Occupational Pension Schemes (Charges and Governance) (Amendment) Regulations 2022 (S.I. 2022/10), regs. 1(1), **2(4)** (with reg. 1(3))
- F4** Reg. 7(9) omitted (6.4.2023) by virtue of The Occupational Pension Schemes (Administration, Investment, Charges and Governance) and Pensions Dashboards (Amendment) Regulations 2023 (S.I. 2023/399), regs. 1(3), **2(3)** (with reg. 1(8))
- F5** Reg. 7(10) omitted (6.4.2023) by virtue of The Occupational Pension Schemes (Administration, Investment, Charges and Governance) and Pensions Dashboards (Amendment) Regulations 2023 (S.I. 2023/399), regs. 1(3), **2(3)** (with reg. 1(8))
- F6** Reg. 7(11) omitted (6.4.2023) by virtue of The Occupational Pension Schemes (Administration, Investment, Charges and Governance) and Pensions Dashboards (Amendment) Regulations 2023 (S.I. 2023/399), regs. 1(3), **2(3)** (with reg. 1(8))
- F7** Reg. 7(12) omitted (6.4.2023) by virtue of The Occupational Pension Schemes (Administration, Investment, Charges and Governance) and Pensions Dashboards (Amendment) Regulations 2023 (S.I. 2023/399), regs. 1(3), **2(3)** (with reg. 1(8))

Changes to legislation:

There are currently no known outstanding effects for the The Occupational Pension Schemes (Charges and Governance) Regulations 2015, Section 7.