



## 2015 CHAPTER 5

### PART 6

#### PRIVATE PENSIONS

##### *Other*

##### **Power to restrict charges or impose requirements in relation to schemes**

**42.** Schedule 18 permits the Department to make regulations—

- (a) restricting the charges that may be imposed on members of certain pension schemes;
- (b) imposing requirements relating to administration or governance that must be satisfied in relation to certain pension schemes.

##### **Disclosure of information about transaction costs to members etc.**

**43.** In section 109 of the Pension Schemes Act (disclosure of information about schemes to members etc.), after subsection (4) insert—

“(5) The Department must make regulations under subsection (1) requiring information about some or all of the transaction costs of a relevant scheme to be given to some or all of the persons mentioned in subsection (2).

(6) The Department must by regulations make provision requiring the publication of information about—

- (a) some or all of the transaction costs of a relevant scheme, and
- (b) some or all of the administration charges imposed on members of a relevant scheme.

(7) Regulations under subsection (6) may require other relevant information to be published along with information about transaction costs or administration charges in relation to a scheme.

(8) “Other relevant information” means other information which would or may assist in making comparisons between those costs or charges and costs or charges in relation to other schemes.

(9) In this section—

“administration charge” has the meaning given by paragraph 1(5) of Schedule 18 to the Pensions Act (Northern Ireland) 2015;

“relevant scheme” means a money purchase scheme that is an occupational pension scheme.”.

### **Power to require pension levies to be paid in respect of past periods**

**44.—**(1) The Department may by regulations provide for the 2005 Order, and regulations made under it, to have effect, so far as relating to the requirement to pay pension levy, as if the amendments made by the 2010 regulations had always had effect.

(2) Regulations under this section may in particular—

- (a) modify the application of the 2005 Order, or regulations made under it, in relation to amounts of pension levy required to be paid because of regulations under this section;
- (b) provide for interest to be charged at a specified rate on such amounts (including in respect of periods before the coming into operation of regulations under this section).

(3) In this section—

“the 2010 regulations” means—

- (a) regulations 2, 3 and 8 of the Pension Protection Fund and Occupational Pension Schemes (Miscellaneous Amendments) Regulations (Northern Ireland) 2010, and
- (b) regulation 2 of the Occupational Pension Schemes (Levies) (Amendment) Regulations (Northern Ireland) 2010;

“pension levy” means—

- (a) a levy under regulations made under Article 103 of the 2005 Order (administration levy),
- (b) a levy under regulations made under Article 157 of that Order (initial levy), or
- (c) a levy under Article 158 of that Order (pension protection levies).

**Prohibition and suspension orders: directors of corporate trustees**

**45.—**(1) The 1995 Order is amended as follows.

(2) After Article 3 insert—

**“3A Prohibition orders: directors of corporate trustees etc.**

(1) A company is prohibited from being a trustee of a trust scheme at any time when an individual who is a director of the company is prohibited from being a trustee of the scheme by an order under Article 3.

(2) Where a company which is a trustee of a trust scheme becomes prohibited under paragraph (1) in relation to the scheme, that paragraph has the effect of removing the company as a trustee.

(3) The Authority may, on the application of a company, give notice in writing to the applicant waiving the prohibition under paragraph (1)—

(a) in relation to an individual against whom an order under Article 3 has been made, and

(b) either generally or in relation to a particular scheme or particular description of schemes.

(4) A notice may be given under paragraph (3) only if the Authority is satisfied that the applicant would be a fit and proper person to be a trustee of the scheme or schemes to which the notice relates despite the individual being, or even if the individual were to become, a director of the applicant.

(5) A notice given at any time under paragraph (3) cannot affect anything done before that time.

(6) An application under paragraph (3) may not be made—

(a) during the period within which the determination to exercise the power to make the order against the individual may be referred to the Tribunal under Article 91(3) or 94(7) of the Pensions (Northern Ireland) Order 2005 (whether by a company which became prohibited under paragraph (1) on the making of the order or by another person), and

(b) if the determination is so referred, until the reference, and any appeal against the Tribunal’s determination, has been finally disposed of.

(7) The Authority must prepare and publish a statement of the policies they intend to adopt in relation to the exercise of their powers under this Article.

(8) The Authority may revise any statement published under paragraph (7) and must publish any revised statement.

(9) References in this Article to an order under Article 3 are to an order under that Article made on or after the date on which section 45(2) of the Pensions Act (Northern Ireland) 2015 comes fully into operation.”

(3) Article 4 (Pensions Regulator's power to suspend trustee of occupational pension scheme) is amended as follows.

(4) In paragraph (1)(f), after "sub-paragraph" insert "(aa)".

(5) In paragraph (2)(a), after "or (aa)" insert "or, in a case where the Authority would have power to suspend a director under sub-paragraph (aa), by virtue of sub-paragraph (f)".

(6) Schedule 19 contains consequential amendments.

### **Pensions Regulator's objectives**

**46.** In Article 4(1) of the 2005 Order, after sub-paragraph (c) insert—

“(cza) in relation to the exercise of its functions under Part 4 only, to minimise any adverse impact on the sustainable growth of an employer.”.

### **Maximum period between scheme returns to be 5 years for micro schemes**

**47.—**(1) Article 58 of the 2005 Order (duty of the Regulator to issue scheme return notices) is amended as follows.

(2) After paragraph (3) insert—

“(3A) But paragraph (3)(a) has effect as if the reference to three years were a reference to five years if—

- (a) the trustees or managers have complied with sub-paragraph (b) of Article 57(2),
- (b) the information they provided under that sub-paragraph included the number of members of the scheme, and
- (c) that number was no more than 4.”.

(3) After paragraph (4) insert—

“(4A) But paragraph (4)(a) has effect as if the reference to three years were a reference to five years if—

- (a) on the date on which the previous scheme return notice was issued, the number of members of the scheme was recorded in the register, and
- (b) that number was no more than 4.”.

### **Pension Protection Fund: increased compensation cap for long service**

**48.** See Schedule 20 for amendments increasing the Pension Protection Fund compensation cap for persons with long pensionable service.

**Pension Protection Fund: compensation cap to apply separately to certain benefits**

**49.—**(1) Paragraph 26 of Schedule 6 to the 2005 Order (Pension Protection Fund: compensation cap) is amended as follows.

(2) In sub-paragraph (1)(b), for “sub-paragraph (2)(a) or (b)” substitute “sub-paragraph (2)(a), (b) or (c)”.

(3) In sub-paragraph (2)(a)(ii), for “paragraph (b)(i) does not apply” substitute “neither of paragraphs (b) and (c) applies”.

(4) In sub-paragraph (2)(b)—

(a) before paragraph (i) insert—

“(zi) benefit A is attributable to the person’s pensionable service,”;

(b) in paragraph (i), after “one or more other benefits” insert “that are attributable to his pensionable service”.

(5) In sub-paragraph (2), after paragraph (b) insert “, and

(c) this paragraph applies if—

(i) benefit A is attributable to a pension credit from a transferor,

(ii) at the same time as the person becomes entitled to relevant compensation in respect of benefit A he also becomes entitled to relevant compensation in respect of one or more other benefits that are—

(iia) under the scheme or a connected occupational pension scheme, and

(iib) attributable to a pension credit from the same transferor, (“benefit or benefits B”), and

(iii) the aggregate of the annual values of benefit A and benefit or benefits B exceeds the compensation cap.”.

(6) In sub-paragraph (5), after “sub-paragraph (2)(b)” insert “or (c)”.

(7) The amendments made by this section are to be treated as always having had effect.

(8) Regulations under paragraph 26(9) of Schedule 6 to the 2005 Order (modifications for cases where compensation becomes payable on different occasions) made in consequence of this section may be made with retrospective effect.