



Welfare Reform and Pensions Act 1999

1999 CHAPTER 30

PART I

STAKEHOLDER PENSION SCHEMES

Modifications etc. (not altering text)

- C1** Pts. I-IV modified (6.4.2006) by [Pensions Act 2004 \(c. 35\)](#), [ss. 254\(3\)\(c\)](#), [322\(1\)](#) (with s. 313); [S.I. 2006/560](#), [art. 2\(3\)](#), [Sch. Pt. 3](#)
- C2** Pts. I-IV: power to modify conferred (6.4.2006) by [Pensions Act 2004 \(c. 35\)](#), [ss. 321\(1\)\(d\)](#), [322\(1\)](#); [S.I. 2006/560](#), [art. 2\(3\)](#), [Sch. Pt. 3](#)
- C3** Pt. I modified (1.4.2008) by [The Agriculture and Horticulture Development Board Order 2008 \(S.I. 2008/576\)](#), [Sch. 4 para. 5](#)
- C4** Pts. I-IV: power to modify conferred (26.11.2008) by [Pensions Act 2008 \(c. 30\)](#), [ss. 146\(2\)\(e\)](#), [149\(2\)](#)

1 Meaning of “stakeholder pension scheme”.

- (1) A pension scheme is a stakeholder pension scheme for the purposes of this Part if it is registered as such a scheme under section 2 and each of the following is fulfilled, namely—
- the conditions set out in subsections (2) [^{F1}to [^{F2}(10)[^{F2}(9)]]]; and
 - such other conditions as may be prescribed.
- (2) The first condition is that the scheme is established under a trust or in such other way as may be prescribed.
- (3) The second condition is that the provisions made by the instruments establishing the scheme comply with such requirements as may be prescribed.
- (4) The third condition is that, subject to such exceptions as may be prescribed, the benefits provided by the scheme are money purchase benefits within the meaning given by section 181 of the ^{M1}Pension Schemes Act 1993 (“the 1993 Act”).

Changes to legislation: There are currently no known outstanding effects for the Welfare Reform and Pensions Act 1999, Part I. (See end of Document for details)

- (5) The fourth condition is that the scheme complies with such requirements as may be prescribed as regards the extent to which, and the circumstances in which—
- (a) any payment made to the scheme [^{F3}by, or on behalf or in respect of,] a member of the scheme,
 - (b) any income or capital gain arising from the investment of such a payment, or
 - (c) the value of rights under the scheme,
- may be used to defray the administrative expenses of the scheme, to pay commission or in any other way which does not result in the provision of benefits for or in respect of members.
- (6) The fifth condition is that the scheme complies with such of the requirements of regulations under section 113 of the 1993 Act (disclosure of information about schemes to members etc.) as are applicable to it.
- (7) The sixth condition is that, subject to such minimum contribution levels and other restrictions as may be prescribed, members of the scheme may make such contributions to the scheme as they think appropriate.
- (8) The seventh condition is that^{F4}... the scheme accepts transfer payments in respect of members' rights under—
- (a) other pension schemes;
 - [^{F5}(b) contracts and schemes that became registered pension schemes by virtue of paragraph 1(1)(f) of Schedule 36 to the Finance Act 2004 (pension schemes etc. : transitional provisions and savings)]
 - (c) annuities and insurance policies purchased or transferred for the purpose of giving effect to rights under pension schemes; and
 - (d) annuities purchased or entered into for the purpose of discharging liability in respect of pension credits under section 29(1)(b) or under corresponding Northern Ireland legislation.
- [^{F6}(9) The eighth condition is that the scheme is a registered pension scheme under section 153 of the Finance Act 2004 (registration of pension schemes).]
- ^{F7}(10)

Textual Amendments

- F1** Words in s. 1(1)(a) substituted (6.4.2005) by [Pensions Act 2004 \(c. 35\)](#), **ss. 285(2)**, 322(1) (with s. 313); S.I. 2005/275, art. 2(7), Sch. Pt. 7
- F2** Word in s. 1(1)(a) substituted (26.9.2007 for specified purposes, 6.4.2012 in so far as not already in force, that being "the abolition date" for the purposes of s. 15(1) of the amending Act) by [Pensions Act 2007 \(c. 22\)](#), ss. 15(4), 30(2)(b), (3), **Sch. 4 para. 37(a)** (with Sch. 4 Pt. 3); S.I. 2011/1267, art. 2(a)
- F3** Words in s. 1(5)(a) substituted (6.4.2005) by [Pensions Act 2004 \(c. 35\)](#), **ss. 285(3)**, 322(1) (with s. 313); S.I. 2005/275, art. 2(7), Sch. Pt. 7
- F4** Words in s. 1(8) omitted (6.4.2006) by virtue of [The Taxation of Pension Schemes \(Consequential Amendments\) Order 2006 \(S.I. 2006/745\)](#), arts. 1, **15(2)(a)(i)**
- F5** S. 1(8)(b) substituted (6.4.2006) by [The Taxation of Pension Schemes \(Consequential Amendments\) Order 2006 \(S.I. 2006/745\)](#), arts. 1, **15(2)(a)(ii)**
- F6** S. 1(9) substituted (6.4.2006) by [The Taxation of Pension Schemes \(Consequential Amendments\) Order 2006 \(S.I. 2006/745\)](#), arts. 1, **15(2)(b)**

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F7 S. 1(10) repealed (6.4.2012 being "the abolition date" for the purposes of s. 15(1) of the amending Act) by Pensions Act 2007 (c. 22), ss. 15(4), 27(7), 30(2)(b), Sch. 4 para. 37(b), **Sch. 7 Pt. 6** (with Sch. 4 Pt. 3); S.I. 2011/1267, art. 2(a)

Commencement Information

II S. 1 wholly in force at 1.10.2000; s. 1 in force for certain purposes at Royal Assent see s. 89(1)(5); s. 1 in force at 1.10.2000 insofar as not already in force by S.I. 2000/1047, art. 2(2)(c), **Sch. Pt. III**

Marginal Citations

M1 1993 c. 48.

2 Registration of stakeholder pension schemes.

- (1) The Occupational Pensions Regulatory Authority [^{F8}“ Authority ”,] shall keep a register of stakeholder pension schemes.
- (2) Subject to subsection (3), the Authority shall register a pension scheme under this section if the trustees of the scheme, or any person or persons prescribed in relation to the scheme—
 - (a) make an application for the purpose and pay such fee as the Authority may determine; and
 - (b) declare that each of the following is fulfilled in relation to the scheme, namely—
 - (i) the conditions set out in subsections (2) [^{F9}[^{F10}to (10)][^{F10}to (9)]] of section 1; and
 - (ii) such other conditions as may be prescribed under subsection (1) of that section.
- (3) Where the Authority are satisfied on reasonable grounds that any of those conditions is not fulfilled in relation to a pension scheme, the Authority may [^{F11}“ by direction ”,]—
 - (a) refuse to register the scheme; or
 - (b) where the scheme is registered under this section, remove it from the register.
- (4) [^{F12}Section 10 of the Pensions Act 1995 (“the 1995 Act”) (civil penalties) applies to any trustee of a pension scheme which is or has been registered under this section, and] to any person prescribed in relation to such a scheme, if—
 - (a) he fails to take all such steps as are reasonable to secure that each of those conditions is fulfilled in relation to the scheme or (as the case may be) while the scheme was so registered he failed to take all such steps as were reasonable to secure that each of those conditions was so fulfilled; or
 - (b) where the scheme was registered on his application, any of those conditions was not fulfilled in relation to the scheme at the time of the application.

^{F13}(5)

^{F13}(6)

- (7) The Secretary of State may by regulations make provision—
 - (a) for the register, or extracts from the register, or for copies of the register or of extracts from the register, to be open to inspection by, and
 - (b) for copies of the register, or of extracts from it, to be supplied to,

Changes to legislation: There are currently no known outstanding effects for the Welfare Reform and Pensions Act 1999, Part I. (See end of Document for details)

such persons, in such manner, at such times, on payment of such fees, and subject to such other terms and conditions, as may be prescribed.

Textual Amendments

- F8** Word in s. 2(1) substituted (6.4.2005) by [Pensions Act 2004 \(c. 35\)](#), s. 322(1), **Sch. 12 para. 73(a)**; [S.I. 2005/695](#), art. 2(7), **Sch. 1**
- F9** Words in s. 2(2)(b)(i) substituted (6.4.2005) by [Pensions Act 2004 \(c. 35\)](#), **ss. 285(5)**, 322(1) (with s. 313); [S.I. 2005/275](#), art. 2(7), **Sch. Pt. 7**
- F10** Words in s. 2(2)(b)(i) substituted (26.9.2007 for specified purposes, 6.4.2012 in so far as not already in force, that being "the abolition date" for the purposes of s. 15(1) of the amending Act) by [Pensions Act 2007 \(c. 22\)](#), **ss. 15(4)**, 30(2)(b), (3), **Sch. 4 para. 38** (with Sch. 4 Pt. 3); [S.I. 2011/1267](#), art. 2(a)
- F11** Words in s. 2(3) inserted (6.4.2005) by [Pensions Act 2004 \(c. 35\)](#), s. 322(1), **Sch. 12 para. 73(b)**; [S.I. 2005/695](#), art. 2(7), **Sch. 1**
- F12** Words in s. 2(4) substituted (6.4.2005) by [Pensions Act 2004 \(c. 35\)](#), s. 322(1), **Sch. 12 para. 73(c)**; [S.I. 2005/695](#), art. 2(7), **Sch. 1**
- F13** S. 2(5)(6) repealed (6.4.2005) by [Pensions Act 2004 \(c. 35\)](#), s. 322(1), **Sch. 13**; [S.I. 2005/695](#), art. 2(7), **Sch. 1**

Commencement Information

- I2** S. 2 wholly in force at 1.10.2000; s. 2 in force for certain purposes at Royal Assent see s. 89(1)(5); s. 2 in force at 1.10.2000 insofar as not already in force by [S.I. 2000/1047](#), art. 2(2)(c), **Sch. Pt. III**

3 Duty of employers to facilitate access to stakeholder pension schemes.

(1) Except in so far as regulations otherwise provide, it shall be the duty of an employer of relevant employees to comply with [^{F14}the requirement in subsection (5)].

[^{F15}(1A) A relevant employee, in relation to an employer, is an employee of the employer who, on the relevant date, satisfies the conditions in subsection (1B).

(1B) The conditions are that—

- (a) the employee is a member of a stakeholder pension scheme;
- (b) the employee made a request under subsection (5) before the relevant date and that request has not been withdrawn;
- (c) the employee pays contributions (which are deducted in accordance with that request) to the scheme at regular intervals;
- (d) at least one deduction has been made before the relevant date in accordance with that request.

(1C) A person ceases to be a relevant employee—

- (a) on ceasing to be employed by the employer;
- (b) on withdrawing a request under subsection (5);
- (c) on ceasing to pay contributions at regular intervals.]

^{F16}(2)

^{F16}(3)

^{F16}(4)

Changes to legislation: There are currently no known outstanding effects for the Welfare Reform and Pensions Act 1999, Part 1. (See end of Document for details)

(5) The ^{F17}... requirement is that, subject to such exceptions and qualifications as may be prescribed, the employer shall, if he is requested to do so by a relevant employee ^{F18}...

- (a) deduct the employee's contributions to the [^{F19}stakeholder pension scheme] from his remuneration; and
- (b) pay them to the trustees or managers of the scheme or, if regulations so provide, to a prescribed person.

[^{F20}(5A) That requirement only applies in relation to a request to make deductions made before the relevant date (whether or not that request is varied after that date).]

^{F21}(6)

(7) Section 10 of the 1995 Act (civil penalties) applies to an employer who fails to comply with [^{F22}the requirement] set out above.

(8) An employer is not, [^{F23}while subject to the requirement in subsection (5)], under any duty—

(a) to make any enquiries, or act on any information, about the scheme for any purpose not connected with—

(i) ascertaining whether the scheme is for the time being registered under section 2,

^{F24}(ii)

^{F25}(iii)

(b) in particular, to investigate or monitor, or make any judgment as to, the past, present or future performance of the scheme.

(9) In this section—

“employer” means any employer, whether or not resident or incorporated in any part of the United Kingdom;

[^{F26} “ relevant date ” means the date on which section 87 of the Pensions Act 2008 comes into force.]

^{F27} ...

^{F28} ...

Textual Amendments

- F14** Words in s. 3(1) substituted (1.10.2012) by [Pensions Act 2008 \(c. 30\), ss. 87\(3\)](#), 149(1); S.I. 2012/2480, art. 2 (with art. 3)
- F15** S. 3(1A)-(1C) inserted (1.10.2012) by [Pensions Act 2008 \(c. 30\), ss. 87\(4\)](#), 149(1); S.I. 2012/2480, art. 2 (with art. 3)
- F16** S. 3(2)-(4) repealed (1.10.2012) by [Pensions Act 2008 \(c. 30\), ss. 87\(5\)](#), 149(1), [Sch. 11 Pt. 1](#); S.I. 2012/2480, art. 2 (with art. 3)
- F17** Words in s. 3(5) repealed (1.10.2012) by [Pensions Act 2008 \(c. 30\), ss. 87\(6\)\(a\)](#), 149(1), [Sch. 11 Pt. 1](#); S.I. 2012/2480, art. 2 (with art. 3)
- F18** Words in s. 3(5) repealed (1.10.2012) by [Pensions Act 2008 \(c. 30\), ss. 87\(6\)\(b\)](#), 149(1), [Sch. 11 Pt. 1](#); S.I. 2012/2480, art. 2 (with art. 3)
- F19** Words in s. 3(5)(a) substituted (1.10.2012) by [Pensions Act 2008 \(c. 30\), ss. 87\(6\)\(c\)](#), 149(1); S.I. 2012/2480, art. 2 (with art. 3)
- F20** S. 3(5A) inserted (1.10.2012) by [Pensions Act 2008 \(c. 30\), ss. 87\(7\)](#), 149(1); S.I. 2012/2480, art. 2 (with art. 3)

Changes to legislation: There are currently no known outstanding effects for the Welfare Reform and Pensions Act 1999, Part I. (See end of Document for details)

- F21** S. 3(6) repealed (1.10.2012) by [Pensions Act 2008 \(c. 30\)](#), ss. 87(8), 149(1), **Sch. 11 Pt. 1**; S.I. 2012/2480, art. 2 (with art. 3)
- F22** Words in s. 3(7) substituted (1.10.2012) by [Pensions Act 2008 \(c. 30\)](#), **ss. 87(9)**, 149(1); S.I. 2012/2480, art. 2 (with art. 3)
- F23** Words in s. 3(8) substituted (1.10.2012) by [Pensions Act 2008 \(c. 30\)](#), **ss. 87(10)(a)**, 149(1); S.I. 2012/2480, art. 2 (with art. 3)
- F24** S. 3(8)(a)(ii) repealed (1.10.2012) by [Pensions Act 2008 \(c. 30\)](#), ss. 87(10)(b), 149(1), **Sch. 11 Pt. 1**; S.I. 2012/2480, art. 2 (with art. 3)
- F25** S. 3(8)(a)(iii) repealed (1.10.2012) by [Pensions Act 2008 \(c. 30\)](#), ss. 87(10)(b), 149(1), **Sch. 11 Pt. 1**; S.I. 2012/2480, art. 2 (with art. 3)
- F26** Words in s. 3(9) inserted (1.10.2012) by [Pensions Act 2008 \(c. 30\)](#), ss. 87(11), 149(1), **Sch. 11**; S.I. 2012/2480, art. 2 (with art. 3)
- F27** Words in s. 3(9) repealed (1.10.2012) by [Pensions Act 2008 \(c. 30\)](#), ss. 87(12)(a), 149(1), **Sch. 11 Pt. 1**; S.I. 2012/2480, art. 2 (with art. 3)
- F28** Words in s. 3(9) repealed (1.10.2012) by [Pensions Act 2008 \(c. 30\)](#), ss. 87(12)(b), 149(1), **Sch. 11 Pt. 1**; S.I. 2012/2480, art. 2 (with art. 3)

Commencement Information

- I3** S. 3 wholly in force at 8.10.2001; s. 3 in force for certain purposes at Royal Assent see s. 89(1)(5); s. 3(1)(2)(7)(9) in force for certain purposes and s. 3(6)(8) in force at 6.4.2001 insofar as not already in force and s. 3 in force at 8.10.2001 insofar as not already in force by [S.I. 2001/933](#), **arts. 5, 6**

F29⁴ Obtaining information with respect to compliance with section 3 and corresponding Northern Ireland legislation.

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Textual Amendments

- F29** S. 4 repealed (6.4.2005) by [Pensions Act 2004 \(c. 35\)](#), s. 322(1), **Sch. 13**; S.I. 2005/695, art. 2(7), **Sch. 1**

F30⁵ Powers of inspection for securing compliance with section 3 and corresponding Northern Ireland legislation.

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Textual Amendments

- F30** S. 5 repealed (6.4.2005) by [Pensions Act 2004 \(c. 35\)](#), s. 322(1), **Sch. 13**; S.I. 2005/695, art. 2(7), **Sch. 1**

6 Application of certain enactments.

F31(1)

F32(2)

(3) Schedule 1 (application of the 1993 and 1995 Acts to registered schemes) shall have effect.

Changes to legislation: There are currently no known outstanding effects for the Welfare Reform and Pensions Act 1999, Part I. (See end of Document for details)

F33(4)

Textual Amendments

- F31** S. 6(1) repealed (1.10.2012) by [Pensions Act 2008 \(c. 30\)](#), ss. 87(13), 149(1), **Sch. 11 Pt. 1**; S.I. 2012/2480, art. 2
- F32** S. 6(2) repealed (1.10.2012) by [Pensions Act 2008 \(c. 30\)](#), ss. 87(13), 149(1), **Sch. 11 Pt. 1**; S.I. 2012/2480, art. 2
- F33** S. 6(4) repealed (1.10.2012) by [Pensions Act 2008 \(c. 30\)](#), ss. 87(13), 149(1), **Sch. 11 Pt. 1**; S.I. 2012/2480, art. 2

Commencement Information

- I4** S. 6 wholly in force at 8.10.2001; s. 6 in force for certain purposes at Royal Assent see s. 89(1); s. 6(3) in force for certain purposes at 1.10.2000 by [S.I. 2000/1047](#), art. 2(2)(c), **Sch. Pt. III**; s. 6 in force at 8.10.2001 insofar as not already in force by [S.I. 2000/1047](#), art. 2(2)(e), **Sch. Pt. V**

F347 **Reduced rates of contributions etc: power to specify different percentages.**

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Textual Amendments

- F34** S. 7 repealed (6.4.2012 being "the abolition date" for the purposes of s. 15(1) of the amending Act) by [Pensions Act 2007 \(c. 22\)](#), ss. 15(4), 27(7), 30(2)(b), **Sch. 4 para. 39**, **Sch. 7 Pt. 6** (with **Sch. 4 Pt. 3**); [S.I. 2011/1267](#), art. 2(a)

8 Interpretation and application of Part I.

(1) In this Part—

“the 1993 Act” means the ^{M2}Pension Schemes Act 1993;

“the 1995 Act” means the ^{M3}Pensions Act 1995;

[^{F35} “ the Authority ” means the Pensions Regulator;]

^{F36}
...

“occupational pension scheme” and “personal pension scheme” have the meanings given by section 1 of the 1993 Act;

“pension scheme” means an occupational pension scheme or a personal pension scheme;

“prescribed” means prescribed by regulations made by the Secretary of State;

“stakeholder pension scheme” shall be construed in accordance with section 1.

(2) The Secretary of State may by regulations make provision for a stakeholder pension scheme which—

(a) is [^{F37} prescribed or is] of a prescribed description, and

(b) would (apart from the regulations) be an occupational pension scheme,

to be treated for all purposes, or for such purposes as may be prescribed, as if it were a personal pension scheme and not an occupational pension scheme.

Changes to legislation: There are currently no known outstanding effects for the Welfare Reform and Pensions Act 1999, Part I. (See end of Document for details)

- (3) This Part applies to a pension scheme managed by or on behalf of the Crown as it applies to other pension schemes; and, accordingly, references in this Part to a person in his capacity as a trustee or manager of, or person prescribed in relation to, a pension scheme include the Crown, or a person acting on behalf of the Crown, in that capacity.
- (4) This Part applies to persons employed by or under the Crown in like manner as if such persons were employed by a private person; and references in this Part to a person in his capacity as an employer include the Crown, or a person acting on behalf of the Crown, in that capacity.
- (5) Subsections (3) and (4) do not apply to any provision of this Part under or by virtue of which a person may be prosecuted for an offence; but such a provision applies to persons in the public service of the Crown as it applies to other persons.
- (6) Nothing in this Part applies to Her Majesty in Her private capacity (within the meaning of the ^{M4}Crown Proceedings Act 1947).

Textual Amendments

- F35** Words in s. 8(1) substituted (6.4.2005) by [Pensions Act 2004 \(c. 35\)](#), **ss. 7(2)(c)**, 322(1) (with s. 313); [S.I. 2005/275](#), [art. 2\(7\)](#), [Sch. Pt. 7](#)
- F36** Words in s. 8(1) repealed (1.10.2012) by [Pensions Act 2008 \(c. 30\)](#), **ss. 87(14)**, 149(1), **Sch. 11 Pt. 1**; [S.I. 2012/2480](#), [art. 2](#)
- F37** Words in s. 8(2)(a) inserted (22.9.2005) by [Pensions Act 2004 \(c. 35\)](#), s. 322(1), **Sch. 12 para. 74**; [S.I. 2005/1720](#), [art. 2\(11\)](#)

Commencement Information

- I5** S. 8 wholly in force at 8.10.2001; s. 8 in force for certain purposes at Royal Assent, see s. 89(1)(5); s. 8 in force for certain purposes at 1.10.2000 by [S.I. 2000/1047](#), [art. 2\(2\)\(c\)](#), **Sch. Pt. III**; s. 8(1) in force at 8.10.2001 insofar as not already in force by [S.I. 2000/1047](#), [art. 2\(2\)\(c\)](#), **Sch. Pt. V**

Marginal Citations

- M2** 1993 c. 48.
M3 1995 c. 26.
M4 1947 c. 44.

Changes to legislation:

There are currently no known outstanding effects for the Welfare Reform and Pensions Act 1999, Part I.