



# Pensions Act 2011

## 2011 CHAPTER 19

### PART 2

#### AUTOMATIC ENROLMENT

#### 10 Qualifying schemes: administration charges

- (1) Section 16 of the 2008 Act (qualifying schemes) is amended as follows.
- (2) In subsection (3) for paragraph (a) substitute—
  - “(a) administration charges due from J while J is an active member exceed a prescribed amount,
  - (aa) administration charges due from former active members while J is an active member exceed a prescribed amount,
  - (ab) while J is an active member, the scheme contains provision under which administration charges that will be due from J when J is no longer an active member will exceed a prescribed amount, or will do so in particular circumstances,”.
- (3) After that subsection insert—
  - “(4) For the purposes of subsection (3) administration charges are due from a person to the extent that—
    - (a) any payments made to the scheme by, or on behalf or in respect of, the person,
    - (b) any income or capital gain arising from the investment of such payments, or
    - (c) the value of the person’s rights under the scheme,may be used to defray the administrative expenses of the scheme, to pay commission or in any other way that does not result in the provision of pension benefits for or in respect of members.

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*Status: This is the original version (as it was originally enacted).*

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- (5) In subsection (3)(aa) “former active member” means a person who at some time after the automatic enrolment date was both a jobholder and an active member but is no longer an active member.”