



# Pensions Act 2014

## 2014 CHAPTER 19

### PART 6

#### PRIVATE PENSIONS

##### *Other*

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

Schedule 18 permits the Secretary of State 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.

#### **Commencement Information**

**II** [S. 43](#) in force at 11.9.2014 by [S.I. 2014/2377](#), [art. 2\(1\)\(a\)\(i\)\(2\)\(f\)](#)

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

(1) In section 113 of the Pension Schemes Act 1993 (disclosure of information about schemes to members etc), after subsection (4) insert—

“(5) The Secretary of State 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 Secretary of State must by regulations make provision requiring the publication of information about—

- (a) some or all of the transaction costs of a relevant scheme, and

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- (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) Before making regulations by virtue of subsection (5) or (6), the Secretary of State must consult—
  - (a) the Financial Conduct Authority, and
  - (b) the Treasury;
 (in addition to any other persons consulted in accordance with section 185(1)).
- (10) In this section—
  - “administration charge” has the meaning given by paragraph 1(5) of Schedule 18 to the Pensions Act 2014;
  - “relevant scheme” means a money purchase scheme that is an occupational pension scheme.”
- (2) In the Financial Services and Markets Act 2000, after section 137F insert—

**“137FA FCA general rules: disclosure of information about pension scheme transaction costs etc**

- (1) The FCA must make general rules 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).
- (2) Those persons are—
  - (a) members of the scheme,
  - (b) spouses or civil partners of members, and
  - (c) persons within the application of the scheme and qualifying or prospectively qualifying for its benefits.
- (3) The FCA must make general rules 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.
- (4) Rules made by virtue of subsection (3) may require other relevant information to be published along with information about transaction costs or administration charges in relation to a scheme.
- (5) “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.
- (6) Before the FCA publishes a draft of any rules to be made by virtue of this section, it must consult—

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- (a) the Secretary of State, and
  - (b) the Treasury.
- (7) In determining what provision to include in the rules, the FCA must have regard to any regulations about the disclosure or publication of transaction costs or administration charges that are for the time being in force under section 113 of the Pension Schemes Act 1993.
- (8) In this section—
- “administration charge” has the meaning given by paragraph 1(5) of Schedule 18 to the Pensions Act 2014;
  - “money purchase scheme” has the meaning given by section 181(1) of the Pension Schemes Act 1993;
  - “personal pension scheme” has the meaning given by section 1 of the Pension Schemes Act 1993;
  - “relevant scheme” means a money purchase scheme that is—
    - (a) a personal pension scheme where direct payment arrangements (within the meaning of section 111A of the Pension Schemes Act 1993) exist in respect of one or more members of the scheme who are workers, or
    - (b) a personal pension scheme which is or has been registered under section 2 of the Welfare Reform and Pensions Act 1999 (stakeholder pension schemes);
  - “worker” means a person—
    - (a) who is a worker for the purposes of Part 1 of the Pensions Act 2008, or
    - (b) to whom a provision of Part 1 of that Act applies as if the person were a worker because of a provision of Chapter 8 of that Part;
- but for the purposes of paragraph (b), ignore section 92 of that Act.”

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**Commencement Information**

**I2** S. 44 in force at 18.9.2017 by S.I. 2017/916, reg. 2(1) (with reg. 2(2))

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

- (1) The Secretary of State may by regulations provide for the Pensions Act 2004, 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 Pensions Act 2004, 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 force of regulations under this section).

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(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 2010 (S.I. 2010/196), and

(b) regulation 2 of the Occupational Pension Schemes (Levies) (Amendment) Regulations 2010 (S.I. 2010/1930);

“pension levy” means—

(a) a levy under regulations made under section 117 of the Pensions Act 2004 (administration levy),

(b) a levy under regulations made under section 174 of that Act (initial levy),  
or

(c) a levy under section 175 of that Act (pension protection levies).

**Commencement Information**

**I3** S. 45 in force at 11.9.2014 by S.I. 2014/2377, art. 2(1)(a)(i)(2)(g)

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

(1) The Pensions Act 1995 is amended as follows.

(2) After section 3 insert—

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

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

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

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

(a) in relation to an individual against whom an order under section 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 subsection (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 or partner in the applicant.

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

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- (6) An application under subsection (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 section 96(3) or 99(7) of the Pensions Act 2004 (whether by a company or partnership which became prohibited under subsection (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 section.
  - (8) The Authority may revise any statement published under subsection (7) and must publish any revised statement.
  - (9) References in this section to an order under section 3 are to an order under that section made on or after the date on which section 46(2) of the Pensions Act 2014 comes fully into force.”
- (3) Section 4 (Pensions Regulator's power to suspend trustee of occupational pension scheme) is amended as follows.
- (4) In subsection (1)(f), after “paragraph” insert “ (aa), ”.
- (5) In subsection (2)(a), after “or (aa)” insert “ or, in a case where the Authority would have power to suspend a director or partner under paragraph (aa), by virtue of paragraph (f) ”.
- (6) Schedule 19 contains consequential amendments.

**Commencement Information**

**I4** S. 46 in force at 11.9.2014 by S.I. 2014/2377, art. 2(1)(a)(i)(2)(h)

**47 Preparation of guidance for pensions illustrations**

In section 16 of the Companies (Audit, Investigations and Community Enterprise) Act 2004 (grants to bodies concerned with accounting standards etc), in subsection (2), after paragraph (o) insert—

“(oa) exercising functions under regulations made under section 113(3A) of the Pension Schemes Act 1993 or section 109(3A) of the Pension Schemes (Northern Ireland) Act 1993 (preparing guidance for pensions illustrations);”.

**48 Pensions Regulator's objectives**

In section 5(1) of the Pensions Act 2004, after paragraph (c) insert—

“(cza) in relation to the exercise of its functions under Part 3 only, to minimise any adverse impact on the sustainable growth of an employer.”.

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

(1) Section 63 of the Pensions Act 2004 is amended as follows.

(2) After subsection (3) insert—

“(3A) But subsection (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 paragraph (b) of section 62(2),
- (b) the information they provided under that paragraph included the number of members of the scheme, and
- (c) that number was no more than 4.”

(3) After subsection (4) insert—

“(4A) But subsection (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.”

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#### **Commencement Information**

**I5** [S. 49](#) in force at 11.9.2014 by [S.I. 2014/2377](#), [art. 2\(1\)\(a\)\(i\)\(2\)\(i\)](#)

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

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

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#### **Commencement Information**

**I6** [S. 50](#) in force at 7.3.2017 for specified purposes by [S.I. 2017/297](#), [art. 2\(a\)](#)

**I7** [S. 50](#) in force at 6.4.2017 in so far as not already in force by [S.I. 2017/297](#), [art. 2\(b\)](#)

#### **<sup>F1</sup>51 Pension Protection Fund: compensation cap to apply separately to certain benefits**

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#### **Textual Amendments**

**F1** [S. 51](#) omitted (coming into force in accordance with reg. 1(b) of the amending S.I.) by virtue of [The Pensions Act 2004 \(Amendment\) \(Pension Protection Fund Compensation\) Regulations 2023 \(S.I. 2023/1309\)](#), [reg. 6\(a\)](#)

#### **52 Public service pension schemes: transitional arrangements**

(1) Section 18 of the Public Service Pensions Act 2013 (restriction of existing pension schemes) is amended as follows.

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(2) After subsection (5) insert—

“(5A) Scheme regulations may also provide for exceptions to subsection (1) in the case of—

- (a) persons who were members of a public body pension scheme specified in the regulations, or who were eligible to be members of such a scheme, immediately before 1 April 2012, and
- (b) such other persons as the regulations may specify, being persons who before that date had ceased to be members of a scheme referred to in paragraph (a) or to be eligible for membership of such a scheme.”

(3) In each of subsections (6) and (8), after “(5)” insert “ or (5A) ”.

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**Commencement Information**

**18** [S. 52](#) in force at 23.7.2014 by [S.I. 2014/1965](#), [art. 2](#)

**Changes to legislation:**

There are currently no known outstanding effects for the Pensions Act 2014, Cross Heading:  
Other.