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STATUTORY INSTRUMENTS

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1986 No. 1046

PENSIONS

**The Occupational Pension Schemes (Disclosure of Information)  
Regulations 1986**

<i>Made - - - -</i>	18th June 1986
<i>Laid before Parliament</i>	25th June 1986
<i>Coming into Operation</i>	1st November 1986

The Secretary of State for Social Services, in exercise of the powers conferred upon him by section 168(1) of, and Schedule 20 to, the Social Security Act 1975 (a) and sections 56A(1), (3) and (4), 56E(1), (3) and (4), 62(4) and 66(4) of, and paragraph 14(3) of Schedule 1A to, the Social Security Pensions Act 1975 (b) and of all other powers enabling him in that behalf, by this instrument, which contains only regulations made under sections 56A and 56E of, and paragraph 14(3) of Schedule 1A to, the Social Security Pensions Act 1975, makes the following regulations:—

*Citation, commencement and interpretation*

1.—(1) These regulations may be cited as the Occupational Pension Schemes (Disclosure of Information) Regulations 1986 and shall come into operation on 1st November 1986.

(2) In these regulations, unless the context otherwise requires—

“the Act” means the Social Security Pensions Act 1975;

“beneficiary”, in relation to a scheme, means a person, other than a member of the scheme, who is entitled to payment of benefits under the scheme;

“connected company”, in relation to a company, means another company where one of the companies is a subsidiary (within the meaning of section 736 of the Companies Act 1985 (c)) of the other, or where both companies are subsidiaries of a third company;

“employer”, in relation to a member or prospective member of a scheme, has the meaning assigned to it by regulation 2(4) and (5) of the Occupational Pension Schemes (Preservation of Benefit) Regulations 1984 (d);

“funded”, in relation to benefits under a scheme, means provided by setting aside resources (other than assets at the disposal of the employer of any person who is employed in relevant employment) in advance which are related to the intended rate or amount of the benefits;

- (a) 1975 c.14. See definitions of “prescribe” and “regulations” in Schedule 20. Section 168(1) applies, by virtue of section 66(2) of the Social Security Pensions Act 1975 (c.60), to the exercise of certain powers conferred by that Act.
- (b) 1975 c.60; sections 56A and 56E were added by section 3 of and Schedule 2 to the Social Security Act 1985 (c.53) and Schedule 1A was added by section 2 of and Schedule 1 to that Act.
- (c) 1985 c.6.
- (d) S.I. 1984/614, to which there are amendments not relevant to these regulations.

[SS86/1575]

“independent trade union” has the meaning assigned to it by section 153 of the Employment Protection (Consolidation) Act 1978(a);

“money purchase benefit” means any benefit which is calculated by reference to a payment or payments made by the member, or by any other person in respect of him, not being a benefit the rate or amount of which is calculated by reference to the member’s average salary over the period of service on which that benefit is based;

“normal pension age”, “pensionable service” and “relevant employment” are to be construed in accordance with Schedule 16 to the Social Security Act 1973(b);

“request” means request in writing;

“scheme” means an occupational pension scheme;

“scheme year”, in relation to a scheme, means whichever of the following periods the trustees of the scheme select—

(a) a year specified for the purposes of the scheme—

(i) in any document comprising the scheme or which is included among the documents comprising it; or

(ii) in the rules of the scheme;

(b) a calendar year;

(c) the 12 months ending with 31st March;

(d) the 12 months ending with 5th April,

and also includes, in a case where the trustees have selected a period (“new scheme year”) to replace a previously selected period (“old scheme year”), a period exceeding 12 months but not exceeding 24 months between the last old scheme year and the first new scheme year;

“self-investment”, in relation to a scheme, means investment of all or part of its fund in the business of—

(a) the employer of any person who is employed in relevant employment; or

(b) if that employer is a company, a connected company;

“tax-approved scheme” means a scheme which is—

(a) approved by the Commissioners of Inland Revenue for the purposes of Chapter II of Part II of the Finance Act 1970 (c);

(b) a statutory scheme as defined in section 26(1) of the Finance Act 1970; or

(c) a scheme to which section 36 of the Finance Act 1980 (d) applies;

“trustees”, in relation to a scheme which is not set up or established under a trust, means the managers of the scheme;

“unfunded scheme” means a scheme whose benefits are not funded;

and other expressions have the same meaning as in the Act.

(3) Except so far as the context otherwise requires, any reference—

(a) in these regulations to a numbered section is to the section of the Act bearing that number;

(b) in these regulations to Schedule 1A is to Schedule 1A to the Act;

(c) in these regulations to a numbered regulation or Schedule (other

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(a) 1978 c.44.

(b) 1973 c.38.

(c) 1970 c.24.

(d) 1980 c.48.

than Schedule 1A) is to the regulation in, or, as the case may be, Schedule to, these regulations bearing that number;

- (d) in a regulation or Schedule to a numbered paragraph is to the paragraph of that regulation or Schedule bearing that number;
- (e) in a paragraph to a lettered sub-paragraph is to the sub-paragraph of that paragraph bearing that letter.

*Meaning of expressions “member” and “prospective member” in relation to a scheme*

2.—(1) The following provisions of this regulation shall apply for the purposes of section 56A(2) and of these regulations.

(2) Any person is to be regarded as a member of a scheme during, or at any time after, a period when his service in relevant employment is or was such that at the time when it is or was given it either—

- (a) qualifies or qualified him for benefits (in the form of a pension or otherwise, payable on the termination of his service otherwise than by his death, or on his retirement or his death thereafter) under the scheme which in the opinion of the Occupational Pensions Board are or were referable to that period; or
- (b) is or was certain so to qualify him subsequently if it continues or continued for a sufficiently long time and the rules of the scheme and the terms of his contract of service remain or remained unaltered during that time.

(3) There are to be regarded as prospective members of a scheme any persons in relevant employment who are not members but—

- (a) who, by virtue of the terms of their contracts of service, are able to become members at their own option or the option of any other person; or
- (b) who, by virtue of the terms of their contracts of service, will become so able, if their service in relevant employment continues for a sufficiently long time and the terms of their contracts of service remain unaltered during that time; or
- (c) who, by virtue of the rules of the scheme or the terms of their contracts of service, will become members in any event, if their service in relevant employment continues for a sufficiently long time and the rules of the scheme or, as the case may be, the terms of their contracts of service remain unaltered during that time.

*Schemes to which, persons in relation to whom and trade unions in relation to which regulations 4 to 9 do not apply*

3.—(1) None of the requirements of regulations 4 to 9 shall apply to a scheme—

- (a) whose members (excluding persons whose entitlement to benefits under the scheme has been extinguished) are fewer than 2, or
- (b) which provides benefits only in the event of the death of a person who is, immediately before his death, employed in relevant employment.

(2) None of the requirements of regulations 4 to 9 shall impose on the trustees of a scheme any duty in relation to—

- (a) any person if his entitlement to benefits under the scheme has been extinguished;

- (b) any member or prospective member if no person who employs him in relevant employment has informed the trustees that he is a member or prospective member; or
- (c) any independent trade union recognised to any extent for the purposes of collective bargaining in relation to members and prospective members of the scheme if no person who employs any such member or prospective member in relevant employment has informed the trustees that that trade union is so recognised.

*Constitution of scheme*

4.—(1) Subject to the provisions of regulation 3, the trustees of any scheme shall make provision, in the manner specified in paragraphs (2) and (3), for the disclosure, to persons and trade unions in the categories specified in paragraph (4), of—

- (a) the contents—
  - (i) of the trust deed constituting the scheme, if it is constituted by such a deed; and
  - (ii) of any document constituting the scheme, if it is not constituted by a trust deed;

and, if the rules of the scheme are not set out in any trust deed or other document the contents of which fall to be disclosed under head (i) or (ii) above, the contents of the rules;

- (b) the contents of any document which amends or supplements or wholly or partly supersedes a document the contents of which fall to be disclosed under sub-paragraph (a) or this sub-paragraph; and
- (c) if the name and address of every person who employs any member of the scheme in relevant employment is not set out in any trust deed or other document the contents of which fall to be disclosed under sub-paragraph (a) or (b), the contents of a document setting out the name and address of every such person.

(2) A copy of the contents of any of the documents of which disclosure is required by paragraph (1) shall be made available free of charge for inspection on request (not being a request made by a person or trade union within 12 months of the last occasion on which a copy of the contents of the same document was made available for inspection by the same person or the same trade union) by any person or trade union in the categories specified in paragraph (4), within a reasonable time after the request is made, at a place which is reasonable having regard to the circumstances of the request and of the person who or trade union which made it.

(3) A copy of any of the documents of which disclosure is required by paragraph (1) shall be furnished, on request, on payment of a reasonable charge, to any person or trade union in the categories specified in paragraph (4), within a reasonable time after the request is made, so however that in the case of a document which is publicly available the trustees may, instead of furnishing a copy, advise the person who or trade union which has requested it where copies may be obtained.

(4) The categories of persons and trade unions mentioned in paragraphs (1) to (3) are the following, namely—

- (a) members and prospective members of the scheme;
- (b) spouses of members and prospective members;
- (c) beneficiaries under the scheme;

- (d) independent trade unions recognised to any extent for the purposes of collective bargaining in relation to members and prospective members of the scheme.

*Basic information about the scheme*

5.—(1) Subject to the provisions of regulation 3 and paragraph (4), the trustees of any scheme shall furnish in writing the information specified in Schedule 1 to persons and trade unions in the categories specified in paragraphs (2) and (3).

(2) The information specified in Schedule 1 shall be given as of course to every person who becomes a member of the scheme on or after 1st November 1987, within 13 weeks of his becoming a member.

(3) The information specified in Schedule 1 shall be given to—

- (a) any member or prospective member of or beneficiary under the scheme; or
- (b) the spouse of any member or prospective member; or
- (c) any independent trade union that is recognised to any extent for the purposes of collective bargaining in relation to members and prospective members of the scheme,

on request (not being a request made by a person or trade union within 3 years of the last occasion on which the same person or the same trade union was given information in accordance with paragraph (2) or this paragraph) as soon as practicable after he or, as the case may be, that trade union requests it.

(4) Where different information is applicable to different members, prospective members and beneficiaries, nothing in this regulation shall be construed as requiring the trustees to disclose information in relation to a member, prospective member or beneficiary that is not relevant to his rights under the scheme.

(5) All members of and beneficiaries under the scheme shall be notified by the trustees of any material alteration in the information specified in paragraph 17 of Schedule 1 within one month of the occurrence of the alteration.

(6) The trustees shall take reasonable steps to draw to the attention of all members of the scheme who are employed in relevant employment any material alteration in the information specified in paragraphs 1 to 16 of Schedule 1.

(7) When any information specified in Schedule 1 is provided, it shall be accompanied by a written statement that further information about the scheme is available, giving the address to which enquiries about it should be sent.

*Information to be made available to individuals*

6.—(1) Subject to the provisions of regulation 3, the trustees of any scheme shall furnish in writing the information specified in Schedule 2 to the persons, and in the circumstances, specified in paragraphs (2) to (11).

(2) Where benefit under the scheme has become, on or after 1st November 1986, or is about to become, payable to a person, the information mentioned in paragraphs 1 to 3 of Schedule 2 shall be furnished to him as of course before or as soon as practicable after the benefit becomes payable.

(3) Where the amount of benefit payable to a person is or is about to be altered otherwise than in accordance with a provision such as is mentioned in paragraph 3 of Schedule 2, the information (as altered) that is mentioned in paragraph 1 of Schedule 2 shall be furnished to him as of course before or as soon as practicable after the alteration takes place.

(4) Except in relation to money purchase benefits, the information mentioned in paragraph 4 of Schedule 2 shall be furnished to any member on request (not being a request made within a year of the last occasion on which any such information as is mentioned in that paragraph was furnished to him) as soon as practicable after he requests it.

(5) Where a member of or a beneficiary under a scheme has died and rights or options are available to a person in consequence, the information mentioned in paragraphs 5 and 6 of Schedule 2 shall be furnished—

(a) as of course to that person, if he is at least 18 years old and his address is known to the trustees, as soon as practicable after the trustees receive notification of the death; and

(b) on request (not being a request made within 3 years of the last occasion on which information was furnished under this paragraph to the same person in the same capacity) to any person who is a personal representative of the deceased person or who is authorised to act on behalf of the person to whom rights or options under the scheme are available in consequence of the death, as soon as practicable after he requests it.

(6) The information mentioned in paragraph 7 of Schedule 2 shall be furnished as of course to any person to whom it applies or is expected to apply, as soon as practicable after he or his employer has notified the trustees that his pensionable service is to terminate.

(7) The information mentioned in paragraphs 8 and 9 of Schedule 2 shall be furnished on request (not being a request made less than 12 months after the last occasion on which such information was furnished to the same member) to any member as soon as practicable after he requests it.

(8) The information mentioned in paragraphs 10 and 11 of Schedule 2 shall be furnished on request (not being a request made less than 12 months after the last occasion on which such information was furnished to the same person) to any member or prospective member as soon as practicable after he requests it.

(9) The information mentioned in paragraph 12 of Schedule 2 shall be furnished on request (not being a request made—

(a) after such information has already been furnished to the same person, in a case where—

(i) all the contributions in question were in respect of a period of service before 6th April 1975, or

(ii) the information was that no refund of contributions is available or would be available in any circumstances;

or

(b) less than 12 months after the last occasion on which such information was furnished to the same person, in any other case)

to any person who has paid contributions to the scheme which have not been refunded, as soon as practicable after he requests it.

(10) When the trustees have started to take steps to wind up the scheme, they shall as of course, and as soon as practicable, inform all members of and beneficiaries under the scheme that they have done so.

(11) When the trustees are taking steps to wind up the scheme, they shall, as of course, as soon as practicable after the assets of the scheme have all been realised but before the proceeds are applied in accordance with the winding up rules—

- (a) furnish the information mentioned in paragraphs 1 to 3 of Schedule 2 to every beneficiary and to every member who is entitled to payment of benefits, and (except in relation to money purchase benefits) the information mentioned in paragraph 4 of Schedule 2 to all other members; and
- (b) inform each person who is entitled to information under sub-paragraph (a)—
  - (i) whether, and if so by how much, the benefits in question are reduced because the scheme's resources are not sufficient to meet its liabilities as they fall due; and
  - (ii) who will be liable to pay those benefits after the scheme is wound up.

(12) When any information specified in Schedule 2 is provided, it shall be accompanied by a written statement that further information about the scheme is available, giving the address to which enquiries about it should be sent.

#### *Audited accounts*

7.—(1) Subject to the provisions of regulation 3 and paragraph (2), the trustees of any scheme shall obtain as soon as reasonably practicable after the end of each scheme year audited accounts for that scheme year, or, if the scheme has been in operation for only part of that scheme year, for that part of that scheme year.

(2) This regulation shall not apply to unfunded schemes or to public service pension schemes.

(3) An auditor for the purpose of auditing the accounts shall be a person qualified to act as an auditor of a company under section 389 of the Companies Act 1985(a), or a person approved by the Secretary of State, not being—

- (a) a member of the scheme;
- (b) a trustee of the scheme;
- (c) a person who is employed under a contract of service by the trustees of the scheme;
- (d) the employer of any member of the scheme who is in relevant employment; or
- (e) where such an employer as is mentioned in sub-paragraph (d) is a company, a director or employee of that company or any connected company.

(4) The audited accounts shall consist of—

- (a) accounts which—
  - (i) contain the information specified in Schedule 3 (so however that any such information which is immaterial for the purposes of head (ii) below may be omitted), and

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(a) 1985 c.6.

- (ii) show a true and fair view of the financial transactions of the scheme during the scheme year and of the disposition, at the end of the scheme year, of the assets, not including such insurance policies as are mentioned in regulation 8(2)(b)(iii), and liabilities, other than liabilities to pay pensions and benefits after the end of the scheme year; and
  - (b) a report by the auditor more particularly described in paragraph (5).
- (5) The auditor's report mentioned in paragraph (4)(b) shall include—
- (a) a statement whether or not in his opinion the requirements of paragraph (4)(a) are satisfied;
  - (b) a statement whether or not in his opinion contributions payable to the scheme during the scheme year have been paid in accordance with the scheme rules or contracts under which they were payable, and with the recommendation of the actuary, if appropriate; and
  - (c) if the statement under sub-paragraph (a) or (b) or both is negative or qualified, a statement of the reasons.

*Actuarial valuation and statement*

8.—(1) Subject to the provisions of regulation 3 and paragraph (2), the trustees of any scheme shall obtain from time to time, in accordance with paragraphs (4) and (5), a signed actuarial valuation, as at a date which is called in this regulation its “effective date”, of the scheme's assets in relation to its liabilities, which shall—

- (a) be so framed as to enable the expected future course of the scheme's contribution rates and funding level to be understood;
- (b) state whether it has been prepared in accordance with the guidelines “Retirement Benefit Schemes – Actuarial Reports (GN9)” published by the Institute of Actuaries and Faculty of Actuaries and current on the date of signature of the actuarial valuation; and
- (c) shall indicate where there are any material departures from those guidelines if it has not been so prepared.

(2) This regulation shall not apply—

- (a) to public service pension schemes; or
- (b) in relation to—
  - (i) benefits which are not funded,
  - (ii) money purchase benefits, and
  - (iii) benefits for particular members or for other persons in respect of particular members or both, which are guaranteed by means of one or more insurance policies which are specifically allocated to the provision of benefits for those members or those other persons or both.

(3) The effective date of the first actuarial valuation to be obtained under this regulation in relation to any scheme shall be not later than whichever is the latest of—

- (a) 1st November 1987;
- (b) the date which is 3 years and 6 months later than that on which the scheme first had effect; and
- (c) the date which is 3 years and 6 months later than the effective date of an actuarial valuation obtained by the trustees before 1st November 1986.



(4) The effective date of any subsequent actuarial valuation shall be not later than 3 years and 6 months after the previous one.

(5) Each actuarial valuation shall be obtained as soon as reasonably practicable after its effective date.

(6) The actuarial valuation shall be made by—

- (a) a Fellow of the Institute of Actuaries; or
- (b) a Fellow of the Faculty of Actuaries; or
- (c) a person with other actuarial qualifications who is approved by the Secretary of State, at the request of the trustees of the scheme in question, as being a proper person to act for the purposes of this regulation in connection with that scheme.

(7) Each actuarial valuation shall be accompanied by an actuarial statement made by the actuary who signed the valuation, so however that at any time after a valuation is made but before the next valuation is made an actuary may issue a revised statement.

(8) Any statement made in accordance with paragraph (7) (whether or not a revised statement) shall be in the form set out in Schedule 4, so however that—

- (a) the words from “with the following exceptions” to the end of paragraph 1 of the statement may be deleted or omitted in a case where, in the actuary’s opinion, there are no exceptions;
- (b) the accrued rights and the liabilities referred to in paragraph 1 of the statement shall mean respectively the rights to, and the liabilities to provide, benefits for each member himself and his survivors which would have been payable from normal pension age or from his death if his service in relevant employment had terminated on the effective date, and shall be valued accordingly;
- (c) liabilities which in the actuary’s opinion are not fully covered and which have different priorities in the event of a winding-up shall be described separately, in descending order of priority, and a separate percentage given for each; and
- (d) if paragraph 2 of the statement does not correctly set out the actuary’s opinion, he shall substitute a negative or qualified opinion, giving reasons.

(9) The trustees shall make available copies of any actuarial valuation which they obtain in accordance with this regulation to the persons and trade unions, and in the circumstances, specified in paragraphs (10) to (12).

(10) A copy of the latest actuarial valuation shall be made available free of charge for inspection on request (not being a request made by a person or trade union within 3 years of the last occasion on which a copy of the same actuarial valuation was made available for inspection by the same person or the same trade union) by any person or trade union in the categories specified in paragraph (12), within a reasonable time after the request is made, at a place which is reasonable having regard to the circumstances of the request and of the person who made it.

(11) A copy of the latest actuarial valuation shall be furnished on request and on payment of a reasonable charge to any person or trade union in the categories specified in paragraph (12) as soon as practicable after he or, as the case may be, that trade union requests it.

(12) The categories of persons and trade unions mentioned in paragraphs (9) to (11) are the following, namely—

- (a) members and prospective members of the scheme;
- (b) beneficiaries under the scheme;
- (c) independent trade unions recognised to any extent for the purposes of collective bargaining in relation to members and prospective members of the scheme.

*Availability of audited accounts, actuarial statements and other information*

9.—(1) Subject to the provisions of regulation 3 and paragraph (2), the trustees of any scheme shall, in relation to, and not more than one year after the end of, each scheme year which commences on or after 1st November 1986, make available copies of a document which contains—

- (a) a copy of the audited accounts (if any) for the scheme year to which the document relates;
- (b) a copy of the latest actuarial statement (if any, and whether or not a revised statement) made in accordance with regulation 8(7); and
- (c) other information, consisting of or including the information specified in paragraphs 1 to 8 (so far as it applies to the scheme) and (except in the case of unfunded schemes) 9 to 14 of Schedule 5,

to the persons and in the circumstances mentioned in paragraphs (4) to (6).

(2) The requirements of this regulation do not apply to public service pension schemes.

(3) The trustees shall take reasonable steps to draw to the attention of the persons and trade unions specified in paragraph (6) the availability of any such document as is mentioned in paragraph (1).

(4) A copy of any such document as is mentioned in paragraph (1), being neither the latest nor one which relates to a scheme year which ended more than 5 years previously, shall be made available free of charge for inspection on request (not being a request made by a person or trade union within 3 years of the last occasion on which a copy of the same document was made available for inspection by the same person or the same trade union) by any person or trade union in the categories specified in paragraph (6), within a reasonable time after the request is made, at a place which is reasonable having regard to the circumstances of the request and of the person who made it.

(5) A copy of the latest such document as is mentioned in paragraph (1) shall be furnished free of charge on request (not being a second or subsequent request by the same person or, as the case may be, trade union for a copy of the same document) to any person or trade union in the categories specified in paragraph (6) as soon as practicable after he, or, as the case may be, that trade union, requests it.

(6) The categories of persons and trade unions mentioned in paragraphs (3) to (5) are the following, namely—

- (a) members and prospective members of the scheme;
- (b) beneficiaries under the scheme;
- (c) independent trade unions recognised to any extent for the purposes of collective bargaining in relation to members and prospective members of the scheme.

(7) When a copy of a document is furnished in accordance with paragraph (5), it shall be accompanied by a written statement that further information about the scheme is available, giving the address to which enquiries about it should be sent.

*Recognised trade unions*

**10.** Any question whether an organisation is an independent trade union recognised to any extent for the purposes of collective bargaining in relation to members and prospective members of a scheme shall be referred to an industrial tribunal.

*Service of documents by post*

**11.—(1)** Any—

- (a) information or document which these regulations require the trustees of a scheme to furnish;
- (b) request for information or a document to be furnished in pursuance of these regulations; or
- (c) information given to the trustees of a scheme for the purpose of these regulations,

may be furnished, made or given by post.

(2) Any notification or document which these regulations require the trustees of a scheme to furnish as of course to a beneficiary or a member who is not employed in relevant employment shall be deemed to have been furnished if it was sent to him by post to his last address known to the trustees.

*Amendment of regulation*

**12.** In regulation 4 of the Occupational Pension Schemes (Transfer Values) Regulations 1985 (a) (increases and reductions of cash equivalents), for paragraph (3) there shall be substituted the following paragraphs:—

“(3) Where—

- (a) the latest actuarial statement issued to the scheme in accordance with the provisions of regulation 8(7) of the Occupational Pension Schemes (Disclosure of Information) Regulations 1986 shows that on the date of that statement, or
- (b) in a case to which paragraph (3A) of this regulation applies, an actuary certifies that,

the scheme does not have sufficient assets to meet its liability in respect of the whole or any specified part of the accrued rights to benefit of members, the cash equivalent, or, as the case may be, the part of that cash equivalent which corresponds with that specified part of those accrued rights, may be reduced by the percentage by which the scheme is so shown to be deficient.

(3A) This paragraph applies to a case where the trustees of the scheme receive an application made under paragraph 16 before whichever is the earlier of—

- (a) the effective date of the first actuarial valuation obtained by the scheme in accordance with the provisions of regulation 8 of the Occupational Pension Schemes (Disclosure of Information) Regulations 1986, and

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(a) S.I. 1985/1931, to which there are amendments not relevant to these regulations.

- (b) the latest date which the effective date of an actuarial valuation otherwise complying with that regulation may be if that actuarial valuation is to satisfy the requirements of paragraph (3) of that regulation.”

Signed by authority of the Secretary of State for Social Services.

*John Major,*  
Parliamentary Under-Secretary of State,  
Department of Health and Social Security.

18th June 1986.

#### SCHEDULE 1

#### Regulation 5

##### BASIC INFORMATION ABOUT THE SCHEME

1. The categories of persons who are eligible to be members of the scheme.
2. The categories of persons who are required, as a condition of their employment, to be members of the scheme.
3. The conditions of membership.
4. How members' contributions are calculated.
5. How employers' contributions are calculated.
6. Whether the scheme is a tax-approved scheme, and if not whether an application for the scheme to become a tax-approved scheme is under consideration by the Commissioners of Inland Revenue.
7. Which of the relevant employments are, and which are not, contracted-out employments within the meaning of section 30 of the Act.
8. What benefits are payable under the scheme, and how they are calculated.
9. The conditions on which the benefits are paid.
10. Which benefits, if any, are payable only at some person's discretion.
11. Which of the benefits are, and which are not, funded.
12. Which of the benefits, if any, are such that the amount payable to or in respect of particular members is guaranteed by means of one or more insurance policies which are specifically allocated to the provision of benefits payable to or in respect of those members.
13. The short title of the statute (if any) which provides for both—
  - (a) the setting up of the scheme, and
  - (b) the determination of the rate or amount of the benefits under the scheme.

14. Whether, and if so to what extent, the employer of any person who is entitled to benefits under the scheme has entered into an obligation to pay the benefits if the scheme's resources are insufficient to do so.

15. Whether there is power under the scheme rules to increase pensions after they have become payable, and if so what it is, who may exercise it, and whether and to what extent it is discretionary.

16. What arrangements are made, and in what circumstances, for the refund of contributions to, and the preservation or transfer of the accrued rights of, a member whose relevant employment or pensionable service in relevant employment terminates before he reaches normal pension age.

17. The address to which enquiries about the scheme generally or about an individual's entitlement to benefit should be sent.

## SCHEDULE 2

## Regulation 6

### INFORMATION TO BE MADE AVAILABLE TO INDIVIDUALS

1. The amount of benefit which is payable to the person.
2. If a benefit is payable periodically, the conditions (if any) subject to which payment will be continued.
3. If a benefit is payable periodically, the provisions (if any) under which the amount payable will be altered.
4. The information specified in any one (the trustees having the option to choose which one) of the following sub-paragraphs, namely—
  - (a) the amounts of the member's own benefits and of his survivors' benefits which would be payable from normal pension age or death thereafter if his pensionable service were to terminate on the date on which the information is furnished to him, calculated without regard to possible increases in his salary;
  - (b) the amounts of the member's own benefits and of his survivors' benefits which would be payable from normal pension age or death thereafter if his pensionable service were to terminate on his attaining normal pension age, calculated without regard to possible increases in his salary; and
  - (c) the method by which the amounts mentioned in one of sub-paragraphs (a) and (b) may be calculated, together with sufficient information about the member's past salaries and service to enable the calculation to be made.
5. The rights and options (if any) available on the death of a member or beneficiary, and the procedures for exercising them.
6. The provisions (or, as the case may be, a statement that there are no provisions) under which any pension payable to a survivor of a member or beneficiary may or will be increased, and the extent to which such increases are dependent on the exercise of a discretion.
7. The rights and options (if any) available to a member whose pensionable service terminates before he attains normal pension age.
8. Whether any cash equivalent (within the meaning of Part II of Schedule 1A) is available to the member or would be available to him if his pensionable service were to terminate, and if so—
  - (a) an estimate of its amount, calculated on the basis that the member's pensionable service terminated or will terminate on one particular date;
  - (b) the accrued rights to which it relates;

- (c) whether any part of the estimated amount of the cash equivalent is attributable to additional benefits—
    - (i) which have been awarded at the discretion of the trustees, or
    - (ii) which will be awarded at their discretion if their established custom continues unaltered,
 and in either case whether that part is attributable to the whole or only to part of those benefits; and
  - (d) if, by virtue of regulations made under paragraph 14 of Schedule 1A, the estimated amount of the cash equivalent is less than the amount for which paragraph 12(1) of Schedule 1A provides—
    - (i) a statement to that effect and an explanation,
    - (ii) an estimate of the date (if any) by which it will be possible to make available a cash equivalent which is not less than the amount for which paragraph 12(1) of Schedule 1A provides, and
    - (iii) a statement of the member's rights to obtain further estimates.
9. Whether any transfer value (not being a cash equivalent within the meaning of Part II of Schedule 1A) is available to the member or would be available to him if his pensionable service were to terminate, and if so—
- (a) an estimate of its amount, calculated on the basis that the member's pensionable service terminated or will terminate on one particular date;
  - (b) the accrued rights to which it relates;
  - (c) whether any part of the estimated amount of the transfer value is attributable to additional benefits—
    - (i) which have been awarded at the discretion of the trustees, or
    - (ii) which will be awarded at their discretion if their established custom continues unaltered,
 and in either case whether that part is attributable to the whole or only to part of those benefits; and
  - (d) if the estimated amount of the transfer value has been reduced to an amount which is less than it otherwise would be because of an actuary's opinion that the scheme's assets are insufficient to meet its liabilities in full—
    - (i) a statement of that fact and explanation,
    - (ii) an estimate of the date (if any) by which it will be possible to make available a transfer value the amount of which is not so reduced, and
    - (iii) a statement of the member's rights to obtain further estimates.
10. Whether the member or prospective member is entitled to acquire transfer credits in exchange for a specified cash equivalent (within the meaning of Part II of Schedule 1A), provided by another scheme, and if so, a statement of those transfer credits.
11. Whether the member or prospective member is entitled to acquire transfer credits in exchange for any transfer payment provided by another scheme (not being a cash equivalent within the meaning of Part II of Schedule 1A), and if so, a statement of those transfer credits.
12. Whether a refund of contributions is available, or would be available in any circumstances, and in the latter case, a statement of the circumstances, and in either case, an estimate of the amount of the refund and an explanation of the method of calculating it.

### SCHEDULE 3

### Regulation 7

#### CONTENTS OF ACCOUNTS

1. An account of the financial additions to and withdrawals from the fund of the scheme during the scheme year to which the accounts relate.
2. A statement, as at the end of the scheme year to which the accounts relate, of the assets (which expression in this Schedule does not include such insurance policies as are mentioned in regulation 8(2)(b)(iii)) at market value, or a trustees' estimate thereof where market value is not readily ascertainable, and liabilities of the scheme, other than liabilities to pay pensions and benefits after the end of that scheme year—
  - (a) giving, in the case of any assets which are stated at an estimate of their market value, the reasons why;
  - (b) showing the distribution of the investments of the scheme between each of the following categories (so however that where none of the investments falls within a particular category, that fact is not required to be stated), namely—
    - (i) insurance policies;
    - (ii) public sector fixed interest investments;
    - (iii) other fixed interest investments;
    - (iv) index-linked securities;
    - (v) equities (including convertible shares);
    - (vi) property (which in this paragraph means any right or interest in freehold or leasehold land or buildings);
    - (vii) unit trusts invested in property;
    - (viii) other unit trusts;
    - (ix) managed funds (other than unit trusts) invested in property;
    - (x) other managed funds (not being unit trusts);
    - (xi) loans (whether or not secured by mortgages);
    - (xii) cash deposits and cash in hand;
    - (xiii) investments not included in heads (i) to (xii) above; and
  - (c) showing separately, in the case of investments in each category, investments in the United Kingdom and investments outside the United Kingdom, and in the case of investments mentioned in heads (vii) to (x) of sub-paragraph (b) investments where the company operating the unit trust or managed fund is, and investments where it is not, a company registered in the United Kingdom.
3. A reconciliation of the account mentioned in paragraph 1 with the statement mentioned in paragraph 2.
4. Where any assets or liabilities are denominated in currencies other than sterling, a translation of those assets into sterling and an explanation of the basis on which they have been translated.
5. Particulars of any investment in which more than 5 per cent. of the total value of the net assets of the scheme is invested, and if any such investment is an insurance policy, a statement of its main characteristics.
6. Particulars of any self-investment in excess of 5 per cent. of the total value of the net assets of the scheme.
7. In respect of every amount shown in the accounts, a statement of the corresponding amount for the scheme year previous to the one to which the accounts relate, except in a case where regulation 7 is complied with by trustees of a scheme for the first time.
8. The total amount of the purchases, and the total amount of the sales, of investments during the scheme year to which the accounts relate.

9. A statement whether the accounts have been prepared in accordance with parts 2 to 4 of the Statement of Recommended Practice No. 1, the guidelines published by the Accounting Standards Committee, current at the end of the scheme year to which the accounts relate, and if not, an indication of where there are any material departures from those guidelines.



FORM OF ACTUARY'S STATEMENT

ACTUARIAL STATEMENT MADE FOR THE PURPOSES OF REGULATION 8 OF THE OCCUPATIONAL PENSION SCHEMES (DISCLOSURE OF INFORMATION) REGULATIONS 1986

Name of scheme . . . . .

Effective date of valuation and statement . . . . .

1. Security of accrued rights

In my opinion, the scheme's assets existing on the effective date fully cover its liabilities as at that date with the following exceptions:

<i>Description of liability</i>	<i>Percentage covered</i>
.....	.....
.....	.....

The measure(s) to be taken to bring these to 100% and the date by which it is expected that this will be achieved are as follows:

.....  
.....  
.....  
.....

2. Security of prospective rights

In my opinion, the resources of the scheme are likely in the normal course of events to meet in full the liabilities of the scheme as they fall due. In giving this opinion, I have assumed that the following amounts will be paid to the scheme:

*Description of contributions*  
.....  
.....

3. Summary of methods and assumptions used

Signature . . . . .	Date . . . . .
Name . . . . .	Qualification . . . . .
Address . . . . .	Name of employer (if applicable)

## INFORMATION TO ACCOMPANY AUDITED ACCOUNTS AND ACTUARIAL STATEMENT

1. The names of the persons who were trustees of the scheme during the scheme year to which the information relates (in this Schedule called “the year”).
2. The provisions of the scheme for appointing trustees and removing them from office.
3. The names of any actuaries, auditors, solicitors, banks and other persons and organisations acting for or retained by the trustees during the year, with an indication (except in a case where regulation 9 is complied with by trustees of a scheme for the first time) of any change since the previous year.
4. The address to which enquiries about the scheme generally or about an individual’s entitlement to benefit should be sent.
5. Any changes since the previous year in the information specified in Schedule 1.
6. The number of members and beneficiaries as at any one date during the year.
7. The percentage increases made (otherwise than in accordance with a legislative requirement) during the year (or, if there have been different increases for different individuals or groups of individuals, the maximum, minimum and average percentage increases) to—
  - (a) pensions which were payable; and
  - (b) deferred pensions,with a statement whether the increases were to any extent discretionary, and if so to what extent.
8. A statement—
  - (a) whether any cash equivalents (within the meaning of Part II of Schedule 1A) paid during the year were calculated and verified in the manner prescribed by regulations under paragraph 14 of Schedule 1A;
  - (b) whether any of the cash equivalents paid during the year were less than the amount for which paragraph 12(1) of Schedule 1A provides, and if so—
    - (i) why they were less, and
    - (ii) when full values became, or are estimated to be likely to become, available.
9. If the auditor’s statement mentioned in regulation 7(5)(b) shows that in his opinion contributions payable to the scheme during the year have not been paid in accordance with the scheme rules or contracts under which they were payable, or with the recommendation of the actuary, if appropriate, an account of the reasons for the discrepancy and a statement how it has been or is likely to be resolved.
10. If any such discrepancy was left unresolved in a previous year, a statement how it has been or is likely to be resolved.
11. A review by the trustees of the financial development of the scheme during the year, as shown by the audited accounts, and its financial prospects, having regard to the actuarial valuation and statement (if any).
12. Who has managed the investment of the scheme during the year and the extent of any delegation of this function by the trustees.
13. The basis on which any investment manager is paid, and on which any fee or commission payable to him is calculated, if these costs are borne by the scheme.
14. An investment report containing—
  - (a) a statement by the trustees, or the investment manager, of the investment policies pursued during the year on behalf of the scheme, and any material changes in these policies during the year;

- (b) a review of the investment performance of the scheme's fund during the year, and the nature, disposition, marketability, security and valuation of the scheme's assets.

## EXPLANATORY NOTE

*(This Note is not part of the Regulations.)*

These regulations are either made under section 56A or 56E of the Social Security Pensions Act 1975 or made under paragraph 14(3) of Schedule 1A to that Act, and are made before the expiry of the period of 6 months beginning with the commencement (on 1st January 1986) of sections 2 and 3 of the Social Security Act 1985. Consequently, by virtue of section 26(1)(a) and (c) of the Social Security Act 1985, the provisions of section 61(2) and (3) of the Social Security Pensions Act 1975 (which require reference to the Occupational Pensions Board of, and a report by the Board on, proposals to make regulations for certain purposes of that Act) do not apply to them.

These regulations specify the information that is to be made available to certain persons, in certain circumstances, by the trustees of occupational pension schemes.

Regulation 2 defines the persons who are to be regarded as members or prospective members of an occupational pension scheme.

Regulation 3 provides for the conditions on which an occupational pension scheme is excepted from these regulations.

Regulation 4 provides for the trustees to make available documents containing information about the constitution of the scheme for inspection by specified persons, and for copies to be furnished on request on payment of a reasonable charge.

Regulation 5 and Schedule 1 provide for certain basic information about the scheme to be given by the trustees to every member on joining the scheme and to members and other specified persons on request, and for material alterations to be drawn to the attention of members.

Regulation 6 and Schedule 2 provide for the trustees to make information about individual benefit entitlement available to specified persons in specified circumstances.

Regulation 7 and Schedule 3 provide for the trustees to obtain audited accounts, including the auditor's report, and containing specified information, prepared by an auditor who fulfils certain requirements.

Regulation 8 and Schedule 4 provide for the trustees to obtain an actuarial statement and valuation in a certain form and at specified intervals, for the actuarial valuation to be made available for inspection and for copies to be furnished to specified persons on request on payment of a reasonable charge.

Regulation 9 and Schedule 5 provide for the trustees to make available copies of documents which contain the audited accounts, the actuarial statement and certain other information when requested by specified persons.

Regulation 10 provides that any question as to the recognition of a trade union for the purposes of collective bargaining in relation to the members of a scheme shall be referred to an industrial tribunal.

Regulation 11 relates to the service of documents by post.

Regulation 12 amends the Occupational Pension Schemes (Transfer Values) Regulations 1985.

The publication “Retirement Benefit Schemes—Actuarial Reports (GN9)”, referred to in regulation 8(1)(b), may be obtained from the Institute of Actuaries, Staple Inn Hall, High Holborn, London WC1V 7QJ, and from the Faculty of Actuaries, 23 St Andrew Square, Edinburgh EH2 1AQ.

The publication “Statement of Recommended Practice No. 1” (ISBN 085921 7457), referred to in paragraph 9 of Schedule 3, may be obtained from the Accounting Standards Committee, PO Box 433, Moorgate Place, London EC4P 2BJ.