
STATUTORY INSTRUMENTS

1996 No. 1715

**The Occupational Pension Schemes
(Scheme Administration) Regulations 1996**

PART I

INTRODUCTION

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Occupational Pension Schemes (Scheme Administration) Regulations 1996 and shall come into force on 6th April 1997.

^{F1}(2) In these Regulations—

“the 1995 Act” means the Pensions Act 1995;

[^{F2}“the 2004 Act” means the Pensions Act 2004;]

“the Taxes Act” means the Income and Corporation Taxes Act 1988 ^{M1};

^{F3} ...

“business days” means any day other than a Saturday, a Sunday, Christmas Day, Good Friday, or a bank holiday within the meaning of the Banking and Financial Dealings Act 1971 ^{M2};

[^{F4}“chair” means—

- (a) the person appointed as chair of the trustees or managers of a relevant scheme, in accordance with regulation 22;
- (b) the person appointed as chair of the trustees of a relevant scheme by someone other than the trustees, in accordance with the trust deed or scheme rules; or
- (c) in the case of a scheme established under section 67 of the Pensions Act 2008 (duty to establish a pension scheme), the person appointed as chair of the trustee corporation established under section 75 of that Act (trustee corporation);]

[^{F5}“insurance policy” means a contract of a kind referred to in [^{F6}Article 2(3) of the Solvency 2 Directive, but excluding a contract of a kind referred to in Article 2(3)(b)(iii) or (iv) of that Directive];]

^{F7} ...

[^{F8}“money purchase benefits” has the same meaning as in section 181(1) of the Pension Schemes Act 1993;

“money purchase scheme” means a pension scheme under which all the benefits that may be provided other than death benefits are money purchase benefits;]

^{F9} ...

[^{F4}“professional trustee body” means a body which—

- (a) was not established by an employer in relation to the scheme;

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- (b) is remunerated for its services as a trustee by one or more schemes;
- (c) has arranged a policy of indemnity insurance in relation to the exercise of its functions as a trustee of the scheme; and
- (d) is carrying out its functions as a trustee of the scheme in the ordinary course of a profession or business which consists of, or includes, providing and holding itself out as providing services in connection with the management or administration of trusts or any particular aspect of such management or administration, whether or not such services relate to a particular kind of trust;]

“public service pension scheme” has the same meaning as in section 1 of the Pension Schemes Act 1993;

[^{F10}“qualifying insurance policy” means an insurance policy issued by an insurer which is—

- (a) a person who has permission under Part 4 of the Financial Services and Markets Act 2000 (permission to carry on regulated activities) to effect or carry out contracts of long term insurance; or
- (b) an undertaking established in an EEA State (as defined in paragraph 8 of Schedule 3 to the Financial Services and Markets Act 2000) other than the United Kingdom, which is authorised by the competent authorities of that State to carry on the business of direct insurance for the class of assurance as listed in [^{F11} Annex II of the Solvency 2 Directive] in which the insurance policy falls;]

[^{F12}“registered scheme” means a scheme which, on or after 6th April 2006, is registered in accordance with section 153 of the Finance Act 2004 (registration of pension schemes);]

[^{F13}“relevant benefits” has the meaning given in section 393B of the Income Tax (Earnings and Pensions) Act 2003 (relevant benefits);]

[^{F14} “relevant multi-employer scheme” means a relevant scheme [^{F15}which is or has been] promoted as a scheme where participating employers need not be connected employers, except where—

- (a) the scheme has distinct sections relating to employers which are not connected employers and each of those sections is governed by different trustees or managers (or, where the scheme does not currently have participating employers which are not connected employers, it will have such sections when there are participating employers which are not connected employers); [^{F16}or]
- (b) the scheme is established under section 67 of the Pensions Act 2008; ^{F17}...
- (c) ^{F17}...]

[^{F18}“relevant scheme” means an occupational pension scheme which provides money purchase benefits other than—

- (a) an executive pension scheme;
- (b) a relevant small scheme;
- (c) a scheme that does not fall within paragraph 1 of Schedule 1 (description of schemes) to the Occupational and Personal Pension Schemes (Disclosure of Information) Regulations 2013;
- (d) a public service pension scheme which—
 - (i) falls within regulation 4(2) of those Regulations (limitations on application to certain public service pension schemes); or
 - (ii) does not fall within regulation 4(2) of those Regulations but is a public service pension scheme within the meaning of the 2004 Act; or
- (e) a scheme which provides no money purchase benefits other than benefits which are attributable to additional voluntary contributions;]

F19 ...

“relevant statutory scheme” has the same meaning as in section 611A of the Taxes Act(5);^{M3}

“scheme year” means—

- (a) a year specified for the purposes of the scheme in any document comprising the scheme or, if none, a period of 12 months commencing on 1st April or on such date as the trustees or managers select; or
- (b) such other period (if any) exceeding 6 months but not exceeding 18 months as is selected by the trustees or managers in connection with—
 - (i) the commencement or termination of the scheme, or
 - (ii) a variation of the date on which the year or period referred to in paragraph (a) is to commence;

[^{F20} “the Solvency 2 Directive” means [Directive 2009/138/EC](#) of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II);]

[^{F21} “specified qualifying insurance policy” means a qualifying insurance policy which is a contract falling within paragraph I or III of Part II of Schedule 1 to the Financial Services and Markets Act 2000 (Regulated Activities) Order 2001 (contracts of insurance);]

F22 ...

F23 ...

“unfunded occupational pension scheme” means an occupational pension scheme under which there is no requirement to set aside in advance resources related to the intended rate or amount of benefits; and

F1

[^{F24} “wholly insured scheme” means a trust scheme, other than a stakeholder pension scheme within the meaning of section 1 of the Welfare Reform and Pensions Act 1999, (meaning of “stakeholder pension scheme”), which has no investments other than specified qualifying insurance policies.]

[^{F25}(2ZA) For the purposes of the definition of “relevant multi-employer scheme”, a participating employer is “connected” to another employer where either of the following conditions is satisfied—

- (a) the first condition is that both employers—
 - (i) are or have been part of the same group of companies consisting of one or more holding companies and subsidiaries of any such companies within the meaning of section 1159(1) of the Companies Act 2006 (meaning of “subsidiary” etc.); or
 - (ii) are or have been partnerships, each having the same persons as at least half of its partners;
- (b) the second condition is that the participating employer which is not a company within the group referred to in paragraph (a)(i)—
 - (i) forms or formed a joint venture with that other employer within the group;
 - (ii) jointly employs or employed members of the scheme with that other employer within the group;
 - (iii) employs active members of the scheme following a transfer from that other employer within the group;
 - (iv) holds, held, controls or controlled at least 20% of the voting power in that other employer within the group; or

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(v) is or was an employer 20% of whose voting power is or was held or controlled by that other employer within the group.]

[^{F26}(2ZB) For the purposes of the definition of “relevant scheme”—

“executive pension scheme” means a scheme—

- (a) in relation to which a company is the only employer and the sole trustee; and
- (b) the members of which are either current or former directors of the company and include at least one third of the current directors;

“relevant small scheme” means a scheme with fewer than 12 members, where—

- (a) all the members are trustees of the scheme and either—
 - (i) the provisions of the scheme provide that any decision made by the trustees is made by the unanimous agreement of the trustees who are members of the scheme; or
 - (ii) the scheme has a trustee who is independent in relation to the scheme for the purposes of section 23 of the 1995 Act (power to appoint independent trustees), and is registered in the register maintained by the Authority (as defined in that Act) in accordance with regulations made under subsection (4) of that section; or
- (b) all the members are directors of a company which is the sole trustee of the scheme and either—
 - (i) the provisions of the scheme provide that any decision made by the company in its capacity as a trustee is made by the unanimous agreement of the directors who are members of the scheme; or
 - (ii) one of the directors of the company is independent in relation to the scheme for the purposes of section 23 of the 1995 Act and is registered in the register maintained by the Authority (as defined in that Act) in accordance with regulations maintained under subsection (4) of that that section.]

[^{F27}(2A) For the purposes of the definition of “wholly insured scheme”, “investments” shall not include—

- (a) cash held on deposit by the trustees or managers pending payment to the insurer or to members of the scheme;
 - (b) cash held on deposit by the trustees or managers to meet accrued liabilities or administrative expenses; or
 - (c) any investments arising from voluntary contributions.]
- (3) In these Regulations, unless the context otherwise requires, a reference—
- (a) to a numbered regulation is to the regulation bearing that number in these Regulations;
 - (b) in a regulation to a numbered paragraph is to the paragraph bearing that number in that regulation.

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| F1 | Words in reg. 1(2) substituted (30.8.2005, 22.9.2005 for specified purposes, 6.4.2006 in so far as not already in force) by Occupational Pension Schemes (Administration and Audited Accounts) (Amendment) Regulations 2005 (S.I. 2005/2426) , regs. 1(2) , 3(2) |
| F2 | Words in reg. 1(2) inserted (30.12.2005) by The Occupational Pension Schemes (Scheme Funding) Regulations 2005 (S.I. 2005/3377) , regs. 1 , 20(1) , Sch. 3 para. 4(2) |
| F3 | Words in reg. 1(2) omitted (6.4.2006) by virtue of Occupational Pension Schemes (Administration and Audited Accounts) (Amendment) Regulations 2005 (S.I. 2005/2426) , regs. 1(2)(c) , 4(2)(a)(i) |
| F4 | Words in reg. 1(2) inserted (6.4.2015) by The Occupational Pension Schemes (Charges and Governance) Regulations 2015 (S.I. 2015/879) , regs. 1(2) , 16(1)(a) |

- F5** Words in reg. 1(2) inserted (6.4.2006) by Occupational and Personal Pension Schemes (Miscellaneous Amendments) Regulations 2006 (S.I. 2006/778) , regs. 1(1)(a) , **4(2)(a)**
- F6** Words in reg. 1(2) substituted (1.1.2016) by The Solvency 2 Regulations 2015 (S.I. 2015/575), reg. 1(2), **Sch. 2 para. 6(2)(c)**
- F7** Words in reg. 1(2) omitted (1.1.2016) by virtue of The Solvency 2 Regulations 2015 (S.I. 2015/575), reg. 1(2), **Sch. 2 para. 6(2)(a)**
- F8** Words in reg. 1(2) substituted (6.4.1997) by The Personal and Occupational Pension Schemes (Miscellaneous Amendments) Regulations 1997 (S.I. 1997/786) , reg. 1**Sch. 1 para. 11(2)(a)**
- F9** Words in reg. 1(2) omitted (6.4.2006) by virtue of Occupational Pension Schemes (Administration and Audited Accounts) (Amendment) Regulations 2005 (S.I. 2005/2426) , regs. 1(2)(c) , **4(2)(a)(ii)**
- F10** Words in reg. 1(2) inserted (6.4.06) S.I. 2006/778, **reg. 1(2)**, 4(2)(b)
- F11** Words in reg. 1(2) substituted (1.1.2016) by The Solvency 2 Regulations 2015 (S.I. 2015/575), reg. 1(2), **Sch. 2 para. 6(2)(d)**
- F12** Words in reg. 1(2) inserted (6.4.2006) by Occupational Pension Schemes (Administration and Audited Accounts) (Amendment) Regulations 2005 (S.I. 2005/2426) , regs. 1(2)(c) , **4(2)(b)**
- F13** Words in reg. 1(2) substituted (6.4.2006) by Occupational Pension Schemes (Administration and Audited Accounts) (Amendment) Regulations 2005 (S.I. 2005/2426) , regs. 1(2)(c) , **4(2)(c)**
- F14** Words in reg. 1(2) inserted (6.4.2015) by The Occupational Pension Schemes (Charges and Governance) Regulations 2015 (S.I. 2015/879) , regs. 1(2) , **21(a)**
- F15** Words in reg. 1(2) substituted (6.4.2016) by The Occupational Pension Schemes (Scheme Administration) (Amendment) Regulations 2016 (S.I. 2016/427), regs. 1, **3**
- F16** Word in reg. 1(2) inserted (6.4.2016) by The Occupational Pension Schemes (Charges and Governance) Regulations 2015 (S.I. 2015/879), regs. 1(3), **23(a)**
- F17** Words in reg. 1(2) omitted (6.4.2016) by virtue of The Occupational Pension Schemes (Charges and Governance) Regulations 2015 (S.I. 2015/879), regs. 1(3), **23(b)**
- F18** Words in reg. 1(2) inserted (6.4.2015) by The Occupational Pension Schemes (Charges and Governance) Regulations 2015 (S.I. 2015/879) , regs. 1(2) , **14(a)**
- F19** Words in reg. 1(2) omitted (6.4.2006) by virtue of Occupational Pension Schemes (Administration and Audited Accounts) (Amendment) Regulations 2005 (S.I. 2005/2426) , regs. 1(2)(c) , **4(2)(a)(iv)**
- F20** Words in reg. 1(2) inserted (1.1.2016) by The Solvency 2 Regulations 2015 (S.I. 2015/575), reg. 1(2), **Sch. 2 para. 6(2)(b)**
- F21** Words in reg. 1(2) inserted (6.4.06) by S.I. 2006/778, **reg. 1**, 4(2)(c)
- F22** Words in reg. 1(2) omitted (6.4.2006) by virtue of Occupational Pension Schemes (Administration and Audited Accounts) (Amendment) Regulations 2005 (S.I. 2005/2426) , regs. 1(2)(c) , **4(2)(a)(v)**
- F23** Words in reg. 1(2) omitted (6.4.2006) by virtue of Occupational Pension Schemes (Administration and Audited Accounts) (Amendment) Regulations 2005 (S.I. 2005/2426) , regs. 1(2)(c) , **4(2)(a)(iii)**
- F24** Words in reg. 1(2) substituted (6.4.2006) by Occupational and Personal Pension Schemes (Miscellaneous Amendments) Regulations 2006 (S.I. 2006/778) , regs. 1(1)(a) , **4(2)(d)**
- F25** Reg. 1(2ZA) substituted (6.4.2016) by The Occupational Pension Schemes (Scheme Administration) (Amendment) Regulations 2016 (S.I. 2016/427), regs. 1, **4**
- F26** Reg. 1(2ZB) inserted (6.4.2015) by The Occupational Pension Schemes (Charges and Governance) Regulations 2015 (S.I. 2015/879) , regs. 1(2) , **14(b)**
- F27** Reg. 1(2A) inserted (6.4.2006) by Occupational and Personal Pension Schemes (Miscellaneous Amendments) Regulations 2006 (S.I. 2006/778) , regs. 1(1)(a) , **4(2)(e)**

Modifications etc. (not altering text)

- C1** Reg. 1 applied (1.10.2000) by The Stakeholder Pension Schemes Regulations 2000 (S.I. 2000/1403) , regs. 1(2) , 32 , **Sch. 2**

Marginal Citations

- M1** 1988 c.1 .
- M2** 1971 c.80 .

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M3 Section 611A was inserted by paragraph 15 of Schedule 6 to the Finance Act 1989.

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