
STATUTORY INSTRUMENTS

2024 No. 451 (C. 27)

PENSIONS

**The Pension Schemes Act 2021 (Commencement
No. 8 and Transitional Provisions) Regulations 2024**

Made - - - - *2nd April 2024*

The Secretary of State makes these Regulations in exercise of the powers conferred by section 131(1) and (5) of the Pension Schemes Act 2021⁽¹⁾.

Citation and extent

1.—(1) These Regulations may be cited as the Pension Schemes Act 2021 (Commencement No. 8 and Transitional Provisions) Regulations 2024.

(2) These Regulations extend to England and Wales and Scotland.

Commencement

2. The day appointed for the coming into force of the following provisions of the Pension Schemes Act 2021, insofar as they are not already in force, is 6th April 2024—

- (a) section 123 (funding of defined benefit schemes);
- (b) Schedule 10 (funding of defined benefit schemes).

Transitional provisions

3. Section 222 of the Pensions Act 2004⁽²⁾, in so far as it relates to a particular pension scheme, is to continue to have effect without the amendment made by paragraph 3 of Schedule 10 to the Pension Schemes Act 2021, until such time as that scheme is required to have, in accordance with regulations made under section 221A of the Pensions Act 2004, a funding and investment strategy⁽³⁾.

4. Section 224 of the Pensions Act 2004, in so far as it relates to a particular pension scheme, is to continue to have effect without the amendment made by paragraph 4 of Schedule 10 to the Pension Schemes Act 2021, until such time as that scheme obtains an actuarial valuation with an effective date⁽⁴⁾ on or after 22nd September 2024.

(1) 2021 c. 1.

(2) 2004 c. 35.

(3) See section 221A of the Pensions Act 2004 for the meaning of “funding and investment strategy”.

(4) See section 224 of the Pensions Act 2004 for the meaning of “actuarial valuation” and “effective date”.

Status: This is the original version (as it was originally made). This item of legislation is currently only available in its original format.

Signed by authority of the Secretary of State for Work and Pensions

2nd April 2024

Jo Churchill
Minister of State
Department for Work and Pensions

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations bring into force provisions of the Pension Schemes Act 2021 (c. 1) (“the 2021 Act”). They are the eighth commencement regulations to be made under the 2021 Act.

Regulation 2 appoints 6th April 2024 as the day for the coming into force of section 123 (funding of defined benefit schemes) of, and Schedule 10 (funding of defined benefit schemes) to, the 2021 Act, insofar as they are not already in force.

Section 123 introduces Schedule 10, which amends the Pensions Act 2004 (c. 35) (“the 2004 Act”) by inserting new sections 221A (funding and investment strategy) and 221B (statement of strategy) into the 2004 Act. Section 221A requires defined benefit pension scheme trustees or managers to have a funding and investment strategy for ensuring that pensions and other scheme benefits can be provided over the long term. The strategy must specify the funding level and the investments that trustees or managers intend the scheme to have at a relevant date or dates. Section 221B requires trustees or managers to prepare a statement of strategy that sets out their funding and investment strategy. Trustees or managers must also include their assessment of how successfully the strategy is being implemented and the key risks faced by the scheme along with any mitigations. The statement of strategy must be signed by the chair of the trustee board and where a scheme does not have a chair, they must appoint one.

Schedule 10 also amends sections 222 (the statutory funding objective), 224 (actuarial valuations and reports), 226 (recovery plan), 229 (matters requiring agreement of employer) and 231 (powers of the Pensions Regulator) of the 2004 Act. The amendment to section 222 adds a new subsection (2A) which requires the scheme’s technical provisions to be calculated in a way that is consistent with the scheme’s funding and investment strategy, as set out in the scheme’s statement of strategy. The amendment to section 224 adds a new subsection (7A) requiring trustees or managers to send a copy of an actuarial valuation to the Pensions Regulator, together with such other information as may be prescribed. The amendment to section 226 adds a new subsection (3A) which provides regulation making powers to prescribe the matters that should be considered or the principles to be followed in determining whether a recovery plan is appropriate having regard to the nature and circumstances of the scheme. The amendment to section 229 adds the funding and investment strategy to the matters requiring the agreement of the employer. The amendments to section 231 extend the Pensions Regulator’s powers to oversee the new funding and investment strategy.

Schedule 10 also makes minor and consequential amendments to sections 60 (registrable information), 80 (offences of providing false or misleading information) and 316 (Parliamentary control of subordinate legislation) of the 2004 Act.

Regulation 3 is a transitional provision in relation to the commencement of paragraph 3 of Schedule 10 to the 2021 Act. Regulation 3 provides that section 222 of the 2004 Act remains in effect in relation to a particular pension scheme, without the new subsection (2A), until that scheme is required to have a funding and investment strategy.

Regulation 4 is a transitional provision in relation to the commencement of paragraph 4 of Schedule 10 to the 2021 Act. Regulation 4 provides that section 224 of the 2004 Act remains in effect in relation to a particular pension scheme, without the new subsection (7A), until that scheme obtains an actuarial valuation with an effective date on or after 22nd September 2024.

An impact assessment has been produced in relation to the provisions of the 2004 Act and a copy is available at www.legislation.gov.uk.

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A hard copy of this impact assessment can be obtained from the Department for Work and Pensions, Caxton House, 6 – 12 Tothill Street, London, SW1H 9NA.

NOTE AS TO EARLIER COMMENCEMENT REGULATIONS

(This note is not part of the Regulations)

The following provisions of the Pension Schemes Act 2021 (c. 1) have been brought into force by commencement regulations made before the date of these Regulations.

<i>Provision</i>	<i>Date of Commencement</i>	<i>S.I. No.</i>
Part 1 except paragraph 19 of Schedule 3 (for all remaining purposes)	01.08.2022	2022/721
Section 48 (partially)	13.12.2021	2021/1394
Section 103(1) to (3)	01.10.2021	2021/950
Section 103(4) (partially)	31.05.2021	2021/620
Section 103(4) (for all remaining purposes)	01.10.2021	2021/950
Section 104 (partially)	01.10.2021	2021/950
Section 105	01.10.2021	2021/950
Section 106	01.10.2021	2021/950
Section 107	01.10.2021	2021/950
Section 108	01.10.2021	2021/950
Section 109(2) (partially)	31.05.2021	2021/620
Section 110(1)	01.10.2021	2021/950
Section 110(2) (partially)	31.05.2021	2021/620
Section 110(2) (for all remaining purposes)	01.10.2021	2021/950
Section 110(3) and (4)	01.10.2021	2021/950
Section 111 (partially)	01.10.2021	2021/950
Section 111(1) (partially)	29.06.2022	2022/721
Section 111(2)(b) (partially)	29.06.2022	2022/721
Section 111 (for all remaining purposes)	01.08.2022	2022/721
Section 112 (partially)	31.05.2021	2021/620
Section 112 (for all remaining purposes)	01.10.2021	2021/950
Section 113 (partially)	01.10.2021	2021/950
Section 113 (partially)	01.08.2022	2022/721
Section 114	01.10.2021	2021/950
Section 115	01.10.2021	2021/950
Section 116 (partially)	31.05.2021	2021/620
Section 116 (partially)	25.06.2021	2021/752

<i>Provision</i>	<i>Date of Commencement</i>	<i>S.I. No.</i>
Section 116 (partially)	29.06.2022	2022/721
Section 116 (for all remaining purposes)	01.08.2022	2022/721
Section 118 (for all remaining purposes)	14.10.2022	2022/1044
Section 119 (for all remaining purposes)	14.10.2022	2022/1044
Section 121 (for all remaining purposes)	14.10.2022	2022/1044
Section 122 (partially)	14.10.2022	2022/1044
Section 124	31.05.2021	2021/620
Section 125(2) and (6) (partially)	31.05.2021	2021/620
Section 125 (for all remaining purposes)	30.11.2021	2021/1236
Section 126	31.05.2021	2021/620
Section 127(2) (partially)	31.08.2021	2021/950
Section 127(2) (for all remaining purposes)	Immediately before 01.10.2021	2021/950
Section 128 (partially)	01.08.2022	2022/721
Section 127(3) and (4)	01.10.2021	2021/950
Paragraph 11 of Schedule 3 (partially)	13.12.2021	2021/1394
Paragraph 13 of Schedule 3	13.12.2021	2021/1394
Paragraphs 23 to 25 of Schedule 3	13.12.2021	2021/1394
Paragraph 1 of Schedule 7	01.10.2021	2021/950
Paragraph 2 of Schedule 7 (partially)	31.05.2021	2021/620
Paragraph 2 of Schedule 7 (partially)	25.06.2021	2021/752
Paragraph 2 of Schedule 7 (partially)	01.10.2021	2021/950
Paragraphs 3 to 6 of Schedule 7 (partially)	01.10.2021	2021/950
Paragraph 7 of Schedule 7 (partially)	01.10.2021	2021/950
Paragraph 8 of Schedule 7 (partially)	31.05.2021	2021/620
Paragraph 8 of Schedule 7 (for all remaining purposes)	01.10.2021	2021/950
Paragraphs 9 to 11 of Schedule 7	01.10.2021	2021/950
Paragraph 12 of Schedule 7 (partially)	25.06.2021	2021/752
Paragraph 12 of Schedule 7 (for all remaining purposes)	01.10.2021	2021/950
Paragraphs 13 to 20 of Schedule 7	29.06.2022	2022/721
Schedule 7 (for all remaining purposes)	01.08.2022	2022/721