2012 No. 539

PENSIONS

The Occupational and Personal Pension Schemes (Levies - Amendment) Regulations 2012

Made - - - -	*25th February 2012*
Laid before Parliament	*1st March 2012*
Coming into force -	*1st April 2012*

The Secretary of State for Work and Pensions makes the following Regulations in exercise of the powers conferred by sections 175(1) to (3), 181(1) and 182(2) of the Pension Schemes Act 1993**(a)** and sections 117(1) and (3), 315(2) and 318(1) of the Pensions Act 2004**(b)**.

In accordance with section 185(1) of the Pension Schemes Act 1993**(c)** and section 317(1) of the Pensions Act 2004, the Secretary of State has consulted with such persons as the Secretary of State considers appropriate.

In accordance with section 117(4) of the Pensions Act 2004, the Secretary of State has consulted the Board of the Pension Protection Fund**(d)**.

Citation and commencement

1.—(1) These Regulations may be cited as the Occupational and Personal Pension Schemes (Levies - Amendment) Regulations 2012.

(2) They come into force on 1st April 2012.

[Regulation 2 amend regulations 6(2) & 7(2) of S.I. 2005/626.]

▶[1]◀

[1]Reg. 3 revoked by reg. 2(2)(c) of S.I. 2015/84 as from 1.4.15.

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

Steve Webb
Minister of State,
Department for Work and Pensions

25th February 2012

(a) 1993 c. 48. Section 175 was substituted by section 165 of the Pensions Act 1995 (c. 26). Section 175(1) was amended by paragraph 26(2) of Schedule 1 and by Schedule 13 to the Pensions Act 2004 (c. 35) and by S.I. 2010/22. Section 175(3) was amended by paragraph 26(3) of Schedule 1 to the Pensions Act 2004. Section 181(1) is cited for the meaning it gives to "prescribed" and "regulations".

(b) 2004 c. 35. Section 318(1) is cited for the meaning it gives to "prescribed" and "regulations".

(c) Section 185(1) was amended by paragraph 46 of Schedule 3 and paragraph 80(a) of Schedule 5 to the Pensions Act 1995.

(d) The Board of the Pension Protection Fund is established under section 107 of the Pensions Act 2004.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Occupational and Personal Pension Schemes (General Levy) Regulations 2005 (S.I. 2005/626) ("the General Levy Regulations") and the Occupational Pension Schemes (Levies) Regulations 2005 (S.I. 2005/842) ("the Administration Levy Regulations").

Regulation 2 substitutes regulations 6(2) and 7(2) of the General Levy Regulations. This specifies the new figures to be used in calculating the rate at which the general levy is payable. The new figures apply for each financial year starting with the one which begins on 1st April 2012.

The purpose of the general levy is to meet the expenditure mentioned in section 175(1) of the Pension Schemes Act 1993 (c. 48). Specified occupational and personal pension schemes pay the general levy (see regulation 3 of the General Levy Regulations). The general levy is used to fund the Pensions Regulator, the Pensions Advisory Service and the Pensions Ombudsman.

Regulation 3 substitutes regulation 6(2) of the Administration Levy Regulations. This specifies the new figures to be used in calculating the rate at which the administration levy is payable. The new figures apply for each financial year starting with the one which begins on 1st April 2012.

The purpose of the administration levy is to meet the expenditure of the Secretary of State mentioned in section 117(1) of the Pensions Act 2004 (c. 35). Eligible occupational pension schemes pay the administration levy (see regulation 4 of the Administration Levy Regulations). The administration levy is used to fund administration expenses of the Board of the Pension Protection Fund.

These Regulations reduce costs for business and civil society organisations overall. A full impact assessment has not been published for these Regulations as they amend an existing statutory levy regime and the associated administrative costs are negligible.