

Changes to legislation: There are currently no known outstanding effects for the Pension Schemes Act 2021, SCHEDULE 3. (See end of Document for details)

SCHEDULES

SCHEDULE 3

Section 48

COLLECTIVE MONEY PURCHASE BENEFITS: MINOR AND CONSEQUENTIAL AMENDMENTS

Pension Schemes Act 1993 (c. 48)

1 The Pension Schemes Act 1993 is amended as follows.

Commencement Information

- I1** Sch. 3 para. 1 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I2 Sch. 3 para. 1 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

- 2 (1) Section 84 (basis of revaluation of accrued benefits) is amended as follows.
- (2) In subsection (3), after “money purchase benefit” insert “ other than a collective money purchase benefit ”.
- (3) After subsection (3A) insert—
- “(3AA) If any such benefit as is mentioned in section 83(1)(a) is a collective money purchase benefit, the benefit shall be revalued using the cash balance method.”

Commencement Information

- I3** Sch. 3 para. 2 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I4 Sch. 3 para. 2 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

- 3 In section 101AI (right to cash transfer sum and contribution refund: further provisions), in subsection (8)—
- (a) in paragraph (a), at the end insert—
- “(xiii) regulations made under section 18(4) of or paragraph 1(6) of Schedule 2 to the Pension Schemes Act 2021;
- (xiv) sections 34, 39, 41, 42 and 45 of the Pension Schemes Act 2021;”;
- (b) in paragraph (b), at the end insert—
- “(xi) sections 18(7)(b), 34(5), 39(6), 41(6), 42(2) and 45(5) of and paragraph 1(7) of Schedule 2 to the Pension Schemes Act 2021.”

Commencement Information

- I5** Sch. 3 para. 3 in force at Royal Assent for specified purposes, see s. 131(3)(a)

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I6 Sch. 3 para. 3 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

- 4 In section 186 (Parliamentary control of orders and regulations), in subsection (3) (statutory instruments subject to affirmative resolution procedure), after paragraph (f) insert “, or
 (g) regulations under section 99(2)(c), or
 (h) regulations under section 99A(2)(b),”.

Commencement Information

- I7** Sch. 3 para. 4 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I8 Sch. 3 para. 4 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

- 5 In Schedule 3 (methods of revaluing accrued pension benefits), in paragraph 3A (the cash balance method), for “cash balance benefit” substitute “benefit”.

Commencement Information

- I9** Sch. 3 para. 5 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I10 Sch. 3 para. 5 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

Pensions Act 1995 (c. 26)

- 6 The Pensions Act 1995 is amended as follows.

Commencement Information

- I11** Sch. 3 para. 6 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I12 Sch. 3 para. 6 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

- 7 In section 51 (annual increase in rate of pension), after subsection (1) insert—
 “(1A) Where a pension scheme is divided into sections, each section that is a collective money purchase scheme for the purposes of Part 1 of the Pension Schemes Act 2021 (see section 1(2)(b) of that Act) is to be treated for the purposes of this section as a separate occupational pension scheme which is a money purchase scheme.”

Commencement Information

- I13** Sch. 3 para. 7 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I14 Sch. 3 para. 7 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

- 8 In section 75 (deficiencies in the assets of certain occupational pension schemes), after subsection (1) insert—
 “(1A) Where a pension scheme is divided into sections, each section that is a collective money purchase scheme for the purposes of Part 1 of the Pension Schemes Act 2021 (see section 1(2)(b) of that Act) is to be treated for the purposes of this section as a separate occupational pension scheme which is a money purchase scheme.”

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- I15** Sch. 3 para. 8 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I16 Sch. 3 para. 8 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

- 9 In section 87 (schedules of payments to money purchase schemes), after subsection (1) insert—

“(1A) Where a pension scheme is divided into sections, each section that is a collective money purchase scheme for the purposes of Part 1 of the Pension Schemes Act 2021 (see section 1(2)(b) of that Act) is to be treated for the purposes of this section and section 88 as an occupational pension scheme which is a money purchase scheme.”

Commencement Information

- I17** Sch. 3 para. 9 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I18 Sch. 3 para. 9 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

- 10 In section 89 (application of further provisions to money purchase schemes), at the end insert—

“(3) Where a pension scheme is divided into sections, each section that is a collective money purchase scheme for the purposes of Part 1 of the Pension Schemes Act 2021 (see section 1(2)(b) of that Act) is to be treated for the purposes of this section as a separate money purchase scheme.”

Commencement Information

- I19** Sch. 3 para. 10 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I20 Sch. 3 para. 10 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

Pensions Act 2004 (c. 35)

- 11 The Pensions Act 2004 is amended as follows.

Commencement Information

- I21** Sch. 3 para. 11 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I22 Sch. 3 para. 11 in force at 13.12.2021 for specified purposes by S.I. 2021/1394, reg. 2(b)
I23 Sch. 3 para. 11 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

- 12 In section 13 (improvement notices), in subsection (7), after paragraph (h) insert—
“(i) Part 1 of the Pension Schemes Act 2021.”

Commencement Information

- I24** Sch. 3 para. 12 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I25 Sch. 3 para. 12 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

- 13 (1) Section 90 (codes of practice) is amended as follows.

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- (2) In subsection (2) (matters on which the Pensions Regulator must issue codes of practice), after paragraph (jb) insert—
- “(jc) the process for making an application under Part 1 of the Pension Schemes Act 2021 for authorisation of a collective money purchase scheme;
 - (jd) the matters that the Pensions Regulator expects to take into account in deciding whether it is satisfied that a pension scheme meets the authorisation criteria under that Part (see section 9 of the Pension Schemes Act 2021);”.
- (3) In subsection (6), in the definition of “the pensions legislation”—
- (a) omit the “or” at the end of paragraph (f);
 - (b) after paragraph (g) insert “, or
 - (h) Part 1 of the Pension Schemes Act 2021.”

Commencement Information

I26 Sch. 3 para. 13 in force at Royal Assent for specified purposes, see s. 131(3)(a)

I27 Sch. 3 para. 13 in force at 13.12.2021 in so far as not already in force by S.I. 2021/1394, reg. 2(a)

- 14 (1) Section 93(2) (regulatory functions of the Pensions Regulator) is amended as follows.
- (2) In paragraph (pa)—
- (a) after “strategy” insert “ for Master Trust scheme ”;
 - (b) omit the “and” at the end.
- (3) After paragraph (pa) insert—
- “(pb) the power to give a direction under section 23(2) of the Pension Schemes Act 2021 (direction to obtain actuarial valuation or take other steps to remedy or mitigate failure in relation to a collective money purchase scheme),
 - (pc) the power to give a notice under section 29(1) or (4) of that Act (risk notices),
 - (pd) the power to give a direction under section 29(6) of that Act (direction to implement proposals in a resolution plan),
 - (pe) the power to give a direction under section 39(4) of that Act (direction to submit implementation strategy), and”.

Commencement Information

I28 Sch. 3 para. 14 in force at Royal Assent for specified purposes, see s. 131(3)(a)

I29 Sch. 3 para. 14 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

- 15 In section 97(5) (special procedure: applicable cases), after paragraph (tf) insert—
- “(tg) the power under section 30 of the Pension Schemes Act 2021 to withdraw authorisation of a collective money purchase scheme;
 - (th) the power to make a pause order under section 44 of that Act;
 - (ti) the power to make an order under paragraph 2(2) of Schedule 2 to that Act extending the period for which a pause order has effect;

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- (tj) the power to make an order under paragraph 3 of that Schedule validating action taken in contravention of a pause order;
- (tk) the power to make an order under paragraph 4(3) of that Schedule directing the notification of members or employers;”.

Commencement Information

- I30** Sch. 3 para. 15 in force at Royal Assent for specified purposes, see s. 131(3)(a)
- I31** Sch. 3 para. 15 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

16 In section 126 (schemes eligible for pension protection), after subsection (1) insert—

“(1A) Where a scheme is divided into sections, each section that is a collective money purchase scheme for the purposes of Part 1 of the Pension Schemes Act 2021 (see section 1(2)(b) of that Act) is to be treated for the purposes of this Part as a separate money purchase scheme.”

Commencement Information

- I32** Sch. 3 para. 16 in force at Royal Assent for specified purposes, see s. 131(3)(a)
- I33** Sch. 3 para. 16 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

17 In section 249A (requirement for an effective system of governance), in subsection (3) (exceptions), after paragraph (e) insert—

“(f) an authorised collective money purchase scheme within the meaning of Part 1 of the Pension Schemes Act 2021.”

Commencement Information

- I34** Sch. 3 para. 17 in force at Royal Assent for specified purposes, see s. 131(3)(a)
- I35** Sch. 3 para. 17 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

18 In section 254 (representative of non-European scheme to be treated as trustee), in subsection (3)—

- (a) omit the “or” at the end of paragraph (d);
- (b) after paragraph (e) insert “, or
- (f) Part 1 of the Pension Schemes Act 2021.”

Commencement Information

- I36** Sch. 3 para. 18 in force at Royal Assent for specified purposes, see s. 131(3)(a)
- I37** Sch. 3 para. 18 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

19 In section 291 (duty of trustees or managers to act consistently with law of host member State), in subsection (4)—

- (a) omit the “or” at the end of paragraph (d);
- (b) after paragraph (e) insert “, or
- (f) Part 1 of the Pension Schemes Act 2021.”

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I38 Sch. 3 para. 19 in force at Royal Assent for specified purposes, see s. 131(3)(a)

- 20 In section 318 (general interpretation), in subsection (3)—
- (a) in paragraph (a), after sub-paragraph (xiii) insert—
- “(xiv) regulations under section 18(4) of or paragraph 1(6) of Schedule 2 to the Pension Schemes Act 2021;
- (xv) sections 34, 39, 41, 42 and 45 of the Pension Schemes Act 2021;”;
- (b) in paragraph (b), after sub-paragraph (xi) insert—
- “(xii) sections 18(7)(b), 34(5), 39(6), 41(6), 42(2) and 45(5) of and paragraph 1(7) of Schedule 2 to the Pension Schemes Act 2021.”

Commencement Information

I39 Sch. 3 para. 20 in force at Royal Assent for specified purposes, see s. 131(3)(a)

I40 Sch. 3 para. 20 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

- 21 In Schedule 2 (the reserved regulatory functions), after Part 4A insert—

“PART 4B

FUNCTIONS UNDER PART 1 OF THE PENSION SCHEMES ACT 2021

- 44H The power to give a direction under section 23(2) (direction to obtain actuarial valuation or take other steps to remedy or mitigate failure in relation to a collective money purchase scheme).
- 44I The power to give a direction under section 29(6) (direction to implement proposals in a resolution plan).
- 44J The power under section 30 to withdraw authorisation of a collective money purchase scheme.
- 44K The power to give a direction under section 41(4) (direction to pursue a continuity option).
- 44L The power to make a pause order under section 44.
- 44M The power to make an order under paragraph 2(2) of Schedule 2 extending the period for which a pause order has effect.
- 44N The power to make an order under paragraph 3 of Schedule 2 validating action taken in contravention of a pause order.
- 44O The power to make an order under paragraph 4(3) of Schedule 2 directing the notification of members or employers.”

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I41 Sch. 3 para. 21 in force at Royal Assent for specified purposes, see s. 131(3)(a)

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I42 Sch. 3 para. 21 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

Pensions Act 2008 (c. 30)

- 22 In section 31 of the Pensions Act 2008 (effect of freezing order, assessment period or pause order: qualifying schemes), in subsection (3) (meaning of “freezing event” and “relevant provision”)—
- (a) in the definition of “freezing event”—
 - (i) omit the “or” at the end of each of paragraphs (a) and (b);
 - (ii) at the end of paragraph (c) insert “, or
 - (d) the making of a pause order under section 44 of the Pension Schemes Act 2021;”;
 - (b) in the definition of “relevant provision”, in paragraph (c), after “2017” insert “ or (as the case may be) section 44 of the Pension Schemes Act 2021 ”.

Commencement Information

- I43** Sch. 3 para. 22 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I44 Sch. 3 para. 22 in force at 1.8.2022 in so far as not already in force by S.I. 2022/721, reg. 3(a)

Pensions Act 2014 (c. 19)

- 23 The Pensions Act 2014 is amended as follows.

Commencement Information

- I45** Sch. 3 para. 23 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I46 Sch. 3 para. 23 in force at 13.12.2021 in so far as not already in force by S.I. 2021/1394, reg. 2(a)

- 24 In section 54(2) (regulations subject to affirmative procedure), omit the “or” after paragraph (e) and at the end of paragraph (f) insert “, or
- (g) the first regulations under paragraph 1 or 3 of that Schedule that make provision in relation to collective money purchase schemes within the meaning of Part 1 of the Pension Schemes Act 2021 (see section 1 of that Act).”

Commencement Information

- I47** Sch. 3 para. 24 in force at Royal Assent for specified purposes, see s. 131(3)(a)
I48 Sch. 3 para. 24 in force at 13.12.2021 in so far as not already in force by S.I. 2021/1394, reg. 2(a)

- 25 (1) Schedule 18 (power to restrict charges or impose requirements in relation to schemes) is amended as follows.
- (2) In paragraph 1(1) (power to restrict charges), in each of paragraphs (a) and (b), for “a member” substitute “ members ”.
 - (3) In paragraph 4 (interpretation), after sub-paragraph (2) insert—

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“(3) Where a pension scheme is divided into sections, each section that is a collective money purchase scheme for the purposes of Part 1 of the Pension Schemes Act 2021 (see section 1(2)(b) of that Act) is to be treated for the purposes of this Schedule as a separate scheme.”

Commencement Information

I49 Sch. 3 para. 25 in force at Royal Assent for specified purposes, see s. 131(3)(a)

I50 Sch. 3 para. 25 in force at 13.12.2021 in so far as not already in force by S.I. 2021/1394, reg. 2(a)

Changes to legislation:

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