STATUTORY INSTRUMENTS

2001 No. 104

PENSIONS

The Stakeholder Pension Schemes (Amendment) Regulations 2001

Made - - - -	*18th January 2001*
Laid before Parliament	*23rd January 2001*
Coming into force - -	*14th February 2001*

The Secretary of State for Social Security, in exercise of powers conferred by sections 1(2), (3) and (7), 8(1)(**1**) and 83(4) and (6) of the Welfare Reform and Pensions Act 1999(**2**), and of all other powers enabling him in that behalf, hereby makes the following Regulations:

Citation, commencement and interpretation

1.—(1) These Regulations may be cited as the Stakeholder Pension Schemes (Amendment) Regulations 2001 and shall come into force on 14th February 2001.

(2) In these Regulations, a reference to a numbered regulation is to the regulation bearing that number in the Stakeholder Pension Schemes Regulations 2000(**3**).

Amendment of regulation 2

2. For regulation 2(2) substitute—

"(2) The manager of the scheme must be a person who is—

(a) mentioned in section 632(1) of the Income and Corporation Taxes Act(**4**) (establishment of schemes); or

(b) the authorised corporate director of an open-ended investment company.

(3) In this regulation "authorised corporate director" and "open-ended investment company" each has the same meaning as in the Open-ended Investment Companies (Tax) Regulations 1997(**5**).".

(**1**) Section 8(1) is cited for the meaning given to "prescribed".
(**2**) 1999 c. 30.
(**3**) S.I.2000/1403.
(**4**) 1988 c. 1. Section 632(1) was amended by the Personal Pension Schemes (Establishment of Schemes) Order 1988, S.I. 1988/993 and by the Personal Pension Schemes (Establishment of Schemes) Order 1997, S.I. 1997/2388.
(**5**) S.I. 1997/1154, amended by S.I. 1997/1715.

Amendment of regulation 3

3.—(1) Regulation 3 (requirements applying to all stakeholder pension schemes as regards instruments establishing such schemes) shall be amended as follows.

(2) In paragraph (1) for "the acceptance of contributions, transfer payments and pension credits" substitute—

"the acceptance of credits within the meaning of section 29 (pension sharing: creation of pension debits and credits), contributions and transfer payments".

(3) After paragraph (5) insert—

"(5A) Subject to paragraphs (10) and (11) and to regulation 17(1), except to the extent necessary to ensure that the scheme has tax-exemption or tax-approval, the scheme instruments must preclude membership of the scheme being restricted by reference to—

(a) financial status;

(b) the amount of contributions to be made to the scheme;

(c) the manner in which contributions may be made to the scheme.".

(4) After paragraph (9) insert—

"(10) Paragraph (5A) shall not preclude membership being restricted by reference to—

(a) employment with a particular employer or in a particular trade or profession; or

(b) membership of a particular organisation.

(11) The scheme instruments may permit restrictions on payment of contributions by means of cash or a credit card.".

Amendment of regulation 4

4.—(1) Regulation 4 (additional requirements as regards instruments establishing a stakeholder pension scheme established under a trust) shall be amended as follows.

(2) Omit paragraphs (1) and (2).

(3) In paragraph (3) for "The trust instruments" substitute—

"The instruments establishing a stakeholder pension scheme established under a trust ("the trust instruments")".

Revocation of regulation 5

5. Omit regulation 5 (additional requirements as regards instruments establishing a stakeholder pension scheme not established under a trust).

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

Jeff Rooker,
Minister of State,
Department of Social Security

18th January 2001

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations are the first set of amendments to the Stakeholder Pension Schemes Regulations 2000 ("the principal Regulations"). The principal Regulations are amended—

—	to permit stakeholder schemes established otherwise than under a trust ("non-trust schemes") to restrict membership of the scheme by reference to employment or to membership of a particular organisation. (Schemes established under a trust ("trust schemes") are already permitted to do this.) (regulations 3(3) and (4), 4 and 5);
—	to clarify, for both non-trust and trust schemes, that restrictions may be imposed on payment of contributions by cash or credit card (regulation 3(4));
—	to include the authorised corporate director of an open-ended investment company among the categories of person who may be the manager of a non-trust scheme (regulation 2); and
—	to clarify the reference in regulation 3(1) of the principal Regulations to "pension credits" (regulation 3(2)).

These Regulations impose no new costs on business.

The impact on business of the introduction of stakeholder pension schemes under the Welfare Reform and Pensions Act 1999 and the principal Regulations is detailed in the Regulatory Impact Assessment (as revised) relating to the Welfare Reform and Pensions Bill (which was introduced in the House of Commons on 10th February 1999). A copy of that Assessment has been placed in the libraries of both Houses of Parliament. A copy of it can also be obtained from the Department of Social Security, Regulatory Impact Unit, 3rd Floor, the Adelphi, 1-11 John Adam Street, London WC2N 6HT.