



2016 CHAPTER 1

PART 2

COLLECTIVE BENEFITS

*Introduction and nature of collective benefits*

**Duty to set targets for collective benefits**

9.—(1) Regulations may require the trustees or managers of a pension scheme to set targets in relation to any collective benefits that may be provided by the scheme.

(2) The regulations may, in particular—

- (a) impose requirements about the way that targets are expressed;
- (b) impose requirements about the recording or publication of targets;
- (c) require the trustees or managers to set initial targets at a level which ensures that the probability of meeting the targets falls within a range specified in the regulations;
- (d) require the trustees or managers to obtain a certificate from an actuary certifying that, in the opinion of the actuary, the initial targets have been set at a level that complies with regulations under paragraph (c).

(3) Regulations made in reliance on subsection (2)(d) may, in particular—

- (a) require the trustees or managers to obtain the certificate from an actuary who has specified qualifications or meets other specified requirements;
- (b) make provision about the content of the certificate;
- (c) set out matters to which the actuary must have regard;

(d) require the trustees or managers to provide a copy of the actuary's certificate to a specified person.

(4) In this section "target" means a target, relating to the rate or amount of a benefit, that is unenforceable.