



2021 CHAPTER 6

PART 1

Master Trusts

Authorisation: applications etc

Prohibition on operating a scheme unless authorised

3.—(1) A person may not operate a Master Trust scheme unless the scheme is authorised.

(2) Article 10 of the Pensions (Northern Ireland) Order 1995 (in this Act referred to as “the 1995 Order”) (civil penalties) applies to a person who breaches subsection (1).

(3) If the Regulator becomes aware that a Master Trust scheme is operating without authorisation, it must notify the trustees of the scheme that the scheme is not authorised.

(4) The notification must include an explanation that it is a triggering event for the purposes of sections 20 to 33 and of the trustees’ duties under those sections.

(5) For the purposes of this Part, a person “operates” a Master Trust scheme if the person—

- (a) accepts money from members or employers (or prospective members or employers), in respect of fees, charges, contributions or otherwise, in relation to the scheme, or
- (b) enters into an agreement with an employer that relates to the provision of pension savings for employees or other workers,

and references to a scheme that is “operating” or “in operation” are to be construed accordingly.

Application for authorisation

4.—(1) The trustees of a Master Trust scheme may apply to the Regulator for authorisation.

(2) The application must include the following—

- (a) the scheme’s latest accounts;
- (b) the latest accounts of each scheme funder;
- (c) the scheme’s business plan (see section 9);
- (d) the scheme’s continuity strategy (see section 12).

(3) In considering an application, the Regulator may take into account any matters it considers appropriate, including—

- (a) additional information provided by the applicant, and
- (b) subsequent changes to the application or to any information provided by the applicant.

(4) The application must be made in the manner and form specified by the Regulator.

(5) The Department may make regulations setting out—

- (a) other information to be included in an application, and
- (b) the application fee payable to the Regulator.

(6) Regulations under this section are subject to negative resolution.

Decision on application

5.—(1) Where an application is made for authorisation of a Master Trust scheme under section 4, the Regulator must decide whether it is satisfied that the scheme meets the authorisation criteria.

(2) The Regulator must make that decision within the period of six months beginning with the day on which it received the application.

(3) The authorisation criteria are—

- (a) that the persons involved in the scheme are fit and proper persons (see section 7),
- (b) that the scheme is financially sustainable (see section 8),
- (c) that each scheme funder meets the requirements set out in section 10,
- (d) that the systems and processes used in running the scheme are sufficient to ensure that it is run effectively (see section 11), and
- (e) that the scheme has an adequate continuity strategy (see section 12).

- (4) If the Regulator is satisfied that the Master Trust scheme meets the authorisation criteria, it must—
- (a) grant the authorisation,
 - (b) notify the applicant of its decision, and
 - (c) add the scheme to its list of authorised Master Trust schemes (see section 13).
- (5) If the Regulator is not satisfied that the Master Trust scheme meets the authorisation criteria, it must—
- (a) refuse to grant the authorisation, and
 - (b) notify the applicant of its decision.
- (6) A notification under subsection (5) must also include—
- (a) the reasons for the decision, and
 - (b) details of the right of referral to the First-tier Tribunal or Upper Tribunal (see section 6).

Referral to Tribunal of refusal to grant authorisation

- 6.—**(1) If the Regulator refuses to grant authorisation to a Master Trust scheme, the decision may be referred to the Tribunal by—
- (a) the trustees, or
 - (b) any other person who appears to the Tribunal to be directly affected by the decision.
- (2) For the purposes of this Act, any reference in section 3 of the Tribunals, Courts and Enforcement Act 2007 to “any other Act” includes a reference to an Act of the Assembly.
- (3) In this section—
- “the Tribunal”, in relation to a referral under subsection (1), means—
- (a) the First-tier Tribunal, in any case where it is determined by or under Tribunal Procedure Rules that the First-tier Tribunal is to hear the reference;
 - (b) the Upper Tribunal, in any other case;
- “First-tier Tribunal” and “Upper Tribunal” mean those tribunals established under section 3 of the Tribunals, Courts and Enforcement Act 2007;
- “Tribunal Procedure Rules” has the same meaning as in the Tribunals, Courts and Enforcement Act 2007.