
DRAFT STATUTORY INSTRUMENTS

2024 No.

The Occupational Pension Schemes (Funding and Investment Strategy and Amendment) Regulations 2024

PART 3

STATEMENT OF STRATEGY

Supplementary matters

14. For the purposes of section 221B(2)(d) of the Act (statement of strategy), the other supplementary matters prescribed are set out in Schedule 2.

Review and revision of Part 2 of a scheme's statement of strategy

15. For the purposes of section 221B(4) of the Act (statement of strategy), the trustees or managers must review and, if necessary in the light of that review, revise Part 2 of the scheme's statement of strategy and prepare a replacement statement of strategy incorporating it as soon as reasonably practicable after any review of the scheme's funding and investment strategy, whether or not the scheme's funding and investment strategy is revised.

Requirements for chair of trustees

16. A chair of the trustees who signs a statement of strategy prepared for a trust scheme⁽¹⁾ on behalf of the trustees under section 221B(6) of the Act (statement of strategy: trust schemes) must be—

- (a) an individual who is a trustee of the scheme,
- (b) a professional trustee body which is a trustee of the scheme, or
- (c) where a company which is not a professional trustee body is a trustee of the scheme, an individual who is a director of that company and through whom the company exercises its functions as trustee of the scheme, or a professional trustee body which is a director of that company.

Part 2 of a scheme's statement of strategy – level of detail

17.—(1) This regulation makes provision regarding the level of detail required in Part 2 of a statement of strategy.

(2) In relation to the supplementary matter in paragraph 7 of Schedule 2 (the level of risk in relation to the intended investment of the assets of the scheme relating to the actuarial valuation to which the funding and investment strategy relates) Part 2 must set out the proportion of the assets allocated to different categories of investments.

(1) By virtue of section 233 of the Act, "trust scheme" is defined by section 124(1) of the Pensions Act 1995.

(3) In setting out the matters in paragraphs 6 (how maturity is expected to change over time), 7 to 9 (investment risk) and 11 to 12 (employer covenant) of Schedule 2, the trustees or managers must explain the evidence on which these are based.

(4) The Regulator may exercise a discretion as to the level of detail required in respect of each matter set out in Schedule 2, as the Regulator considers appropriate.

Form of statement of strategy

18. The statement of strategy must be submitted in a form as set out by the Regulator.

Statement of strategy to the Regulator

19.—(1) The trustees or managers of a scheme must send a statement of strategy to the Regulator at such times and on such occasions as are specified in paragraphs (2) to (4).

(2) If the funding and investment strategy is revised after the Regulator has given directions under section 231(2)(b)(i) of the Act (power of the Regulator to give directions in relation to the calculation of technical provisions), the trustees or managers must send the statement of strategy as soon as reasonably practicable—

- (a) after the period of three months beginning with the date of directions if the effective date of the valuation is before the date of the directions, or
- (b) after the period of six months beginning with the effective date of the valuation if that is on or after the date of the directions.

(3) Where the Regulator directs the trustees or managers of a scheme to revise the scheme's funding and investment strategy under section 231(2)(aa) of the Act, the trustees or managers must send the statement of strategy as soon as reasonably practicable after the period of three months beginning with the date of the direction.

(4) In all other cases, after the trustees or managers of a scheme have prepared or revised the funding and investment strategy, they must send the statement of strategy to which the funding and investment strategy relates as soon as is reasonably practicable.