



Pensions Act 2004

2004 CHAPTER 35

PART 2

THE BOARD OF THE PENSION PROTECTION FUND

CHAPTER 3

PENSION PROTECTION

The levies

178 The levy ceiling

- (1) The Secretary of State must, before the beginning of each financial year for which levies are required to be imposed under section 175, specify by order the amount which is to be the levy ceiling for that year for the purposes of section 177.
- (2) An order under subsection (1) in respect of the first financial year for which levies are imposed under section 175 may be made only with the approval of the Treasury.
- (3) Subject to subsection (8), the amount specified under subsection (1) for a financial year (“the current year”) after the first year for which levies are imposed under section 175 must be—
 - (a) where it appears to the Secretary of State that the level of earnings in the review period has increased, the amount specified under subsection (1) for the previous financial year increased by the earnings percentage for that review period specified under subsection (6), and
 - (b) in any other case, the amount specified under subsection (1) for the previous financial year.
- (4) In subsection (3)—

“level of earnings” means the general level of earnings obtaining in Great Britain;

Status: This is the original version (as it was originally enacted).

“review period” in relation to the current year means the period of 12 months ending with the prescribed date in the previous financial year.

- (5) For the purposes of subsection (3), the Secretary of State must, in respect of each review period, review the general level of earnings obtaining in Great Britain and any changes in that level; and for the purposes of such a review the Secretary of State may estimate the general level of earnings in such manner as he thinks appropriate.
- (6) Where it appears to the Secretary of State that the general level of earnings has increased during the review period, he must by order specify the percentage by which that level has so increased (“the earnings percentage”).
- (7) The Secretary of State must discharge the duties imposed by subsections (5) and (6) in respect of a review period before the beginning of the prescribed period which ends at the time the first financial year after the review period begins.
- (8) The Secretary of State may, on the recommendation of the Board and with the approval of the Treasury, make an order under subsection (1) in respect of a financial year which specifies an amount exceeding the amount required to be specified under subsection (3).
- (9) Before making a recommendation for the purposes of subsection (8), the Board must consult such persons as it considers appropriate in the prescribed manner.