



Pension Schemes Act 2021

2021 CHAPTER 1

PART 1

COLLECTIVE MONEY PURCHASE BENEFITS

Authorisation

7 Authorisation of collective money purchase schemes

- (1) A person may not operate a collective money purchase scheme unless the scheme is authorised.
- (2) Section 10 of the Pensions Act 1995 (civil penalties) applies to a person who breaches subsection (1).
- (3) If the Pensions Regulator becomes aware that a collective money purchase scheme is being operated without authorisation, it must notify the trustees of the scheme that the scheme is not authorised.
- (4) The notification must—
 - (a) explain that the notification is a triggering event (see section 31), and
 - (b) include an explanation of the trustees' duties under sections 31 to 45.
- (5) For the purposes of this section a person “operates” a collective money purchase scheme if, in relation to the scheme, the person accepts—
 - (a) money paid by a member (or prospective member), or
 - (b) money paid by an employer (or prospective employer) in respect of contributions, fees, charges or anything else except—
 - (i) the costs of setting up the scheme, or
 - (ii) costs relating to obtaining authorisation for the scheme.