
EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations insert new paragraphs (5), (6) and (7) into regulation 3 of the Occupational Pension Schemes (Scheme Administration) Regulations 1996 which provides for exemptions from certain requirements, in section 47 of the Pensions Act 1995, as to the appointment of, and reliance on, professional advisers in relation to the management of pension schemes. The new paragraphs disapply section 47(3) of that Act (which provides for sanctions against trustees or managers of schemes who rely on the skill or judgement of advisers whom they have not themselves appointed) where reliance is placed on certain persons exercising functions concerned with the custody of scheme assets.

An assessment of the compliance cost for employers of the measures arising from the Pensions Act 1995, including these Regulations, has been placed in the libraries of both Houses of Parliament. Copies can be obtained by post from the Department of Social Security, Occupational and Personal Pensions Policy, 3rd Floor, The Adelphi, 1—11 John Adam Street, London WC2N 6HT.