

---

## EXPLANATORY NOTE

*(This note is not part of the Regulations)*

These Regulations largely supplement amendments of the Pensions Act 1995 (“the 1995 Act”) made by the Child Support, Pensions and Social Security Act 2000 and designed to speed up the winding up of occupational pension schemes.

Regulation 1 relates to the citation, commencement and interpretation of these Regulations.

Regulation 2 amends regulation 5 of the Occupational Pension Schemes (Disclosure of Information) Regulations 1996 so as to require the trustees of a scheme which is being wound up to give members copies of reports given to the Occupational Pensions Regulatory Authority (“the Authority”) about winding up if they request them.

Regulation 3(1) prescribes the period within which insolvency practitioners must appoint independent trustees of trust schemes where the employer is insolvent.

Regulations 3(2) and (3), and 4 to 7 relate to the obligations to give notices connected with insolvency of employers to the Authority under sections 26A to 26C of the 1995 Act. Regulations 3(2) and (3) and 4 make provision about the period for giving the notices. Regulation 5 prescribes the underwriters of certain scheme policies and contracts and investment management advisers as persons who are exempted from obligations to give notices. Regulation 6 prescribes the kinds of schemes which are excluded from the obligations. Regulation 7 prescribes the maximum civil penalties for failure to give notices.

Regulation 8 prescribes matters connected with applications to the Authority under section 71A of the 1995 Act to modify schemes to secure their winding up, including the content of the applications and the notices to be given in connection with them.

Regulations 9 to 11 relate to reports to the Authority under section 72A of the 1995 Act where winding up has not been completed. Regulation 9 prescribes time limits for making the first reports. It provides that the obligation to make the reports applies to schemes that started winding up on or after 1st April 1973, and sets out a series of time limits within which schemes beginning to wind up at different times must make their first reports. Regulation 10 prescribes what the reports must contain, and regulation 11 exempts certain schemes from the requirement to make the reports.

Regulation 12 prescribes the purposes for which the general interpretation provisions in section 124(3A) to (3D) of the 1995 Act about when schemes begin winding up do not apply.

Regulation 13 sets out what records about decisions concerning winding up must contain and extends the obligations to keep records to persons other than trustees or managers where they make determinations about winding up. It also makes provision for the imposition of civil penalties on such persons if they contravene those obligations.

Regulation 14 relates to the directions the Authority may give to facilitate the winding up of schemes. It sets out the persons failure to give information to whom enables the Authority to give the directions, the circumstances in which directions may be given before the first report is due to be made to the Authority about the winding up, and the persons on whom requirements may be imposed and to whom information may be required to be given. It also prescribes the time limit for applying for an extension of the period within which steps required by directions must be taken.

An assessment of the cost to business of the provisions in these Regulations was included in the Regulatory Impact Assessment that accompanied the Child Support, Pensions and Social Security Act 2000. A copy of that assessment has been placed in the libraries of both Houses of Parliament. Copies can be obtained from the Department for Work and Pensions, Regulatory Impact Unit, Level 3, The Adelphi, 1–11 John Adam Street, London, WC2N 6HT. There are no additional costs associated with these Regulations.

**Changes to legislation:**

There are currently no known outstanding effects for the The Occupational Pension Schemes (Winding Up Notices and Reports etc.) Regulations 2002.