
STATUTORY INSTRUMENTS

2005 No. 441

The Pension Protection Fund (Multi-employer Schemes) (Modification) Regulations 2005

PART 2

SEGREGATED SCHEMES:

SINGLE EMPLOYER SECTIONS

Notification of insolvency events, confirmation of scheme status etc.

3.—(1) Section 120 of the Act (duty to notify insolvency events in respect of employers) shall be modified in its application to a section of a segregated scheme to which regulation 2 applies so that it shall be read as if—

- (a) for the words “in the case of an occupational pension scheme, an insolvency event occurs in relation to the employer” in subsection (1), there were substituted the words “in the case of a multi-employer scheme which is divided into two or more sections (“a segregated scheme”), an insolvency event occurs in relation to an employer in relation to a section of the scheme in circumstances where that employer is the only employer in relation to that section”; and
- (b) after subsection (2), there were inserted the following subsection—

“(2A) Where the trustees or managers of a section of a segregated scheme receive a notice from an insolvency practitioner under subsection (2), they must send a copy of that notice as soon as practicable to the trustees or managers of each section of the scheme (if different) and to all the employers in relation to the scheme.”.

(2) Section 122 of the Act (insolvency practitioner’s duty to issue notices confirming status of the scheme) shall be modified in its application to a section of a segregated scheme to which regulation 2 applies so that it shall be read as if—

- (a) for the words “employer in relation to an occupational pension scheme” in subsection (1), there were substituted the words “employer in relation to a section of a segregated scheme in circumstances where that employer is the only employer in relation to that section”;
- (b) in subsection (2)—
 - (i) after the words “a scheme rescue is not possible” in paragraph (a), there were inserted the words “in relation to the relevant section of the scheme”; and
 - (ii) after the words “a scheme rescue has occurred” in paragraph (b), there were inserted the words “in relation to the relevant section of the scheme”;
- (c) for the words “in relation to the scheme” in subsection (4), there were substituted the words “in relation to the relevant section of the scheme”;
- (d) for the words “in relation to an occupational pension scheme” in paragraphs (a) and (b) of subsection (5), there were substituted the words “in relation to a section of a segregated scheme”; and

(e) after subsection (6), there were inserted the following subsection—

“(6A) Where the trustees or managers of a section of a segregated scheme receive a copy of a notice issued by an insolvency practitioner or former insolvency practitioner under subsection (6), they must send a copy of that notice as soon as practicable to the trustees or managers of each section of the scheme (if different) and to all the employers in relation to the scheme.”.

(3) Section 123 of the Act (approval of notices issued under section 122) shall be modified in its application to a section of a segregated scheme to which regulation 2 applies so that it shall be read as if, after subsection (4), there were inserted the following subsection—

“(4A) Where the trustees or managers of a section of a segregated scheme receive a copy of a determination notice issued by the Board under subsection (4), they must send a copy of that notice as soon as practicable to the trustees or managers of each section of the scheme (if different) and to all the employers in relation to the scheme.”.

(4) Section 124 of the Act (Board’s duty where there is a failure to comply with section 122) shall be modified in its application to a section of a segregated scheme to which regulation 2 applies so that it shall be read as if—

(a) for the words “in relation to an occupational pension scheme” in subsection (1), there were substituted the words “in relation to a section of a segregated scheme in circumstances where the employer is the only employer in relation to that section”; and

(b) after subsection (4), there were inserted the following subsection—

“(4A) Where the trustees or managers of a section of a segregated scheme receive a copy of a notice issued by the Board under section 122 by virtue of this section, they must send a copy of that notice as soon as practicable to the trustees or managers of each section of the scheme (if different) and to all the employers in relation to the scheme.”.

(5) Section 125 of the Act (binding notices confirming status of scheme) shall be modified in its application to a section of a segregated scheme to which regulation 2 applies so that it shall be read as if—

(a) after subsection (3), there were inserted the following subsection—

“(3A) Where the trustees or managers of a section of a segregated scheme receive a notice from the Board under subsection (3) together with a copy of the binding notice, they must send a copy of the notice and the binding notice as soon as practicable to the trustees or managers of each section of the scheme (if different) and to all the employers in relation to the scheme.”; and

(b) for the words “ceases to be involved with the scheme” in paragraph (b) of subsection (4), there were substituted the words “ceases to be involved with the relevant section of the scheme”.